

The Assembly met at 2 p.m.

Prayers

ROUTINE PROCEEDINGS

PRESENTING REPORTS BY STANDING, SELECT AND SPECIAL COMMITTEES

Standing Committee on Private Members' Bills

DEPUTY CLERK: — Ms. Zazelenchuk, from the Standing Committee on Private Members' Bills, presents the fifth report of the said committee, which is as follows:

Your committee has duly examined the undermentioned petitions for private bills and finds that the provisions of rules 56, 57, and 60 have been fully complied with.

Of is Excellency James P. Mahoney, Roman Catholic Bishop of Saskatoon, the Very Reverend Leonard Morand, Rector of St. Paul's Roman Catholic Cathedral, Winifred O'Rourke, Robert Ferguson, and Ronald Olson, all of the city of Saskatoon, praying for an act of incorporation.

Of the Saskatchewan Association of Rural Municipalities, praying for an act to amend its act of incorporation.

Of the Crown Trust Company and Central Trust Company, praying for an act to effect the substitution of Central Trust Company for Crown Trust Company as fiduciary, and the vesting of property associated with the said trust in the Central Trust Company.

MS. ZAZELENCHUK: — I move, seconded by the member for Quill Lakes:

That the fifth report of the Standing Committee on Private Members' Bills be now concurred in.

Motion agreed to.

NOTICES OF MOTIONS AND QUESTIONS

MR. ENGEL: — Thank you, Mr. Speaker. I have a notice of motion for a first reading bill. I give notice that I shall, on Monday next, move first reading of a bill, An Act respecting the Protection of Farm Property.

SOME HON. MEMBERS: Hear, hear!

INTRODUCTION OF GUESTS

HON. MR. BLAKENEY: — Mr. Speaker, I'd would like to introduce to the House a guest from the province of Manitoba. He is the Hon. Peter Adam, Minister of Government Services in the Government of Manitoba, and member of that legislature for the constituency of Ste. Rose. He's sitting behind the rail, and I would ask him to stand and be greeted.

HON. MEMBERS: Hear, hear!

HON. MR. BLAKENEY: — Mr. Speaker, he's accompanied by someone well known in this House, Mr. Wes Robbins, the former member for Saskatoon Nutana, and, from time to time,

minister of finance, health, revenue, consumer affairs, and co-ops, I believe, as he says, facetiously, in some vain attempt to find some portfolio which he could handle.

HON. MEMBERS: Hear, hear!

MR. YEW: — Thank you, Mr. Speaker. I would like to introduce to you, and through you, and to members of the Legislative Assembly, a group of eight students accompanied with their teacher, Ted Hawes. This group is from north-east Saskatchewan, a community called Creighton. They are presently taking a life skills training course with the North East Community College. I wish them a very interesting and educational tour. They'll be with us for question period. After question period, I will visit with them briefly and join them in a discussion over lunch. I would like to invite all members of the Legislative Assembly in joining me in welcoming this group from Creighton.

HON. MEMBERS: Hear, hear!

HON. MR. MUIRHEAD: — Mr. Speaker, it is with great pleasure I introduce to you and the members of the Assembly approximately 40 grade 8 students from the Allan High School. They are sitting in the west gallery. They are accompanied by their teacher, Ernie Melnyk, Mrs. Lachapelle, Mrs. Hauk, Mrs. Weininger, Mr. Weininger, and Mr. Crawford. I wish you a very informative day. I will be meeting with you in the rotunda at approximately 3 o'clock for pictures and refreshments. I ask all members of the Assembly to welcome these people in the proper manner. Thank you, Mr. Speaker.

HON. MEMBERS: Hear, hear!

MR. SHILLINGTON: — Thank you, Mr. Speaker. I take a particular pleasure in welcoming to the Legislative Assembly 28 students from Connaught School, accompanied by their teacher, Russ Marchuk. I take a particular pleasure, in part, because our two children attend this school, although they are not in the class that's here today. I take a particular pleasure, as well, because I find that few students from my constituency actually come here. Last year my learned friend from Cumberland introduced more groups of students than I did, and his travelled several hundred miles. I guess familiarity make breed a disinterest. So I want to congratulate the teacher and the students in taking the interest to come, and I look forward to the opportunity later on to meet with you and discuss what you see here today.

HON. MEMBERS: Hear, hear!

HON. MR. BERNTSON: — Mr. Speaker, I'm pleased to introduce to you, and through you to the members of the legislature, Ambassador Patrick Reid, Commissioner General for Expo '86, the world's fair being held in Vancouver, beginning May 2, 1986. Mr. Reid has had a long and an illustrious career representing Canada in the world of international expositions. He is a recognized world leader in organizing these events.

I would also like to introduce to you, Mr. Speaker, Mr. Bob Dawson, Deputy commissioner General for Expo '86, and Mr. Gordon Staseson, president of the Sask Expo '86 Corporation. The Premier, I, and other members of the board had the pleasure of joining with these gentlemen earlier today in Saskatoon and Regina in a signing ceremony marking Saskatchewan's commitment to participate in Expo '86. I might say, Mr. Speaker, that Saskatchewan is the first participant to formally sign such a commitment. We welcome these gentlemen to Regina. We wish them and Mr. Staseson well in carrying out the activities leading up to what, I'm told, will be the largest special category exposition ever held in North America. Mr. Speaker, Ambassador Reid and Deputy Commissioner Bob Dawson and Gordon Staseson in the Speaker's gallery. Thank you very much.

ORAL QUESTIONS

Proposed Family Farm Protection Act

MR. ENGEL: — Mr. Speaker, I have a question to the Minister of Agriculture. A few minutes ago I served notice that I will be introducing a bill called The Family Farm Protection Act. This legislation is similar to a bill that was introduced in 1971. This bill will give Saskatchewan farmers, who are in financial trouble, a breathing space. This bill will give a breathing space, Mr. Speaker.

MR. SPEAKER: — Order, please. If the member has a question, would you proceed with it.

MR. ENGEL: — Thank you, Mr. Speaker. This bill will give Saskatchewan farmers . .

MR. SPEAKER: — Order. The member is discussing a bill that will be introduced. A specific question could be taken, but not discussion of a bill that's to come before the House.

MR. ENGEL: — Will you, Mr. Minister of Agriculture, give your support to a bill that will . . will you give your support to a bill that will keep farmers farming in Saskatchewan that are in trouble for one year, give them a chance to recover from their financial trouble?

HON. MR. HEPWORTH: — Mr. Speaker, since I have no knowledge of the bill, it's kind of hard for me to comment on what I might or might not do, having not seen it. And if the hon. member would like to know what I am prepared to do for Saskatchewan farmers, I can either go into it here on my feet during question period again today like I did about a week ago and get set down by the Speaker, or you can wait approximately a half an hour, and I will get into a detailed discussion of the exciting agriculture budget for '84-85.

SOME HON. MEMBERS: Hear, hear!

MR. ENGEL: — Mr. Speaker, I didn't ask the minister that. I asked the minister, in light of the fact that your budget does not help the farmer that's in trouble, there's no provision for farmers in trouble, will you support the principle that's outlined in similar legislation that we had in place, if you can remember, in 1971? Will you support that kind of principle to give the farmers some protection under an act?

HON. MR. HEPWORTH: — In response to the hon. members' question about the fact that there is nothing in the budget for helping financially distressed farmers, I would only have to draw his attention to, in fact, the budget address that was delivered here a week or so ago and point to page 4, item number 2:

A \$4 million fund will be established to assist financially troubled farmers with viable operations who need temporary assistance. This will be a government-funded but farmer-run program.

And that's just one of the many things that we are prepared to do for Saskatchewan farmers, giving that some out there are facing difficult financial times.

SOME HON. MEMBERS: Hear, hear!

MR. LINGENFELTER: — Mr. Speaker, a new question to the Minister of Agriculture. I would like to find out from the minister whether or not he would consider introducing a farm operating loan guarantee program, similar to the one which has been introduced and is in place in Manitoba, which assists farmers in guaranteeing a loan in the face of the fact that many banks are refusing farmers operating loans in order to plant the crop and buy the fuel. I wonder whether or not you would consider today, in your speech, introducing a farm operating loan guarantee program similar to what is in place in Manitoba?

HON. MR. HEPWORTH: — For the hon. member's information, in fact, already through the Agricultural Credit Corporation of Saskatchewan, we do have loans that we do guarantee. As well . .

AN HON. MEMBER: — For operating? For operating capital?

HON. MR. HEPWORTH: — Yes, for operating . . (inaudible interjection) . . That may well be. And you may well find as well that, in fact, when the legislation is presented and the regulations are put together on the counselling and assistance for farmer fund, that, in fact, that could also be one of the tools that they might have access to. But I wouldn't want to preclude the privilege of the House and suggest that before the legislation is brought here.

Grant to City of Melville from Sask Power

MR. LUSNEY: — Thank you, Mr. Speaker. I have a question for the minister responsible for the Saskatchewan Power Corporation. This has to do with the grant from Sask Power to the city of Melville, which has about a \$60,000 shortfall in their budget because Sask Power did not give them the grant that they have in the past years. Mr. Minister, Sask Power has, since 1953, provided Melville with a grant of \$30,000 per year, in lieu of taxes, because they have taken over the Melville power contract. Could you tell us why you have refused to pay this grant to the city of Melville in 1983 and, again, in 1984?

HON. MR. McLAREN: — Mr. Speaker, in answer to the hon. member, we understand that there has been some problems with the grants in lieu of taxes which have gone back for many, many years, back into the '40s. And it's my understanding that the mayor of Melville has contacted my officials, and a meeting is being set up to discuss the matter. That's all I know as of today. But we will certainly be looking into their allegations.

MR. LUSNEY: — Supplementary to the minister. Mr. Minister, since you have refused to pay it for two years in a row now, why did you not at least contact the city of Melville in 1983, a year ago, that you were not going to pay this grant to them?

HON. MR. McLAREN: — Well, Mr. Speaker, we are saying that we are not saying that we are not going to pay any grants in lieu of taxes. There has been some internal problem between Melville and Sask Power, and our officials are looking at it, and we'll correct the situation if there is something wrong. Within the next few days we'll be meeting with the Melville group.

Contracting of Study to Associated Health Planners

MR. THOMPSON: — Thank you very much, Mr. Speaker. I direct my question, Mr. Speaker, to the Minister of Health. Yesterday I asked you a question in the House regarding a contract to a firm from Manitoba who are doing a study on productivity within the government and, particularly, in the Department of Health.

At this time could you indicate if the contract that they received was tendered or not?

HON. MR. TAYLOR: — Mr. Speaker, I'd be glad to answer the questions that the member asked me yesterday. In fact, I think the Leader of the Opposition was asking a few, too. I'd like to lay this information out.

The question was raised regarding an administrative and organizational review in Saskatchewan Health. It is true the name of the firm is Associated Health Planners. The date of the contract, which was asked for, was February 7, 1984. The estimated cost was \$68,000.

There was some question about Mr. Bud Sherman. I would say that Mr. Sherman does not hold any interest in Associated Health Planners, nor is he an employee of the firm. He was, Mr.

Speaker, independently contracted by the firm to act as a consulting advisor on this contract. Mr. Byron Milton and Mr. John James are shareholders, along with two other individuals, Melvin Mitchener and Wayne Kinraid.

Associated Health Planners is registered in Saskatchewan, Mr. Speaker. Saskatchewan incorporation under the names of James Milton Consulting Associates, commenced mid-February. That company will have a head office in Regina on the corner of 15th Avenue, and will pay Saskatchewan tax. The office is opening on April 2. And, by the way, they are doing some consulting work for the province of Manitoba on the Deer Lodge Centre, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. THOMPSON: — New question, Mr. Speaker, to the Minister of Health. You indicated that one Bud Sherman is not involved in this study. I want to, by way of information, Mr. Speaker, a letter signed by your deputy minister, indicating a review being conducted by Associated Health Planners, Bud Sherman and Byron Milton. This letter was signed by your deputy minister. You indicated that they were a Saskatchewan-based firm. However, their address is at 300 – 290 Vaughan Street in Winnipeg. My question to you then, Mr. Minister: will you indicate whether Bud Sherman has no interest in this firm, and was the contract tendered?

HON. MR. TAYLOR: — I will be very pleased to answer that, and repeat again for the member. I say that Mr. Sherman has no interest in the company. He was independently contracted by the firm to act as a consulting adviser.

Now the second part of the question, Mr. Speaker, that the hon. member asked was: was the contract tendered? Mr. Speaker, the contract was not tendered. But in view of this I would like to shed a little light on the actions of the past government in the tendering of contracts.

Mr. Speaker, to a firm, Booth/Kingras Architects from Toronto from 1977 to 1981, every year a contract, totalling \$428,633 – none of them tendered; to a certain Mr. Graham Clarkson, from 1975 to 1981, every year a contract, to the total of \$140,790 – not one tendered. And, Mr. Speaker, a name that is very familiar to the Leader of the Opposition opposite, consulting fees in 1981-82 to a Mr. Jack Kinzel, \$700 for two days work, not tendered.

SOME HON. MEMBERS: Hear, hear!

MR. THOMPSON: — New question, Mr. Speaker. And by way of information, the Minister of Health has just got up in this House and indicated that the contract was not tendered. He says it's not . . . (inaudible) . . . And then he went on in a big harangue about the former government's practices.

By way of information, Mr. Speaker, and this is the policy that was put forward in this House by your government and the minister sitting right behind you. Let me quote, Mr. Speaker, for information:

But what we do, we call for public tenders. Maybe the NDP way was to give it to their friends and their buddies in Manitoba, and so the Saskatchewan wouldn't have the opportunity to tender.

I say . . . My question to you, Mr. Minister, could you not get qualified people in Saskatchewan to take that contract? Did you have to go out of the province and get a . . .

HON. MR. TAYLOR: — I suppose my answer to that would be: I wonder if there wasn't qualified firms in place of Booth/Kingras and Graham Clarkson, also. So I would indicate to you, Mr. Minister from Athabasca, that I have, in front of me, 13 untendered contracts in the Department of Health by the government opposite. I reiterate that Mr. Sherman has no share, no

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interests in that company.

MR. THOMPSON: — Final supplementary, Mr. Speaker. Would you not agree, Mr. Minister, that there was no opportunity for a Saskatchewan firm to receive this contract, because by your own admittance it was never tendered?

SOME HON. MEMBERS: Hear, hear!

HON. MR. TAYLOR: — Mr. Speaker, I would like to ask the person on the other side: would you not agree that there was no opportunity for those architects to get an untendered contract? I mean, I admit it in here, this was not . .

MR. SPEAKER: — Order, please. The minister has the opportunity to answer questions but not to ask questions in question period. If the minister has an answer, let him proceed.

SOME HON. MEMBERS: Hear, hear!

HON. MR. BLAKENEY: — Supplementary, Mr. Speaker. Can the minister give one instance where any contract was given to the Deputy Leader of the New Democratic Party, or any other political party, without tender, as you have just given a contract . .

SOME HON. MEMBERS: Hear, hear!

HON. MR. BLAKENEY: — . . which benefits the Deputy Leader of the Progressive Conservative Party in Manitoba, and which you have not put out to tender?

SOME HON. MEMBERS: Hear, hear!

HON. MR. TAYLOR: — Mr. Speaker, it is obvious that the member opposite . .

MR. SPEAKER: — Please give the minister an opportunity to answer.

HON. MR. TAYLOR: — Mr. Speaker, it is obvious that the member opposite is not paying attention. The contract was awarded to associate health planners. Mr. Sherman has no share in that corporation. He was hired as a consultant by that firm. I have no control over who they hire as a consultant of the firm. The agreement was with associate health planners. They are doing work for the Manitoba government also.

HON. MR. BLAKENEY: — Mr. Speaker, is the minister telling us that when he knows that the deputy leader of the Conservative party in Manitoba is on contract to Associated Health Planners, he has no obligation even to take that matter into account prior to giving a contract to Associated health Planners without tender?

HON. MR. TAYLOR: — Mr. Speaker, surely the man opposite has done business before. If you contract a firm to do something for you, I can't dictate to them who they can hire as a consultant. That is their business, Mr. Speaker. So I would think, and I would be very interested . . It mustn't be upsetting the Government of Manitoba so much that the deputy premier (as you call him) of Manitoba, is working on the firm that they are doing business with.

HON. MR. BLAKENEY: — Supplementary. Brief supplementary. Would the Minister of Health tell us who was talking about the deputy premier of Manitoba? I am talking about the deputy leader of the Tory party. He is the one who has his fingers in our till. He is the one who has put his snout in our trough. And I ask you, why are you maligning the deputy premier of Manitoba, who has nothing to do with this?

HON. MR. TAYLOR: — Mr. Speaker, I'm a little ahead of my time – two years ahead. I'm very sorry.

SOME HON. MEMBERS: Hear, hear!

HON. MR. TAYLOR: — And, Mr. Speaker, I apologize. He isn't yet the deputy premier of Manitoba . . . (inaudible interjection) . . . Pardon? I do have a hearing-aid plan for some people.

Let me indicate to you, Mr. Speaker, that the firm of associate health planners is also doing business with the Government of Manitoba. I have no way to know if Mr. Sherman is being contracted there as a consultant by that firm, as he is here. But as far as him being the deputy premier of Manitoba — not today. But just hold on in a couple of years and see it come.

SOME HON. MEMBERS: Hear, hear!

Closure of Culture and Recreation Office

MR. LUSNEY: — Thank you, Mr. Speaker. I have a question for the Minister of Culture and Recreation. Can the minister confirm that on April 30 you are going to be closing your office at Melville and moving it to Yorkton?

HON. MR. FOLK: — Mr. Speaker, in response to the member opposite, no, I will not confirm that.

MR. LUSNEY: — I'm sorry, Mr. Minister, I didn't get your answer. I'll repeat the question again. Can the minister confirm that, as of April 30, you will be closing your office — Culture and Recreation office — in Melville, and moving it to Yorkton?

HON. MR. FOLK: — Mr. Speaker, I don't know if I can make it much clearer, but perhaps I can spell it. N-o.

Income for Unemployed Single People

MR. LINGENFELTER: — Mr. Speaker, my question is to the Minister of Social Services. As we found out yesterday, unemployed employable single people will be having their benefits cut by between 30 and 40 per cent. I would like to ask the minister, in light of the fact that a group of people who are on welfare in Saskatchewan have challenged him to live on \$345 a month, whether or not he can inform the Assembly whether or not he will be taking them up on that challenge to try to leave his home and live on \$345 a month, to see whether or not it's suitable to carry out your duties and to live on in the province of Saskatchewan at this time.

HON. MR. DIRKS: — Well, Mr. Speaker, if I thought it was necessary to set a precedent to prove that someone could live on \$345 a month, indeed I would do so. However, that precedent has already been set, and I would like to inform the members of the Assembly of the breakdown of the single employables here in the province of Saskatchewan, and what they are, in fact, receiving on social assistance at present, just so the member opposite understands very clearly that, in fact, there are hundreds, indeed, thousands of single employables who are already living on less than \$345 a month, which is the maximum. In fact, Mr. Speaker, at present, there are 3,074 single employables who receive less than \$345 a month and have been getting by adequately on that.

MR. SHILLINGTON: — Will the minister confirm that in both cases that is not their full income, they have additional income to go with those blood money?

HON. MR. DIRKS: — Mr. Speaker, this is the monthly allotment. This is the monthly allotment, based on need, which is made available to these particular single employables. Now, in all instances, there are special

needs payments that are made to single employables, indeed to all welfare recipients. We provide a bus pass, for example, to . . (inaudible interjection) . . And

yes, we are continuing. The member opposite is entirely incorrect. The bus pass is a very important part of our particular program, to ensure that clients will have an opportunity to look for work, to gain training. Transportation allowances, child care allowances, moving allowances – all of those special needs are very important for welfare clients, and they will continue under this government, as they did with the former government.

Welfare Benefits for Young People

MR. SHILLINGTON: — Thank you, Mr. Speaker. A question to the Minister of Social Services, whose granite-like resistance to the plight of those on welfare makes R.B. Bennett look like a bleeding heart. The question to the minister is: has the minister, or any of his officials, sent a directive to the social service offices around the province in recent days with respect to the new security arrangements at these offices? Specifically, is the minister aware that a directive has been sent out to your benefits office asking them to beef up security, expecting trouble from the welfare recipients as a result of your announcement yesterday? Will you not admit you're turning the 16-year-olds and 17-year-olds in this province into criminals with this act of yours?

HON. MR. DIRKS: — Mr. Speaker, that really is unadulterated utter nonsense, and I feel that he is making in this Assembly and to the people of Saskatchewan. The member opposite has attacked this government's position on welfare, and I want to make it very clear, Mr. Speaker, that this government believes that social welfare programs are a very integral part of social policy in Canada, indeed in Saskatchewan. That is why we have reformed our system to make it a more productive, a more sensible, a more creative approach for our welfare clients so that they will have jobs and so that they will have training. That's the approach that this government is taking. It's far ahead of the approach that the former government took.

SOME HON. MEMBERS: Hear, hear!

MR. SHILLINGTON: — A question to the minister. Is the minister going to continue evading the question, or will you give me a simple yes or no with respect to the directive?

HON. MR. DIRKS: — I'm sorry, Mr. Speaker. I didn't hear what the member was asking.

MR. SHILLINGTON: — Sorry, Mr. Speaker, I thought I said it with sufficient volume for the minister to hear. Let me repeat it: are you going to continue evading the question, or are you going to give me a simple yes or no as to the existence of the directive to which I make mention?

HON. MR. DIRKS: — Mr. Speaker, I haven't seen the directive that the member opposite is referring to. Perhaps he's be interested in giving me a copy of it.

MR. SHILLINGTON: — Well, will the minister undertake to discuss the matter with your officials and report back to the House, because I think if you do, you'll find out the directive has gone out.

HON. MR. DIRKS: — Well, the member opposite can provide me with a copy. I didn't send out a particular directive to any of my officials.

MR. SHILLINGTON: — Let me try another question. See how successful the minister is in evading another one. The new question deals with your decision to deny welfare benefits to 16 and 17-year-olds. I want the minister to respond to the question which a lot of people are asking today: if 16-year-olds and 17-year-olds come from a broken home to which they can't return – if you don't believe that exists, I'll take you on a tour tomorrow morning of my riding – and you're going to cut them off welfare benefits, what options, Mr. Minister, are open to them? What facilities is the government going to use to house, feed, and clothe these young people? Are you simply going to leave 16-year-olds and 17-year-olds to roam the street?

HON. MR. DIRKS: — I find that comment despicable, Mr. Speaker. The policy of the former government was to allow willy-nilly 16 and 17-year-olds to set themselves up an apartment and have welfare money paid to them. They know full well that that was their policy, and they know that that is not in the best interests of 16 and 17-year-olds.

SOME HON. MEMBERS: Hear, hear!

HON. MR. DIRKS: — The policy of this particular government with regards to 16 and 17-year-olds – and I hope the member opposite is listening carefully – is to take 16 and 17-year-olds and to deal with them one by one, on an individual basis, under the provisions of The Family Services Act, to ensure that they have the appropriate kind of a supervised environment that is in keeping with their needs, whether it be a single person from a broken home, whether it be a teen-age mother who needs some kind of assistance. In fact, they may get more assistance under The Family Services Act than they were getting under the Saskatchewan Assistance Plan.

SOME HON. MEMBERS: Hear, hear!

ORDERS OF THE DAY

SPECIAL ORDER

ADJOURNED DEBATES

MOTION FOR COMMITTEE OF FINANCE (BUDGET DEBATE)

The Assembly resumed the adjourned debate on the proposed motion of the Hon. Mr. Andrew that the Assembly do now resolve itself into the committee of finance and the amendment thereto moved by Hon. Mr. Blakeney.

HON. MR. HEPWORTH: — Thank you, Mr. Speaker. It is with a great deal of pride that I rise once again in the House in the budget debate, proud to represent the fine constituents of Weyburn and, as well, proud to stand on behalf of Saskatchewan farmers for, in fact, Mr. Speaker, the budget address and the budget book that was published is fast becoming known as “Farmer’s Guide to Profitability.”

There are three sections that I would like to devote my remarks to today, Mr. Speaker. The first part, I would like to describe some of our new initiatives; secondly, expand on some of our increased commitments to existing programs; and, finally, address some of the constituency concerns as it relates to Weyburn, specifically.

But before I get into any of that, Mr. Speaker, I would like to offer my congratulations, as well, to the Minister of Finance, for what was a masterful document. It was timely, it was responsive, it was innovative, it was imaginative and, most of all, it was exciting for Saskatchewan farmers. It supports what is fundamentally important in this province, and that’s farmers, and farming.

As well, Mr. Speaker, you have probably heard it alluded to, that the agricultural budget had a 20 per cent increase – not 5 per cent, not 7 per cent, not a cut, but, in fact, a 20 per cent increase – a 20 per cent increase.

Well, I have to, perhaps, I have to . . . (inaudible interjection) . . . The hon. members are suggesting it was cut back, Mr. Speaker, so they’re challenging the veracity of that figure. And, I must confess, it isn’t totally true.

In fact, if one was to adjust this year’s Agriculture budget for the fact that the crop insurance

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does not show in that subvote any more, nor does the market development fund, what we would find out, Mr. Speaker, in fact, if you compared apples to apples, and orange to oranges, is that we, in fact, had a 30 per cent increase in Saskatchewan's agricultural budget.

And I would ask the hon. members – if, in fact, they are honourable, and, in fact, can add and subtract – to check that number out.

Having said that, Mr. Speaker, as my grandfather always used to say: "It's not what you have, but how you spend it. "and that's even more important today than ever before, given the tough economic times.

The other government spent it on things like land bank. I will unveil to you today what I consider an exciting array of agricultural programs that show that we're spending our money smarter, and we've got more of it to spend.

We intend to create a framework for Saskatchewan farmers where they can thrive and, in fact, prosper, Mr. Speaker. To that end, there are two concepts I'd like to deal with that have been uppermost in our minds in putting the budget together, and the Agriculture budget together.

And the first was that we want to ensure that viable farms – and obviously the minister, or the member, rather, from Assiniboia-Gravelbourg is interested in this as well, and I would have no doubt that he would support it – we wanted to ensure that viable farms in Saskatchewan not be jeopardized. With that in mind, we have attempted to put a safety net in place. We recognize that we have no control over the prices that farmers receive for their commodities, whether they be wheat or canola or hogs or beef cattle, Mr. Speaker. They have no control over what they receive for their products.

The hon. member opposite is babbling somewhat about a farm fuel cost-reduction program, and I'll address that later in my remarks, Mr. Speaker. But we admit that we have no control over the prices, so what we try to do with this safety net is to provide some security at the family farm level by reducing input costs, thereby increasing profitability on the family farms. I will describe some of those measures later.

But more importantly, in the second thrust in this agricultural budget, and the one that probably is best . . . well, it will show that . . . is the most exciting, perhaps, for not only all Saskatchewan farmers, but the one that can do just some fantastic things for all of Saskatchewan, is what I consider our innovative, developmental thrusts. These thrusts, I would suggest, Mr. Speaker, are going to rev up the agricultural engine in this province, the engine that drives Saskatchewan's economy.

For years and years and years the NDP had an agricultural engine too, but it was usually parked, and it was in neutral. I would suggest to you the NDP tractor had no seat nor steering wheel, and they didn't know where they were going, and the rest is self-explanatory.

I would suggest that by revving up the agricultural engine it will be good, not only for Saskatchewan farmers, but for the entire Saskatchewan economy. And why do I say that? I say that, Mr. Speaker, because currently 50 per cent of all the goods, of the value of all the goods produced in Saskatchewan, come from agriculture. If we rev that up and utilize its full potential how much more can we be?

The first initiative there, Mr. Speaker, that I would like to describe in terms of the new development thrusts, is the Livestock Investment Tax Credit, and I would suggest that this is a history-making event. It's first time ever in this province; probably the first time ever in Canada. I must congratulate the Minister of Finance for putting this together, and negotiating, and bringing it all to happen.

Just to give you an indication, Mr. Speaker, of how warmly this has been received in the country, I'd like to share with the members of the House parts of a letter I received from a young cattle feeder of some renown. I won't use his name, but I'll read part of the letter. It goes on like this:

Dear Lorne: You are to be commended for the changes announced in the recent budget. I was extremely happy to see such an innovative idea such as the tax credit for cattle feeding. This is the biggest boost the cattle feeding industry has ever had in Saskatchewan. This program should greatly stimulate cattle feeding without any large outlay of cash from the government. But most importantly, it should not disrupt the basic herds or the markets in the province. This tax credit, along with the various types of feeder financing programs, when combined with the beef stabilization plan, have created a vastly changed climate in the cattle business.

One week old, Mr. Speaker, and already some of the bright, young cattle feeders out there realize the fantastic potential that this Livestock Investment Tax Credit can offer to them.

The details on the Livestock Investment Tax Credit are in the guide to increased profitability for farmers, better known as the budge book, on page 49. I won't go into them in detail, except to say that it amounts to \$25 per head for every grade A or B steer or heifer that is fed and owned in the province of Saskatchewan for a minimum of 75 days. Eligible animals must be slaughtered at federally graded plants in or outside Saskatchewan, or at ungraded abattoirs in Saskatchewan.

I'm sure the member for Assiniboia-Gravelbourg would be interested in that provision because he just recently, in fact, had the official opening. The Minister of Tourism and Small Business was down there at the grand opening of the abattoir. And in here is a provision that these animals can be slaughtered at ungraded abattoirs in Saskatchewan, and the tax credit will be made available. It could well lead to some economic expansion in his community. And I'm sure he, as well, receives this Livestock Investment Tax Credit with as much enthusiasm as the young fellow who wrote to me.

As I said . . . And I guess the reason I use the word "innovative," Mr. Speaker, is because others are using that word.

But I want to get into some of the fundamental concepts today behind why a Livestock Investment Tax Credit. Why increase livestock finishing in the province? And I suppose the first question to ask is . . . We have the resources; it just seems to make a lot of good sense.

The NDP mismanaged the livestock sector in this province for years and years and years. We had cattle herds, beef cattle herds, numbering in the mid and late '70s – 1.2 million in the case of beef cows, and now we're down to 830,000. It was on a steady decline through their reign, just as were the family farms out there, Mr. Speaker.

So it seems to make good sense. We have the resources, and those resources include things like one-quarter of the total Canadian cow herd. We have a crop base that can provide lots of feed grains. We have the capacity to produce forages. We have crown lands for cheap pasture that can handle, in fact, something in the neighbourhood of half a million cows out there.

But for years and years and years, Mr. Speaker, what have we done in this province? For years and years and years what did the NDP administration do in this province? They sat back and idly watched 4 or 500,000 feeders leave this province every fall, and with them all the jobs and all the economic value that could have been added to this province, all the finishing, all the benefits to the feedlot sector, the transportation sector, the farm service sector. They sat idly by and watched it trot to other provinces. And it was an annual event, every fall, just like clockwork. We had the factory here. We've got one-quarter of the Canadian cow herd, but the calves left home.

It's not unlike the youth of this province during the years of the CCF and the NDP administration,

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Mr. Speaker. They left the province too.

What we are trying to do with this Livestock Investment Tax Credit is just keep some of those calves home and have some of that economic value added to this province's economy.

What we are looking at here, Mr. Speaker, is the potential to have another megaproject – a megaproject just waiting to happen if we can, in fact, reverse that steady flow outside of this province every fall.

Well, the solution that we've come up with, amongst others, as part of some of our other programs that we've introduced, was to get the tax man off the back of the livestock sector. "Give them a reason to be profitable," and that's not my own comment, Mr. Speaker, it's some that were told me at a meeting I was at yesterday. He said, "you know, this gives me a reason to be profitable." Reduce the provincial tax payable. In fact, it could go, in some cases, right to zero, so I guess you can't get much lower than that, Mr. Speaker.

Now, the question then becomes one of, since it's a tax credit, the NDP would suggest that only the rich will benefit. Only the rich will benefit. We've heard the hon. member from Assiniboia-Gravelbourg saying, "that's only for the rich: the lawyers and the doctors, the rich guys, the people who fly around in aeroplanes, the rich guys." Now, I don't agree. But, even if I did agree necessarily, Mr. Speaker, that would seem very strange to me if the socialists were going against the program that transferred wealth from the rich and gave it to the poor, so they could become strong and healthy and viable. That seems awful strange thinking for a socialist.

Here are the facts, Mr. Speaker, and who this program might help. It's a known fact, Mr. Speaker, that there are many farmers out there who every year invest in RRSPs. And, where does that money end up? There are many farmers out there who invest in the federal investment tax credit to purchase combines or tractors at the year end to take advantage of a tax situation. And, where does that money end up? And there are all kinds of other non-farm investors out there who look at not only RRSPs but other tax ploys, if you like, movies and MURBs (multiple unit residential building program) and oil plays, as attractive investments, and to perhaps give them some return down the road, but in the short term reduce their tax load.

So, what we're saying to farmer and non-farmers who might want to invest in the livestock industry is: here is another tool that you might want to invest in. RRSPs is one option. This might even be better than that, Mr. Speaker, we could suggest even to them. It's got the added advantage for the farmers in that, where they don't understand necessarily MURBs, nor do they like investing in movies, nor will they be totally confident and feel comfortable with oil plays, here is something they understand. It's farming. It's been a part of Saskatchewan life since 1905, and even before that and before we were a province.

The second point then, in so far as who will benefit from this program, is not only those farmers who are investing in those instruments I mentioned, Mr. Speaker, but, as well, those 30,000-odd farms out there – if that's the right number and I would suggest it's somewhere close – and, to those that have livestock in place now, they may be feeding a small herd out. They may like to feed more. But in fact, some of these young farmers, who don't have a tax problem, and maybe can't get additional operating credit at the bank to put in extra cattle on feed, would be the next obvious benefactor, Mr. Speaker, because these cattle have to be fed somewhere, and I would suggest to you that they're going to be fed on the 30,000 farms, and/or in the custom feedlots that exist now, and may exist in the future to an even greater degree.

So what I would see happening here, Mr. Speaker, is farmer and non-farm investors taking capital and investing it in the farms of some of these young and trying-t-get-established, young farmers. It solves a large inventory cost problem for them. They don't have to cover the additional cost, necessarily, to finance feed stuffs, and, as well, Mr. Speaker, the cow-calf sector will be perhaps even the first to feel the impact of this program, because to get a tax credit

you've got to have a calf to feed in the first place. And where do you get those calves? From the cow-calf sector.

So I could see even the scenario, Mr. Speaker, where some dads, who really aren't interested in feeding cattle, did at one time. Maybe the son, today, feeds a few cattle. I could see those dads investing on their own son's farms, truly within the spirit of the family farm concept, Mr. Speaker, I would suggest.

And what about the grain farmer who has never raised cattle, never fed cattle, has no desire, but maybe does have a tax problem. Well, he could use it there. Or perhaps, more importantly, this could open up a whole new market for a person who's engaged strictly in the crop sector. Because, if we blue-sky a little bit and look 10 years down the road . . . And let's suppose that we've stopped all these calves from leaving the province, and if they were into a barley-feeding, intensive feedlot situation, how many bushels of barley would be needed to feed all those calves if they were kept home? How many bushels? Ten million bushels. That would be quite good. A new 10-million bushel market. Twenty-five million bushels. That's a pretty good market. They'd probably like to have access to another brand new 25-million bushel market to market their barley.

But do you know what the number is? It's 48 million bushels – a 48-million bushel, new potential market out there. Well, it seems to me, I think some of those fellows that into the crop sector would say, "Hey, I can fill that market as well. It might remove some of my current acres that I can reassign them to other crops – reduce some of my problems there."

So I think Mr. Speaker, it's abundantly clear that this Livestock Investment Tax Credit can help every sector of the farm economy out there – every sector of the farm economy. And as I said earlier, Mr. Speaker, what's good for Saskatchewan farmers is good for the Saskatchewan economy. And I want to just pursue that just a little bit further and show the members of this House what exactly I mean there.

If we keep these calves home and feed them out here instead of sending them to every other province in Canada, literally, and with it the jobs and spin-off benefits, what does this mean, really, in terms of economic activity for the province? Well, let's take and use a 100,000-head unit – a 100,000-head unit. Suppose we were next year at this time to have fed an additional 100,000 head in this province, and with it likely there would be increased packing of them or processing of them here. And with that 100,000 head here, there's additional money spent in the farm-service sector, and the trucking sector, and even the veterinarians might be busier. The packing houses might be busy.

Well, I don't 'have the number, Mr. Speaker, in terms of all the indirect value added to the economy. But just in direct value added to the economy, our best model at this point in time would suggest that for every 100,000 head we keep at home, we put \$76.9 million into the Saskatchewan economy — \$76.9 million of new wealth that creates new jobs. So truly, Mr. Speaker, what's good for Saskatchewan farmers is good for the Saskatchewan economy.

And that doesn't count the things like the indirect benefits. And by indirect, I'm talking about things like the . . . that the feed mill, in fact, ends up being busier because of this increased finishing. The feed mill had to take on an additional employee. With his money he buys a new car, or he buys a new house, and so on, and so on, and so on, Mr. Speaker. That spin-off there is as high as you can get in terms of looking at economic spin-offs in any given industry.

As I mentioned before, the member for Assiniboia-Gravelbourg – it may well be if this program takes off like we think it will, the newly opened abattoir down there may have to go into an expansion phase in the not-too-distant future.

At any rate, Mr. Speaker, I think this program is exciting, it's romantic, and it increases the

profitability on farms, and it's good for Saskatchewan.

Irrigation – another innovative development thrust. If the livestock investment tax credit is going to rev up the agricultural engine, well, our irrigation (on farm irrigation) initiative are going to be the kick-starter of firing that engine into life. Why do I say that? Because, Mr. Speaker, you've only got to look at our budget commitment. We've gone for on farm projects from a budget of \$350,000 to \$1.6 million. Mr. Speaker, our goal here would be to put under water an additional new 16,000 acres in the province of Saskatchewan, and that 16,000 acres would increase productivity that pays big dividends for the entire Saskatchewan economy.

As well, Mr. Speaker, I think anybody who's thought through the situation – there is an obvious complementarity factor here between the crops and the forages and the livestock sector, and obviously irrigation has a key role to play there. So it fits in very well with our overall innovative development thrusts.

I'd like now to turn to one of the other new initiatives announced in the budget, and the one, in fact, that the hon. member from Assiniboia-Gravelbourg referred to earlier today, and this is the counselling and assistance for farmers program. In fact, as I said to him then – a \$4 million fund established to assist financially troubled farmers with viable operations who need temporary assistance, and the key words: "government funded but farmer run."

Just before I get into the details on that, Mr. Speaker, I'd like to recount a few events of over the last few months and years. During the past several weeks I've had the pleasure of touring my constituency and meeting with farmers in my area. As well, I've been to several other constituencies. I know several other MLAs have done the same thing. We've had fantastic receptions wherever we've gone, but most importantly, Mr. Speaker, we've talked to a lot of farmers out there. We've talked to farmers in meetings. We've talked to farmers on coffee row. We truly have got back to the grass roots.

The meetings have been very friendly, very frank. The farmers that we talked to are true to form. They pull no punches. They've laid everything out from input costs to prices. And from these discussions one thing is clear. There is a great deal of difference between what the economic forecasters predict for agriculture, and what the farmers tell me is going to happen.

The forecasters are optimistic. In fact, the bank reports are optimistic, too. And, in fact, it was only last December that, at the agricultural outlook conference report in the *Globe and Mail*, December 14, suggested that in Saskatchewan we would lead . .

Returns in Saskatchewan are forecast to climb enough to compensate for any cost increases. The net farm income will rise 16.4 per cent to 1.06 billion.

And, reading that, that sounds very good. Comparable figures for Manitoba:

This would lead to a net decline of income of 26.1 per cent in Manitoba; Alberta down 4.5 per cent.

And I could read other reports, Mr. Speaker, like one in the *Calgary Herald* that says, "Credit for agriculture easier in Saskatchewan." Some interesting comments in here. Opening line was:

The Saskatchewan government has proudly given farmers the best credit deal in Canada, terms that those and other provinces have been seeking for many years.

And another line went like this:

All in all, this legislation makes Saskatchewan the friendliest province to agriculture in Canada.

And they were talking about things like the farm purchase program and the ag credit corporation of Saskatchewan, Mr. Speaker.

So, as I said, some were predicting a 16 per cent increase in realized net income for farmers, and that's encouraging. But as I said, I have been out amongst the grass roots, as have several other members of the legislature, where many of us are sons of the soil to start with.

And, as well, I understand that the NDP and, in fact, I suspect the hon. member for Assiniboia-Gravelbourg, has been out with the grass roots agriculture policy hearings . . . I'm not just sure what the official title for it is.

And I suppose it's related to some of the kinds of things we've been seeing in the press lately. I noticed one article in the *Leader-Post*, not all that long ago, Mr. Speaker. March 1, I believe it was. The headline was, "NDP will attempt to improve image."

And knowing, Mr. Speaker, that, in fact, they had this task force on in agriculture, this getting back to the grass roots, I was intrigued. And the member for Melville brought it to my attention today when he rolled out the *Commonwealth*, and I thought a high-profile event like this NDP task force on agriculture you would think would get some fair amount of ink in here. Interestingly enough, not a word said. And that kind of intrigued me.

But then, I wasn't really surprised, because I found out why it's probably not in there. Because if the reception they're getting everywhere else in the province is like the one that the NDP task force on agriculture had in Weyburn, I can see why you wouldn't want to advertise it.

This one had the headlines, the *Weyburn Review*, March 7, '84. It headlines, "Grass roots input; NDP task force on agriculture." And it goes on to say:

A small turnout Saturday at a provincial NDP task force meeting on agriculture held at (etc. etc.)

But the article went on, distinctly pointing out, so we wouldn't be confused as to who outnumbered who at the meeting, it went on to say: . . . "not including the five members of the NDP task force," so I'm left with the distinct impression that there might be some question as to who outnumbered who at that task force meeting.

Now there were briefs presented there, there were briefs presented there, so I don't want to leave the wrong impression that there weren't any people there. There were briefs presented there. Both of them looked very interesting, as far as I can tell from this article, anyways.

Well, as I've said, Mr. Speaker, the difference between, I think, members of the government side and the NDP is that we, in fact, are in touch with the grass roots out there; whereas the NDP talk at people, the fundamental difference is our members listen to people. And I think that's the difference, and that's why our programs reflect their expectations.

At any rate, what we heard, and what I've heard, and what other members have heard, is they've been out on their tours, and we've been out to meetings, is that farmers are, in fact, saying something different than these glowing forecasts would suggest. They are saying something different. They're saying there is a cost-price squeeze out there, and for some, Mr. Speaker – and I would emphasize the word "some" – that cost-price squeeze is causing real hurt.

And as a veterinarian, and a person who's farmed and spent all my professional years in, and working with farmers, I'm inclined to believe the farmers. Every day I've talked to many farmers. I've worked with them. I've worried with them. I've shared pie and coffee with them at 3 o'clock in the morning after doing some work for them, and quite frankly, Mr. Speaker, I think the farmers

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of Saskatchewan are some of the finest people in the world.

I respect and value their opinions very much. And as I said earlier, I think that's the fundamental difference between ourselves and the NDP: we listen to them; they talk at them.

Well anyways, Mr. Speaker, given that there is some view out there that there is a cost-price squeeze, there is some financial difficulty, I'm confronted, I believe, with three options as Minister of Agriculture.

First of all, I could point to the statistics, which I've already done, and say, all is well: net farm income in Saskatchewan is going to be up 16 per cent; down 26 per cent in Manitoba. So I could point to those statistics and say all is well in Saskatchewan. No problem for Saskatchewan farmers; no need for government involvement. I could do that, Mr. Speaker. Or, two, I could become depressed about what farmers are telling me; throw up my hands in despair and say, "Nothing can be done."

Egg prices are set globally and tend to be cyclical, and I have no control over world commodity prices, so I could be depressed and throw up my hands in despair. I could point to statistics and say all is well or, three, I could rely on my instincts and the instincts of all the agricultural members of this government and, in fact, all members of this government and listen to what we've been hearing. I can rely on these instincts, listen to what the farmers and the members of the agricultural community are saying and, in fact, then, Mr. Speaker, act. And, Mr. Speaker, we have chosen to act here on this side of the government.

SOME HON. MEMBERS: Hear, hear!

HON. MR. HEPWORTH: — It is not in my Tory blood, nor is it in the blood of the farmers out there, to give up. And as a result, Mr. Speaker, we have budgeted \$4 million for a counselling and assistance program for farmers. It's directed at those farmers whose financial situation may have deteriorated to a level where his lending institution has declined the request for additional operating funds; in fact, you might say it's reached a crisis point. And, in fact, this farmer just might feel a lot better if he knew there was some place he could go to get a second opinion. I would not like to think that that would be necessarily the only cases that might be able to approach this panel, but certainly that might be a starting point.

And what we envision here, Mr. Speaker, is that a number of farmer panels — farmer-operated, as we've said before — would be established, and they would be composed of active or perhaps recently retired farmers who are well-respected and have demonstrated proven management skills over the years. And because they are farmers, they will have understanding and empathy and, I believe, make very common-sense decisions. And since it is an increasingly complex world out there in agribusiness, I would expect that they would be able to get advice from accountants and lenders and lawyers and production specialists, or anyone else who might help them in making their decisions.

And I can see possibly, Mr. Speaker, that these panels might, in fact, simply provide advice to farmers as to the future direction of their farms. It might well be, Mr. Speaker, that they would direct the farmer and the lender to re-establish communications where, in fact, simply a communication breakdown was the problem.

It might well be that there is a restructuring option in some cases that should be pursued. Or, as well, Mr. Speaker, it may well be that they would recommend to the government to guarantee an operating loan.

But at any rate, Mr. Speaker, I think the farmers out there will appreciate the fact that these panels are going to be in place and, for those who so desire, they will have a chance at getting a second opinion. As well, I think there is a need for an overall strategy in some of these cases, and

simply throwing money at the problem would certainly not solve it.

It may be a case of needing crisis medicine, if you like, for some. But I would like to think, as well, that we can get into the field of preventative medicine, if you like, and in fact so something to preclude other young farmers from getting into difficult situations.

Many of those who are experiencing difficulty today are very good farmers and managers, and they got caught in a bad situation. It could be accumulation of the interest rate roles of a few years back; it could be lower prices; it could be weakening markets, flood, drought, wheat midge, hail. You name it, Mr. Speaker, there's a combination of factors that could enter into it. Many of these farmers simply need more intensive personal experience and professional advice to help them manage their resources in a better fashion, and I believe that this \$4 million fund and the expertise that will be available to them will do that. It's part of that safety net, Mr. Speaker, that safety net that I talked about earlier on in my remarks. As I mentioned right at the top, Mr. Speaker, I suggested that I would be dividing my remarks into three categories: number one, some of our new initiatives; number two, some of our renewed commitments to our past successes; and, thirdly, some constituency concerns.

And, of course, I must spend a few moments talking about the farm purchase program. When our government was elected, the number one input cost out there was interest rates, and we've just heard it described by writers all across Canada as Saskatchewan being the friendliest place there is. When our government was elected, the number one farm input cost was interest on loans. Interest ranked above fuel. It ranked above machinery. It ranked above fertilizer and chemicals. It was the number one. And, in fact, interest payments threatened the existence of many farms. Young farmers were finding it impossible to buy their first piece of land because of high and unpredictable rates. And, in fact, the only complaint, Mr. Speaker, the only complaint I've heard about the farm purchase program, the only complaint is that people are sorry that the NDP administration, when they were in power, didn't have the foresight to put something like this in place in 1977 and '78, or in the years, in fact, when interest rates zoomed out of sight. That is the only complaint I've heard, Mr. Speaker, is: why didn't they think of this sooner? Of course, they have no imagination. They're out of touch. We thought of it, and it's been highly successful.

We've hit the target, Mr. Speaker, with this program. What we said with this program when we announced it, and I invite members to check *Hansard*, is we wanted to set up a program to defray that number one input cost because it was standing in the way of the intergenerational transfer of the family farm: from father to son, from an uncle to another young fellow that might be wishing to get started up here, the older farmer across the road who just wants to get out and there's a young guy wanting to start up. It was preventing that intergenerational transfer out there, Mr. Speaker. That was the thing we wanted to accomplish. Secondly, we wanted to target public funds and give assistance to those beginning farmers, those farmers who are trying to get established.

And what are the results, Mr. Speaker? Well, nearly 60 per cent are buying land and are first-time owners – definitely beginning; 60 per cent are first-time landowners. And how many of them are there? Well, in 15 months, we've had more than 2,460 farmers signed up – 2,460.

And what about the intergenerational transfer – the family farm concept? Mr. Speaker, half of these transactions involve the family farm.

So I would suggest to you, Mr. Speaker, and to the hon. members across the way: this program has hit the target on every mark. Oh, yes, Mr. Speaker, are they the young farmers? Yes, they are. Average age, 26.

Well, what did we have under the NDP, Mr. Speaker? We had land bank. And I don't have to tell this House again that in 15 months we've just about surpassed every kind of assistance that land bank did in 10 years. In 10 weeks we surpassed how many young farmers they started . .

(inaudible interjection) . . They are, since land bank got out of the market, Mr. Speaker, because the other thing I heard, and the hon. member from Shaunavon would well know this, is that land bank was the biggest purse out there in the economy, buying land that young farmers wanted to buy. And what were they doing, Mr. Speaker? Just pushing the land prices up. A 700 per cent increase in average land prices from the time that land bank started, Mr. Speaker, till the time it was abolished in this province, and that was a happy day for the farmers of Saskatchewan, let me tell you – a happy day.

SOME HON. MEMBERS: Hear, hear!

HON. MR. HEPWORTH: — There's only one question here, Mr. Speaker. Do the farmers of Saskatchewan prefer to be serfs under socialism, or entrepreneurs under a Tory government? And I think the facts speak for themselves, Mr. Speaker.

Now I'd like to talk about one other issue that sort of fits right here, Mr. Speaker, and that is the opposition has talked somewhat of job cuts and lay-offs – streamlining of government process that's going on. And no better place, I think, than right here can I demonstrate to this House, and to all members, than how government can be streamlined, how government can be smarter and more effective and, in fact, reflect what the people want out there.

The example is this, Mr. Speaker: land bank had 47 employees – 47. Land bank had 47 employees buying land, appraising, you name it – 47. Now, the farm purchase program, which replaced land bank (and thank goodness for that) and is working 18 “cagillion” thousand times better than land bank could ever work, has seven – seven. Mr. Speaker, 47 versus seven, who are serving more people the way they want to be served, and with 40 less people on the payroll, Mr. Speaker. Not only have we got a program in place that the people want there, but it takes seven compared to 47 to run it. Now you tell me which the taxpayers of this province prefer.

Mr. Speaker, it's no secret the land bank was an NDP bureaucratic, land-grabbing nightmare. It contributed absolutely nothing to the productivity of agriculture. And I challenge the agriculture critic, and it appears as though he's going to be speaking in debate today. I challenge the agriculture critic to stand up and say to this House, reaffirm to this House and to all the people of Saskatchewan, that land bank is what the Saskatchewan farmers want. I challenge you to stand up and say it in this House, and let all the people hear it in Saskatchewan. And we'll see if he's reflecting the grass roots. We'll see if he's reflecting the grass roots, because what I have here, Mr. Speaker . . (inaudible interjection) . . I think, hon. members, I hit a nerve. I hit a nerve over there.

I challenge him to stand up and say it because apparently at a NDP task force meeting on rural life in Yorkton, here's what was said about the NDP's land bank program, and this was said at the NDP task force meeting by people there. And it was suggested the NDP land bank program may have been a bit outdated – a bit outdated! What an understatement. Outdated.

The land bank was simply, as we all know, put the land in the hands of the government. To what avail? Nothing that I can see. In 10 years, 151 farmers drove the land prices up. In fact, I don't even know where the opposition got the idea for that land bank.

Probably the best-known socialist that this province has ever know, the Hon. T. C. Douglas, who, in fact, represented the very seat that I am from, was much smarter, than the NDP of the 1970s when they brought in the land bank program, because he never, ever, acquiesced to that. I think it was described back in the late '30s and the early '40s as the “use-lease policy.” The former premier of this province, T.C. Douglas, he didn't acquiesce to that radicalism that this group over there today and through the '70s exhibited.

But the question then becomes one of, Mr. Speaker: are the NDP learning from their mistakes?

And the answer is, yes, but none of them are in Saskatchewan. When the NDP does see the errors of their way and come across with some insight, what do the NDP do? They fire them. And I guess I could mention a James Laxer, in passing there, and his recent report to the NDP federal caucus. As I understand it, he no longer works for them. I don't know why. But he made the comment, Mr. Speaker, that they, and I quote:

By concerning themselves with distribution much more than production, Canadian social democrats have stood on the sidelines, as this great debate about the future is concerned. It is time for them to face the future and enter the debate.

Did you hear that, hon. member for Assiniboia-Gravelbourg? Face the future and enter the debate. Give us your unequivocal view.

And I can see, and I referred to it earlier, why the NDP wants to polish up their image. Because here we've got reports galore: "NDP living in the past," Laxer suggests. "Laxer condemns policy. The NDP policy is seriously inadequate, contradictory, short-sighted, and ideologically ambivalent." And so on, and so on, and so on, Mr. Speaker. Out of touch. Out of touch. Out of touch.

Well, the success of the farm purchase program. Mr. Speaker, has obviously been well documented. And, in fact, in this year's budget as well, it's no secret that we've doubled our financial commitment to that program. And, in fact, we would suggest now that by the end of the next fiscal year it is very likely that 3,500 young, new, and developing farmers will have been assisted with these very welcome interest rate rebates – interest rate relief, one of their big input costs, part of the safety net out there for Saskatchewan farmers.

Just last January we put another segment of our overall government policy in place when we established the Agricultural Credit Corporation of Saskatchewan. It offers interest rate relief as well, to farmers not necessarily wanting to be land based, but rather farmers pursuing intensive operations, whether they be livestock or irrigation. I have no doubt that the NDP across the way sit in great fear of this program because, Mr. Speaker, if the track record of this one is like its mentor, the Farm Purchase Program, they have every good reason to be scared. And, in fact, to provide the kind of interest rate relief that's needed out there, we have increased our commitment 33 per cent – not 5, not 10, not 20 – but 33 per cent for those rebated loans. The Farm Purchase Program and Ag Credit Corporation of Saskatchewan are just two of the tools we put in place, part of this safety net, and they've been tremendously successful so far, and we look to the same in the future.

Just to go a little further, Mr. Speaker, on one of the other initiatives that we've put in place over the past year – or at least are responsible for responding to a request that was long-standing out there. The pork producers of this province, for years and years and years, wanted to be allowed the opportunity to engage the democratic process, to elect people to their board. It was a government-appointed commission, a political-appointed commission, if you like. For years they desired the ability to hold elections and elect their members and were turned down, and turned down, and turned down. Typical NDP thinking: not listening – against democracy, you might say.

And that's another issue that I'd like the hon. member for Assiniboia-Gravelbourg to address. Are you against democratic elections? And why, in fact, did you prevent them from holding elections to elect their delegates?

Well anyways, when we became government we had no difficulty with it, and facilitated them in their organization. They've carried out their vote: it was overwhelming, and in fact their elections have been held. And I'm led to believe that they will be holding one of their first meetings with the new elected board very shortly. And I think the provisional board that was in place and, in fact, the commissions that have been in place before them, have just done an

excellent job.

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But we believe in democracy. We believe in giving producers control over their own future. We think that's what a democracy is all about. And I think the fact that we've allowed them to proceed with what they desired has been very indicative of that.

The beef stabilization program was a mess that we inherited from the NDP. I think at one point in time, in fact, when the former minister, hon. Mr. Berntson, was minister of agriculture, and in fact, made some changes there relative to the chairman of the beef stabilization board, some said – and in fact, I could probably give you the name if I was put to the test. But some said that by putting Mr. Boyd Anderson (a highly respected, well-known stockman and cattleman and statesman) in fact, in the chair at the beef stabilization board, it was like putting the fox in the chicken coop.

Do you remember who said that, hon. member from Assiniboia-Gravelbourg? Well, it may not have been you, but I think it was someone you probably know fairly well. They said it was like putting the fox in the chicken coop. In fact, it might have even been the former chairman that said that – “like putting the fox in the chicken coop.”

Well, what has happened, Mr. Speaker. What has happened with the beef stabilization program? It's better than it ever was under the NDP. It was an absolute mess. They had a 50-feeder option that was just bankrupting the plan; it was just getting ripped off something fierce. We had a single-desk selling mechanism. It went against the will and the desire of the people. It went against their heritage and their tradition.

And this new board has come along, listened to what farmers wanted, and they've now got a mechanism in place where they accept bids at the feed lot. You can sell at the auction mart like you may have done for years and years and years.

They put in place of the 50-feeder program that was very unsuccessful – they put in place a feeder-to-finish program that is what the farmers wanted out there. And, in fact, Mr. Speaker, we're not stopping there. In fact, we are at this point in time in negotiations, and the industry is in negotiations with a view to putting a national program in place. And with the kind of expertise we've got in Saskatchewan, and the kind of input we can offer, I have no doubt that if we can put that together, it will be very reflective of what, in fact, Saskatchewan wants, and has, in fact, in place now.

Just some of the small things that have happened out there over the past few months and weeks, Mr. Speaker. And, once again, all of these things – the beef insurance, the counselling assistance for farmers, the interest rate relief – all part of that safety net that we accept and expect; in fact, are prepared to provide, Mr. Speaker. And, of course, an additional component of that safety net – and I could talk about crop insurance, but I'm sure the hon. member in charge will talk about that – the additional component, and the component in this safety net that touches everybody out there, is the \$11 million that we are going to rebate back to farmers or, in fact, deducted source, which ever comes out in the administrative wash. Eleven million dollars by effectively eliminating the school taxes on the home quarter — \$11 million. I would suggest to you, very substantial, Mr. Speaker.

The hon. member, the critic for agriculture over there, the hon. member for Assiniboia-Gravelbourg, thumps day after day in this House and outside this House about a tax rebate and how great the farm cost reduction program was when they had it. And I'll just go over the numbers again, Mr. Speaker, to see who is doing more in terms of providing an effective safety net. They with their farm cost reduction program, or we with just one single element in our \$11-million rebate here.

Well, what did the farm cost reduction program – this gas rebate that they had – what did it

pay back to the farmers of Saskatchewan over the years? What did it pay back? The hon. member for Quill Lakes has come alive, Mr. Speaker.

Let's look at some of the numbers. Let's look at some of the numbers, actual numbers, Mr. Speaker: farm cost reduction program, historical survey, actual '78-79 numbers — \$4.95 million. They say, oh yes, you're just picking numbers to make it look good political, so I'll take the last year. The biggy. This is when they had the biggy in terms of their average grant paid out: \$6.99 million, Mr. Speaker. We're almost double with our \$11 million rebate. So I'll stack up our program any day of the week against the farm cost reduction program. And anyways, Mr. Speaker, their talk about putting a farm cost reduction program in place is nothing but pure politics unless they've done one of their famous flip-flops. Because what did (on April 23, 1981) the hon. minister of agriculture at the time, Mr. MacMurchy, say? And I quote it from *Hansard*, page 2437. What did he say when asked about a farm cost reduction program? He said among many things here:

I suppose it would be simple to maintain the farm cost reduction program, because you know how much it is going to cost.

But we decided that was not the route to go, that we should attempt to be sure that in 1990 and 2000 there is still fuel for those tractors and for those cars . . (etc., etc., etc.)

And in response again to the same question, he quite simply said, no. This is on page 2440. He said:

No, we do not have plans to reintroduce the farm cost reduction program.

Now, unless this is one of your famous flip-flops or you are just totally politically motivated, I would suggest it is political motivation and flimflam when you suggest a farm cost reduction program. And you know, and I know and all the members on this side of the House know, the sensible thing relative to farm energy costs — the sensible thing to do and address the farm fuel cost problem out there — would be for the federal government to remove those onerous, retrogressive taxes and get them off the backs of Saskatchewan farmer and farmers all over western Canada. That's the sensible thing.

SOME HON. MEMBERS: Hear, hear!

HON. MR. HEPWORTH: — And that, Mr. Speaker, is the issue out there at grass roots Saskatchewan, but they aren't in touch with grass roots Saskatchewan. That is the issue out there. And, in fact, it disturbs the farmers of Saskatchewan greatly, Mr. Speaker, because they know that it was the five NDP members from Saskatchewan that put those guys in power down there, that took the Crow, that jacked up our energy prices and, in fact, the same people that are stumbling around with making a payout under the western grain stabilization fund. That's the sensible approach on energy costs.

Well, Mr. Speaker, I've got many things here that I could speak on as well, but I do want to let others in the debate. I won't go into them, except to say that our extension, agriculture extension program, is going to be brought into the 19 or the 20th century — sorry, Mr. Speaker, — the 20th century. We're looking at spending something in the range of \$540,000 to put in place in our 41 ag rep offices, microcomputers — as well into our regional offices. And, in fact, we'll be looking at putting a data base in place for Saskatchewan farmers, putting Saskatchewan farmers in touch with the latest technology.

The NDP, not only did they not have the feel for what grass roots farmers in Saskatchewan wanted, they also had no concept of technology. They gave their staff in the Department of Agriculture nothing to work with, nothing to work with. Mr. Speaker, with this we'll bring them

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into the 1990s and into the next century with this microcomputerization.

I could go on and address the many things that we're doing in terms of technology, the technology transfer to the department. I could talk, Mr. Speaker, about the Van Vliet chair that we're setting up in conjunction at the University of Saskatchewan. The Van Vliet chair, budgeting half a million dollars – our continued commitment to agricultural research – in honour of Hadley Van Vliet, a well-known, (the late Hadley Van Vliet) a well-known, highly respected, internationally renowned agriculture economist. This is a benefit by establishing this chair, that will flow to farmers this year and next year and next year and next year; allow us to bring in top-flight researchers and academicians to share with all the farmers of Saskatchewan, and, as well, the university community. Exciting stuff in the days ahead there, Mr. Speaker.

I could also talk about our initiatives relative to feed grain marketing. There are many things we could talk about, Mr. Speaker. I realize already that I've gone on for some good long time. I could talk about the feeder guarantee program that we put in place. I could talk about the sales tax that's been taken off Sask Power for electricity bills for farmers. I could talk about all of those things, but I suspect that some of my colleagues may well wish to address those points. And, in fact, I'll have an opportunity to address some of them, as well, in the days ahead.

But I did want to spend just a few minutes, Mr. Speaker, and let you know how things are for the constituents of Weyburn. Not only are the farmers happy down there, but just about everybody is happy down there. And you only have to go through some of the mail I receive and, as well, read the local newspapers.

And I'll just run through them quickly. I'd like to get into them in detail, but . . . For example, the city of Weyburn: "Sales of houses double last year in Weyburn," and the lower interest rates and the government grants were cited for the reasons for this success there.

And almost on a weekly basis, Mr. Speaker – and I thank my colleague and seat-mate here (who isn't here today) the Minister of Energy. Almost on a daily basis, almost on a daily basis – on a weekly basis certainly – when the local paper comes out, the headlines read things like this: "South-east leads in provincial land sale."

Week in and week out, Mr. Speaker, that oil boom is putting young farmers to work. It's keeping the hotels busy. The motels are busy. The food stores are busy. The mall is busy. Just millions and millions of dollars unleashed and unharnessed by some very, as well, imaginative, innovative programs.

And then, Mr. Speaker, there's the programs that my good friend, and the hon. member for Yorkton, the minister in charge of Sask Power, has put in place. Last year, rural natural gas – and I wish I'd got the numbers – but one of my friends out there put in rural natural gas and switched his furnace over from propane, and the saving in his heating bill in his house was just phenomenal, Mr. Speaker. It was much more than the 30 and 40 per cent that everybody has come to expect. And this year we've got another potential 75 new customers wanting to sign up – lots of excitement with the rural natural gas program.

And here, Mr. Speaker, I have a very nice letter from the town of Stoughton. And I must thank – and I see he's left his seat temporarily – I must thank the billion-dollar man, the Minister of Health, on behalf of the town of Stoughton. And in his letter, right in the first comment – and this is from the mayor of the town of Stoughton, and I'm sure he sees no problem with me sharing this with you:

We were very pleased to hear the announcement that Stoughton is to receive a level 3 special care home in 1984. We thank you.

SOME HON. MEMBERS: Hear, hear!

HON. MR. HEPWORTH: — They love the Minister of Health. And, in fact, do you know what the word is on the street, Mr. Speaker, and in the coffee shops all over my constituency? Not only are they happy with the programs that we have, not only are they extremely happy – and I think this shows you that they're happy – not only are they happy with the programs, but do you know what else they're telling us? – “Boy, it's sure good to see you guys.” In fact, somebody picked up one of our fellows and took him around when he drove in not that long ago, and he said, “You know, this is the seventh cabinet minister I've had in here this week.” They like to see their members and be able to talk with them. We listen to them; we don't talk at them.

Well anyways . . . I just talked to . . . Just a couple more things, you know . . . (inaudible interjection) . . . Like I say, they loved the Minister of Health in my town. Weyburn, one of the first to enjoy the benefits of the Minister of Health's new chiropody program. We have a chiropodist in Weyburn, one of the first in the province. The senior citizens really enjoy that. The senior citizens out there are really enjoying the increased benefits under SIP. And like I said, they just love the Minister of Health down there. Weyburn gets ultrasound. And it goes on, and on, and on, Mr. Speaker.

So the points I've tried to make here today, I think, quite simply, are these: number one, is that we've got a lot of exciting new initiatives for Saskatchewan farmers, not only to provide the safety net, but as well to unleash and to rev up that agricultural engine that needed revving. We've had enough lip service for the last 10 years – we're revving it up.

And on the other hand, Mr. Speaker, I think that you can see that the programs that we've had that have been good, we've reconfirmed and added to our commitments on them. And I think in the last examples I used, the citizens in my constituency of Weyburn are extremely happy with the government programs and, in fact, all the government members that have been so kind as to visit it.

As I said, Mr. Speaker, I could go on listing other things, but time is running out. The bottom line is simply this: our fundamental commitment to agriculture is evidenced by our 30 per cent increase in our budget. We're behind farmers in this province 100 per cent. I think this budget proves that without question. It's the framework for unprecedented growth and development, both on and off the farm. And I would suggest to you, and all the members of the House, that in fact a new chapter has been opened up in the history of the province of Saskatchewan.

SOME HON. MEMBERS: Hear, hear!

MR. ENGEL: — Thank you, Mr. Speaker. I would like to, at the outset, congratulate the Minister of Finance for the fine job he did last Wednesday night in packaging and wrapping up and making that budget look so good. He did an excellent job. But very much the same is happening this year as happened last year. It takes about a week to get through the tinfoil and the ribbons and the bows.

But I just want to make one comment before I start the prepared notes in my address, Mr. Speaker. And I was wondering as I listened to government members speaking on the budget, and today the minister, why they spend so much time talking about NDP resolutions. One member will stand up and quote from a resolution that . . . You know, you can tell they've never been to a convention because they quote from the resolutions that come in from the constituencies before they're even discussed and debated on.

And today the Minister of Agriculture, the minister of the number one industry in this province – the industry that contributes the most to our economy – spent more than 60 per cent of his time, (and I was timing him) talking about things that we were doing, or others were doing, or the NDP said, or the NDP did, and only about 30 per cent of his time talking about what his department is going to do. That is the true reflection of his budget. That is the true message.

He talks about a farmer's guide to profitability. I think it's a little different than that. The budget is a profitable person's guide to tax evasion. That's what this budget is. It's a guide to save tax.

To answer that question: why do the members spend so much time talking about . . . (inaudible) . . . I was listening to him for awhile, and I began to think that maybe we're already two years into the future, and he's the critic, because he was spending all his time . . . So it's good preparation for you, Mr. Minister. I'm pleased you know how to do it.

One more comment he made, and I think that's about all the time he deserves to . . . that his speech deserves. He was comparing what farmers in Saskatchewan are, and what we made out of them. They like using that word "crop sharers," and today he used the word "surfer." So I was going to write that down, and then I checked with my . . . (inaudible) . . . and showed him how I spelled "surfer."

I thought, well, maybe that's who this budget really applies to. It applies to the young farmers of that jet set (and I'm glad we have the member back in the House, of your party) that really can classify themselves, and by the look of his tan you can tell that the member from Thunder Creek is a surfer. And I believe that tan extends well down to his waist, and from here down to his toes, because he spends a lot of time surfing down in the beaches of California.

Those are the people, Mr. Speaker, that this budget applies to – the surfers, the jet set, the people that are looking for a tax evasion. They can get the money. I think Mr. – I mean the member from Thunder Creek – is very happy with this budget. He was giving the Minister of Agriculture the gears last fall before he went down south, and you fellows haven't got a grip on agriculture, he said. He came out with an agricultural proposal.

Well, Mr. Member from Thunder Creek, I think you are on the road back to the centre of this table, on the centre of the front benches, because they copied your little program for farmers – hook, line, and sinker. They prepared a budget that's good for me and you, but it isn't good for the average farmer. It isn't good for the average farmer. It's a budget that is good for the jet set. It's a budget that is good for the jet set.

Now, I'm not going to get in on the tax credit for cattle, because there's no way I'm going to buy calves and cattle. Today I heard the Minister of Agriculture talking about how these uncles are going to buy cattle and put them in their nephews' feedlots. Well, this uncle isn't going to do that. This uncle isn't going to put cattle on his nephew's feedlot so I can get a tax credit. I don't think we'll do that.

The other thing he's talking about, and I was listening with interest, Mr. . . . (inaudible interjections) . . . Mr. Deputy Speaker, can I have the floor?

The minister today said that maybe I should get back into getting the itch and growing some barley. I never did like growing barley, but . . .

AN HON. MEMBER: — How come? Is it itchy?

MR. ENGEL: — It is itchy. It gets in and gets into your joints and makes you very uncomfortable, and I was even getting uncomfortable thinking of it. But I'd say to the member, if he has a way of keeping track, I'd love to have him stand in this House – he'll have one more opportunity likely before the election – to tell us how close to 48 million bushels of barley we're going to come now.

Mr. Member for Thunder Creek is a better feeder than I am. I fed cattle back when I was a boy, but I haven't done it since. But I kind of think a feeder-to-finish – 48 is about the right amount of bushels of barley that you can get into one animal. Is that . . . If you can give me a little

indication if I'm close to the right . . . He says I am. So I'll take the Deputy Speaker's word for it. But about 48 bushels is what you can pump into an animal, and if the minister's little tax credit program will yield us a million extra feeders in this province, I'd say that's great.

But that program is going to cost us an awful lot more money than you're indicating in your budget, because 1 million extra head of cattle is going to be quite a little bit bigger tax credit than the minister gives credit for. And that's not in this year's budget. That is income tax that's being transferred to next year's budget. That is a transfer of tax. There's not going to be any tax paid on that, and the savings are going to be a little greater.

So I dispute that he's going to be able to generate 1 million extra feeders in this province. But I hope he does. I think the industry is great. If we have a way to stimulate it, even if the doctors and the lawyers and the ranchers from the jet set, the surfers, are going to do the feeding – a million cattle is not that bad. It's not that bad.

But today we're going to talk about the budget. What is it? The budget has the unusual chameleon-like qualities we have come to associate with Tory budgets. Behind the gloss and the rhetoric and the ribbons, you have to look carefully to see exactly what the budget does to Saskatchewan people. I've pointed out on many occasions and to many farmers, that it certainly isn't for the small and average farmer. It certainly doesn't help the working man. It doesn't do anything for education. I know it doesn't do anything for my colleagues that represent northern Saskatchewan. Their constituencies can't find anything in the budget. It doesn't help the vast majority of people in Saskatchewan who are struggling to cope with Tory times.

Just who does the budget help? What is in the budget? There's lot of help there for their business friends. There's lots of help for the banks. There's plenty of help for the oil industry. There's help to be found for the special set of friends, the ones the Minister of Agriculture named today – the surfers – those who have already made it. There will be smiles in the private clubs and lounges and bars. These people can see the Tory helping hand. They know the government didn't forget them. They know the government wants to share the wealth with them. They might even want to call the budget "socialism for the rich – socialism for the big business community." But for the little guy, the average fellow, tough luck. There are very few crumbs coming from the table for you – very few crumbs.

Mr. Speaker, the member for Morse says this speech is out of date and it's 10 years old. There's something that his church people, the Mennonite Central Committee, aren't going to say is 10 years old. And that's the next topic I want to talk about, and that is SCIC (Saskatchewan Council for International Co-operation).

Mr. Speaker, I wish to turn to an item which is of particular interest and concern to me, and I refer to the matching grants program for international aid. Just 10 years ago today – and you were right and guessed that it's going to be a 10-year-old story – 10 years ago this month, Mr. Speaker, I was sitting in the seat just behind the Minister of Agriculture (in fact, one over) and this legislation passed and introduced a new program, and it was called matching grants for international aid program.

The program was established in response to the interests and wishes of thousands of people from across the province who gave of their time and energy and money to support the work of their churches, and their agencies and organizations such as UNICEF (United Nations Children's (Emergency) Fund), CanSave, the Foster Parents Plan, Oxfam, and many others, in their work to help needy people across the world.

The people of Saskatchewan have a proud tradition of extending a helping hand. This tradition has been a rule of thumb at home in this province, and this tradition has extended into what is commonly called the Third World. The people of this province are almost the highest contributors to private agency overseas development work in Canada. Let me say that again.

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The people of Saskatchewan contribute the most per capita of any other province in Canada to development work in the Third World.

And when our government was asked to respond, we responded. And we responded in such a way, Mr. Speaker, that every dollar voluntarily contributed by Saskatchewan residents to our development agency was matched with a dollar, and this dollar was again matched by CIDA (Canadian International Development Agency).

AN HON. MEMBER: — Not true.

MR. ENGEL: — The member that was travelling with me on a fire protection committee says it's not true. Well, I have news for the member from Kelvington-Wadena: that was true.

If a social agency, an NG or non-government organization, raised a dollar, the province of Saskatchewan matched it with another dollar. Both those dollars were matched by CIDA (Canadian International Development Agency), and \$1 did \$4 worth of worth overseas. If my little daughter and her Sunday school class gave a dollar, that dollar was worth \$4 in a development program.

Now, Mr. Speaker, we have cut these kids off at the knees. No longer can they look forward to their \$1 buying powdered milk for refugee camps in Somalia. No, Mr. Speaker, this government has said, "No more." The purchasing power of that dollar has been shrunk by one-quarter of its size. I wonder, Mr. Speaker, how many children in this world are now receiving this milk because of the niggardly attitudes of this government.

Mr. Speaker, it is not just those Sunday school children that have been betrayed, but it's the thousands of other people in this province who looked with pride at the willingness of the provincial government to share, and to share with other fellow men.

But, just as important, Mr. Speaker, we have betrayed, we have forgotten, we have turned away from, those children in refugee camps. We've turned away from those women in rural Ethiopia who lack proper hospital facilities to assist in difficult births. We've turned away from farmers in India, waiting for simple water pumps to enable them to irrigate small plots of land. We've turned away, Mr. Speaker, from people in need, all over the world.

This attitude of this government is nothing new to the people of Saskatchewan. Even here at home the people of this province have been treated with the same callous manner – budget increases for the Department of Health that is lower than the rate of inflation; budget cuts for the Saskatchewan Assistance Plan and the Department of Social Services amounting to 6 per cent, while at the same time the administration of the department increases by 16 per cent, even after 10 person-years have been eliminated; budget increases in the Department of Education lower than the increase in the rate of inflation; budget cuts for day care; budget cuts for women's programs; budget cuts for occupational health and safety in the Department of Labour; budget cuts for legal aid. Where's the Justice, Mr. Deputy Speaker? Where is the justice?

In this budget speech, the Hon. Minister of Finance took pride in saying that Education and Health budgets have increased by 7.3 per cent. Well, Mr. Speaker, anyone who reads the budget will know that the Health grew by less than 5 per cent, and Education grew by less than 5 per cent.

He didn't say anything about a 52 per cent increase for provisions for cabinet ministers, even if the yappy minister of Moosomin didn't get one. He didn't take much pride in advising the people of Saskatchewan to cut in-job training programs for Northerners. Where is the justice, Mr. Speaker? It's certainly not evident in this budget – a budget that cuts off at the knees the desire of people to help – to help themselves and to help others. This government has adopted a trickle-down approach.

The Premier said last Thursday in the question period, in reply to questions from my colleague from Cumberland, he figured that if the Wascana Institute got a few bucks, then maybe a guy from his constituency may get a job sometime, somewhere, or because, as the Premier said, his hands were tied. It will go to someone from Toronto. How this will happen escapes me, and obviously it is of little concern to the Premier. If his hands are tied from acting when construction workers in Saskatoon are crying out for work, what makes him think that his budget will help?

Again I ask, Mr. Deputy Speaker, where is the justice? It's not in this budget. Ten years ago, in the budget tabled in March, 1974, there was a provision for budgetary expenditures for the matching grants program – the first one in this province. It was to cover only a part of a year, and do you know how much that was, Mr. Deputy Speaker? \$650,000 for part of a year in the 1982 budget. Our government had continued to raise that \$650,000, until year 1982 it had grown to \$2.5 million, and even then it was short of matching completely the voluntary givings of citizens of this province. What is it now after two short years? What's that \$2.5 million worth? \$900,000. Not only is that a decrease, a 10 per cent cut from last year, but it represents less than a third of the purchasing power of the 1974 dollars.

While the government has cut its contribution, voluntary agencies in Saskatchewan – what are they doing? They are expecting to raise \$4 million this year. You know, Mr. Deputy Speaker, the sad thing is that many of the people who are giving their money are doing so with the belief that their money is going to be matched by this government.

There's no question that one reason why charitable organizations have been able to raise more and more money in recent years – it's because the people of this province were proud that their government was working in co-operation with them, working with them in caring and sharing in the needs of others. They could see that their individual action was going to be much more important, and much more valuable, in meeting other's needs. That's no longer the case. The 10 per cent cut in this particular program is continuing proof, Mr. Speaker, that it is the desire of this government to do away with the matching grants completely, a program that has and could continue to do much more for this province.

There's another topic, Mr. Speaker, that I want to touch on before I get into the area of agriculture, and that is . . . (inaudible interjections) . . . I know there's members maybe that don't want me to talk about this topic, and that's the issue of alcohol advertising.

AN HON. MEMBER: — Oh, not again.

MR. ENGEL: — Oh, not again. I imagine that would be the response. As members opposite will know, the decision by your caucus and your Premier to allow advertising alcohol in this province is not a very popular decision. The people of this province have a higher level of moral principles than you give them credit for on October 1, 1983. You, over there, paid off the distillers and the brewers who contributed so healthily to your party in 1982, and only a paltry sum of \$43,000 to your federal party in the same year. A payoff, Mr. Speaker, because those are the fellows who, even if the members opposite pretended not to, the liquor advertising increases consumption. In fact, you even estimate that revenue from liquor sales in this province for 1985 will total 130 million – a 20 per cent increase, a 20 per cent increase. You know and I know that advertising will increase the consumption, and is increasing the revenue by 20 per cent.

Mr. Speaker, when the government decided to allow liquor advertising, they issued regulations to govern those ads and the ads that were to display the product. The regulations state, and let me quote from them, "12.7(a) The ads cannot encourage the use or consumption of liquor." 27(a) of your regulations.

I wonder what else those ads are really doing, if they can't encourage the consumption of liquor. Even if, as the Premier suggested, it will only promote brand switching, that is still encouraging

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use and consumption.

12.7(b) states, “They cannot contain drinking scenes.” So what are they doing in pubs, sitting with beer in front of them and watching the bubbles, if they’re not drinking? Completely contrary to the regulations.

12.7 c), “The ads cannot associate alcohol . . .” And these are your regulations, Mr. Attorney General. How come you’re not enforcing them? 12.7 c) states, “You cannot associate alcohol with activities involving skill or the element of danger.”

Mr. Attorney General, have you ever watched a television ad, on liquor? Have you ever watched an ad? Have you ever seen the Old Vienna ad? Does not skiing, canoeing on white paper rapids, involve both skill and danger?

12.7(e) states that, “They cannot allow alcohol as being helpful in obtaining any social prestige, popularity, or personal success.” I ask you again . . . (inaudible interjection) . . .

The Attorney General would like to know what Don Faris says about beer ads. Well, I can tell you . . . (inaudible interjection) . . . The Attorney General is getting very sensitive because he has a job in this province to enforce the law. Why doesn’t he? Why doesn’t he enforce the law, is what I ask you. You are the Attorney General of this province. Do I have to lay a specific charge every time an ad comes on that breaks the law, or are you going to pick it up? . . . (inaudible interjection) . . . I’ve named three of them. The Attorney General asked me to name one. I’ll name three . . . (inaudible interjection) . . . 12? Okay.

Okay, will you prosecute? Okay, we’ve got us a deal. 12.7(h) – here’s another one we can lay a charge on, Mr. Deputy Speaker. 12.7(f) states, “They cannot show alcohol being used in a manner prohibited by law.”

Well, Mr. Speaker, beer ads often show the sexy young folks having a beer on the beach, an act that is prohibited in this province. There’s another one for you, Mr. Attorney General. Young people drinking beer and having a party on the beach – that’s against the law in Saskatchewan.

12.42 states that, “TV ads shall not be shown at a time when the audience is likely to be composed primarily of minors.” I ask you, Mr. Speaker, do minors no longer watch the Saskatchewan Roughriders on television? Do they no longer watch Hockey Night in Canada, or the world series? In each case, the advertising by breweries and distillers have broken the law and this government has sat back and done nothing. How much did these companies contribute to your party coffers? How much have they . . . (inaudible) . . . bought to turn a blind eye to these violations – violations which encourage and contribute to the increased consumption of alcohol, particularly among our young teenagers of this province?

Mr. Deputy Speaker, this is bad enough. But to make the issue even more serious . . . That’s bad enough, but there’s even a more serious issue than that, Mr. Deputy Speaker. And I’m not sure if the back row . . . I’m not going to call them what Mr. Eisler did, but everybody knows what that word is.

AN HON. MEMBER: — Fertilizer Row.

MR. ENGEL: — Fertilizer Row, that’s right. The liquor board in this province is actively attempting to increase sales. The liquor board is actively attempting to increase sales, and I wish I’d have eyes in the back of my head because then I’d know who is contradicting me. I’d like to name one of the members in the front row who is contradicting that. The liquor board – I’ll repeat it – is actively attempting to increase sales.

Mr. Speaker, let me quote from a memo dated July 26, 1983, to all liquor board store managers,

by a Mr. A.R. Wareham. I wonder if the Attorney General knows him – A.R. Wareham, director of retail operations. I quote from page 3 of his five-page memo from the heading, “Shelf Layout.” Let me quote:

There have been a number of different types of things that we have tried to improve product display, as well as increase incremental purchases by customers.

Did you hear that?

AN HON. MEMBER: — Say it again.

MR. ENGEL: — “There have been a number of different types of things that we have tried to improve, product display, as well as increase incremental purchases by customers.”

The liquor board store is doing different things through this displays, to increase incremental purchases by customers. And I’m continuing the quote:

For example, you go into any food store, you will always find your milk and your cheese and your butter at the back of the store, even though those are the most frequently purchased items. The reason for this is, as any good retailer knows, is to force customers to walk by other products in the store and have the opportunity of then making spontaneous purchase decisions on these items. Since rye (the milk of the liquor, I suppose) . .

Now, “milk of the liquor” is my quotation. I want to quote exactly from this article, and I’ll start over:

Since rye is by far the most popular selling product in this province, we have moved rye to the back of our stores . .

We have moved rye to the back of our stores. Now do you fellows know this? I don’t know. I don’t patronize those places.

We have moved rye to the back of our stores and put slower selling items up on the side shelving. The other thing we have done is, for example, with Five Star whiskey, to place the mickey, the 25 oz. And the 40 oz. Together. There are a number of reasons for this. First of all, it gives a better visual display to the customer of Five Star whiskey. Secondly, it is much easier to find these products, as opposed to having them scattered all over the place. And thirdly, and most importantly, (and I’m quoting word for word from his letter), in the stores that we have tried this, there has been a marked increase in purchases by customers. Where there was a regular customer picking up a 25 oz. bottle, they have now moved to a 40 oz.; and where there were customers coming in and buying a 40 oz., they are now buying a 40 oz. and a mickey.

We realize this may take more time in stock taking as the shelf layout will not agree with the inventory forms, but that is something we have to sacrifice in order to achieve our merchandising and our customer service goals.

End of quote. End of quote. My colleague asked who sent the memo. The memo is dated July 25, 1983, to all liquor board store managers, by a Mr. A.R. Wareham, W-a-r-e-h-a-m, director of retail operations for the Saskatchewan Liquor Board.

Mr. Deputy Speaker, not only do we allow liquor advertising to promote consumption, the government is also getting to the act – a shameful contribution to the promotion of one of the most severe social problems in our society today. We all know what the problem is. The problem of this province know the problem and they have spoken out loud and clear, and we

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will continue to speak out because, Mr. Speaker, it is a bad decision. It was a bad decision to advertise liquor. It's a worse decision for the liquor board to try and merchandise it, and to try and get customers to buy more.

If this government had any social conscience, or any social responsibility, they would take action. If they had any integrity they would say enough is enough, and they would police the advertising of liquor advertising. If they had any feeling at all towards the views of over 10 per cent of the population of this province who have taken the time to write to the Premier and protest, they would know that they did the wrong thing. When 10 per cent of these people respond, Mr. Deputy Speaker, that's a pretty serious response. What they have done, and continue to do, is to display a total disregard to the flagrant violation of the laws of this province and the welfare of its people.

Now, Mr. Deputy Speaker, my colleague, the member for Pelly, did an excellent job yesterday, and I don't want to take a long time talking about highways in Saskatchewan, particularly since I'm not sure that the Minister of Highways is going to read this text.

AN HON. MEMBER: — He'll be here tonight. Don't worry.

MR. ENGEL: — They tell me he's going to be here tonight, but I wish he were here to hear this.

I consider, Mr. Deputy Speaker, that highways are an essential service. Highways are an essential service. We have a million people scattered over vast distances in this province, and it's a subject that the PCs prefer not to address. After looking at the budget and listening to my colleagues and, particularly, the member from Pelly, it's easy to see why they refuse to address this topic.

For the many dedicated highway workers who have built and maintained our road network, this budget is a story of sorrow, betrayal, and impending financial disaster. This budget is a cruel and a bitter pill to swallow. Our Minister of Highways, who desperately wants to be known as the minister of good news, a minister who fired 237 employees over and above the 139 employees fired last year . . . this minister says there are jobs in the province in the private sector, but that he's not going to tell them where to go.

And I like the article in the paper where this minister was compared to his power of positive thinking to that of Norman Vincent Peale. Well, I think that was a disgrace to Mr. Vincent Peale. But the Minister of Highways is a disgrace to the highway workers of this province.

SOME HON. MEMBERS: Hear, hear!

MR. ENGEL: — I have never seen the morale amongst highways workers as low as it is today, Mr. Minister — never in my life.

Mr. Speaker, the minister did send a message to those fired workers. He did tell them where to go and, at the same time, he told the rest of the dedicated team of skilled employees of the Department of Highways where to go. And the minister is not even graceful enough to recognize the contributions made to our province by the employees he has fired. He calls them bureaucrats, as though men and women who have built and maintained our highways are some sort of lower species. His words betray his arrogance and his contempt.

The minister tries to alibi his way out of his self-created pot-hole by saying the employees and their work are simply being transferred to the private sector. He sarcastically and cynically offers them the opportunity to seek work in the private sector. He claims the private sector can do the job cheaper.

Let's examine this point a little bit. The minister says in '82-83 annual report on page 1:

Another goal successfully accomplished this year was the shift in work from the public to the private sector. Much of the department's road-building activity has been transferred to the private sector.

Well, Mr. Minister, what are the results? '81-82, kilometres completed or under construction, 1,421. These figures are obtained from the 1981-82 and the '82-83 department's annual reports. In '81-82 we completed 1,421 kilometres, according to the annual report. The year we turned much of the work over to the private sector, how many did we complete? 1,421 like the year before? No, you know, because you didn't get that many in Shellbrook, Mr. Deputy Speaker. 1,077 – 24.2 per cent less performance in '82-83, when the private sector did it, compared to '81-82 when it was done by the department – 1421 – 1077.

What about the millions of dollars spent on rural and northern highways? – '81-82, 96,209,000; '82-83, more, because of the shift to the private sector, a 10.6 per cent cut of only 86,036,000. What about the average cost per kilometre of completed or under construction rural or northern highways? He didn't quote this number when he was talking who could do it cheaper, the private sector or the public sector? He didn't try and share this number. '81-82, according to your annual report, '81-82 the average cost per mile, Mr. Minister, the average cost per mile (if you'll stop and listen), \$67,705 – '81-82; '82-83, according to his figures, it would be 20 per cent less, wouldn't it? That's what he told us in the question period. '82-83 the average cost per kilometre of completed or under construction, rural or northern highways, 79,885 – 18 per cent increase by turning it over to the private sector. He says a 20 per cent reduction. He was only out by 40 per cent. That's nothing new for the Minister of Highways. That's nothing new.

The Highway budget isn't all bad news though, Mr. Deputy Speaker,. The Highway budget isn't all bad news. There are some increases.

AN HON. MEMBER: — Where at?

MR. ENGEL: — Executive administration – up 15 per cent; planning and research — up 25 per cent; management services – up 10 per cent. And here's the good one. We're going to tell the people how good the roads are. We're not going to let them find out for themselves. We're going to tell them how good those super roads are – 71 per cent increase in communication and other expense, increases of almost \$400,000.

We're supposed to swallow the line, Mr. Deputy Speaker, given by that minister. The PC lines are “dedicated to trimming bureaucracy. The PCs are dedicated to trimming bureaucracy.” That's a bunch of rubbish. The only cut-backs in this budget are in services, not in bureaucracy.

I'm going to get into the main part of my text, Mr. Deputy Speaker. And if the rules would allow, I think the eight of us could go for 12 more days. We have so much material to talk about. We don't have to talk about what they talk about in their Tory little meetings like the members opposite. We have material before us that are in the budget. We have material that are facts, and the material that is at hand.

Let me talk about the agricultural budget. This budget is a tragedy for Saskatchewan agriculture. This budget is a tragedy for Saskatchewan agriculture. It's a tragedy for the farmers of Saskatchewan. The Minister of Finance has done some tinkering because he couldn't ignore the farm situation altogether. He reminds me of Nero who fiddled while Rome was burning. The only difference is that the Minister of Finance isn't as rotund as Nero, so I can only call him Nero's shadow. In any case, the budget has completely missed the mark.

For a long time, it could be argued validly that there was precious little the province could do in the face of the circumstances beyond the control of the province, and that's the argument the Minister of Agriculture tried to make today. There's nothing we can do in the face of circumstances. But, let me tell you, members opposite, and particularly the member from

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Moosomin, that is no longer the case. The province does have some muscle, and as a result the progress made in Saskatchewan under the former administration, under the NDP government, the financial strength of the province now is such that there is something we can do.

There is a possibility to do something worthwhile – something worthwhile for agricultural problems, and not just for the few rich, and the jet set, and the surfers. There's something we can do for the farmers. At least, that was the situation a couple of years ago before you got us into this \$830 million deficit.

If we had many more budgets in this province from this government who sits across the way, there's going to be precious little we will be able to do, because we will be spending all the cream of the budget in trying to pay the interest rates.

The thing that is especially tragic about this budget is that it demonstrates that the Tory government simply does not understand what agriculture is all about, and what the needs of the farmers really are.

Let me suggest some reasons why this government did so poorly for agriculture in this budget. Number one, remember last fall when the Minister of Agriculture said in the debate, replacing FarmStart with his new Saskatchewan credit corporation, do you remember what he said? Those members in the back row, do you remember what he said? "Credit should be used to exploit success, not to reinforce failure." I want to say that again. These are the words from the member from Weyburn, (and I'll call him the member for Weyburn because I'm quite sure he isn't going to stay in agriculture very long with the record of performance he's had thus far): "Credit should be used to exploit success, not to reinforce failure." If you don't have it made, tough luck farmer – tough luck.

The Tories fail to recognize that there are thousands of hard-working farmers who are struggling to keep their farms in the face of circumstances beyond their control. The NDP has faith in these farmers. The Tories don't.

This is a party of agribusiness, and all that that means: more money for the CPR; grain for the inland terminals rather than for the farmer's own elevator system; ripping up rail branch lines; a private grain trade so Cargills, rather than the Canadian Wheat Board, can have the market. In other words, the Tory government is out to destroy the things that my grandfather, and my forefathers, and your forefathers fought for generations to get in this country.

Tory government's priorities do not include the farmer who is in trouble. Their priorities are the oil companies, the big investors, the bankers, and most of all, making sure that they have looked after themselves with a bloated cabinet, extra tidbits . . . extra tidbits for all of their MLAs, and a swollen staff of high-priced Tory hacks to do their dirty work behind the scenes.

Today, I would like to do is review the state of affairs in Saskatchewan agriculture. Take a look at what this Conservative government proposes in the budget, and propose an emergency program, dealing with the things that the government could have done, but didn't.

What is the agricultural situation today? Farm income has dropped substantially in the past two years, and can be expected to drop even more sharply this year and next year. We expect it's going to drop more this year.

The only thing that has held it up so far has been some good crops in the past few years, and a better than expected final payment. As a result, the farm cash receipts have held up fairly well, and in 1983 they were not far below the \$4 billion mark.

On the other hand, operating and depreciation expenses have continued to rise, and are now well over \$3 million. The net result is that realized net farm income in 1983 is now estimated at

\$914 million lower than it has been for some years.

The problem is reflected in the price and cost indexes published by Stats Canada. The farm price index for Saskatchewan, basis 1971 with 100, shows that in 1980 the farm price index was 329.8. 1981, 345; 1982, 316. And November 1983, what is the farm price index? 291. A drop of 53 points since 1981. Final grain payments may boost the 1983 figure a little. Let's hope so.

Costs are measured through the farm input price, and the index for western Canada with 1971 being 100: 1979, the costs were \$237.9; 1980, 261; 1981, 303; 1982, 312; and the third quarter of 1983 is still 312.8. In spite of the recession, costs have still continued to edge up.

What is the outlook for 1984 and beyond, that of '85? And I think it's pretty bleak. On the farm income side, Hazen Argue said he's getting recommendations for much lower initial grain prices. In addition, we can't always bank on the large crops we've had in recent years. The net result is that farm cash income will drop significantly in 1984, and even more in 1985.

Farm costs still continue to edge up. Fertilizer and chemical prices are now such that farmers simply won't use them in 1984.

The real sleeper, Mr. Speaker, in the cost is interest. Large deficits — large deficits — \$830 million deficit, Mr. Speaker, means higher interest. Higher interest costs drove some farmers out of business in the last two years, and drove many others to the edge of bankruptcy.

Now interest rates with this Tory deficit are going to edge up again. They may fall just before the U.S. election, but indications are that there will be a sharp rise near the end of this year. They will drive many, many farmers into bankruptcy if we don't do something about this situation.

What is happening to farmers as a result? Those farmers who had their farms paid off, or inherited their farms, are generally able to get by. In some cases they are able to take advantage of distress sales in their area.

On the other hand, the farmer who has a debt load is almost automatically in trouble. His farm income may be enough to cover his operating expense, but if he or she has any size of interest payments, they're in trouble. To make ends meet, he and his wife often have to take off farm work and deprive themselves of a decent standard of living.

The number of farm bankruptcies in Saskatchewan is going up. In 1978, '79, and '80, we were about 15 bankruptcies; '81 had 23; '82, 24. In 1983, when these people were responsible, it jumped to 48 bankruptcies. And what's happened in the first month of this year, Mr. Speaker? In one month, we've had 12. We've had almost as many in the first month of this year as we've had in all of 1979, '80, or '81. Bankruptcies are only the tip of the iceberg. There are more receiverships, more distress sales, and cases where farmers simply give up and sell out because they are getting nowhere, and the budget reflects that. We have a \$4-million counselling service in there to counsel these farmers how they can get out of farming.

Other things are happening. Some of the banks, in particular, are restricting and holding back on their lines of credit. Some farmers won't be able to put in their crops. The banks, in effect, are choosing through their own criteria who is going to survive or who is going to go down the drain. I also have reports that fuel dealers in many areas across the province are on the verge of bankruptcy, and some of these are co-ops, Mr. Speaker.

What does the Conservative budget do for these people? Let me touch a little bit on what's in the budget to deal with this problem that I've been talking about. After noting that the Saskatchewan farmer is a central figure in our economy, he went on to brag about the farmers that were helped by the farm purchase program. The only farmers that were helped by the farm purchase program were those that wished to expand. He failed, and not a single word was

mentioned about the large number of farmers who were caught adrift, who had land bank contracts, and who were placed in jeopardy by this government.

The minister told us that Agricultural Credit corporation has relaxed eligibility criteria, has reduced interest rates and increased the loan maximum. He said nothing about the get-tough policy that they brought in for FarmStart loans, about their failure to reduce FarmStart interest rates even when they weren't competitive any more. He didn't say anything about the 5,000 farmers who were put on their feet by FarmStart, and who this government has pulled out the rug from under.

The next item was a \$4 million fund to assist financially troubled farmers. These words are interesting, and I've asked on many occasions: what is a viable operation who need temporary assistance? I don't yet know how this fund is going to be set up, but if this is the extent of assistance for farmers in need . . . And I talked to a former member here, Mr. Robbins. He's not here any more, and he was sitting back there. He says, "I've got a neighbour, I've got a neighbour that's in trouble." And this neighbour counselled with Wes today, and he says, "I've got to have \$500,00 by this spring, or I don't start farming." He's \$500,000 in trouble, and he's a viable farmer. He's a viable farmer. He's a farmer that you'd consider that's viable. How many of those farmers are you going to help with \$4 million? As many as us who are sitting here. You could get them all into these eight seats. That's as much money as you'll have – for eight of your friends that are viable in trouble.

AN HON. MEMBER: — A ludicrous program.

MR. ENGEL: — That's a ludicrous program, according to the words of my learned friend. You have no trouble, you have no trouble coming up with \$100 million for your friends in the oil business, but the central figure in our economy . . . In addition, those words "viable operations" suggested there are some farmers who the government thinks they should be weeded out.

We go on in the budget, and the minister says they are going to help develop irrigation systems. True, there's more money in the budget for irrigation. I'm in favour of irrigation where it makes sense, but I would just caution that experience shows that it is not necessarily the panacea some people think, and, if you are going to produce more, better give some attention to marketing.

The next item, and this is one that I've commented on many times, and it's been reported on, and that is the Home Quarter Tax Assistance Program to eliminate school tax on the home quarter. And, you ask me, are you against that? No, I'm not. I'm not against the donation to farmers in the form of the school tax, but I think that should be an equitable program. I think that program should go to the farmer that needs it.

I imagine the Speaker is quite happy about that. I'd guess your home quarter is assessed at \$4,500, maybe more, but at least that. So, he's going to get \$450-plus. He's going to get \$450-plus. What about the farmer that's on a \$1,200 assessed quarter of land, that really needs help? What have you got for him? — \$120. Four hundred and fifty dollars for your Speaker, and \$120 for a farmer that needs it. Now, I put that very carefully, Mr. Speaker, because I'm sure that your farm will have the shiny green equipment you have and a long line and it's beautiful. He's got the nicest farm in the country. I think that's a show-place for Saskatchewan. I've looked at it from the top down. I've never gotten around to getting to visit him. I'm going to some day. But, it is well kept. It's manicured. It really is. And, the Speaker, never gets a chance to talk about it.

But we can get over \$400 – both the Speaker and I can on our home quarters. But, there are farmers . . . I'll get more than \$400, too, on that home quarter. But there are farmers that need it, that really need it, and are only going to get \$80. There are farmers in my constituency . . . There are more farmers that have home quarters that are worth less than \$1,500 than that are worth more than \$1,500.

The next thing the minister said . . . He talked about the Livestock Investment Tax Credit, and I talked about that earlier. I won't bore you with it again. But, if the minister can come up with 48 million bushels of extra barley in this province, I'll say more power to him. And I'll say that program is working even beyond the Minister of Highways' power of positive thinking. There is two Vincent Peales in that cabinet, both of them are positive thinkers.

They talked about a feed grain mechanism to help assure feed grain supplies. I'm not really sure what it is, Mr. Speaker. We don't know . . . I listened to the Minister of Agriculture carefully today, and I still don't know, because he didn't take time to talk about his wonderful programs. but I would bet my bottom dollar that it's a program to help undermine the Canadian Wheat Board and to help the government's friends in Palliser and Cargill. I'll make a little wager on that, and, Mr. Speaker knows I'm not a betting man.

Now, let's take a look at the total package. It falls woefully short of even beginning to tackle the problems faced by Saskatchewan farmers. It has a few paltry crumbs for the people who need help. It is generous to their friends who don't need help. It makes mockery of the declaration that the Saskatchewan farmers centrally figure in our economy.

The Tory record in dealing with farm crisis is a shameful record. I really thought that they might come forward with something useful, especially after the Premier, and the minister in charge of exterminating the Crow, trumped so loudly about the millions the treasury would be making available to offset the increased freight costs — but it didn't happen. Since this government can't seem to put two and two together, it looks as if we'll have to help them out, but, more importantly, to find some way of helping the farmers facing financial problems, and that gets me to my emergency program that I announced today, Mr. Speaker.

And, I would like to place before this legislature, and before the people of Saskatchewan, the New Democratic Party's emergency farm program. This is a package of things that the provincial government can do, and stay within the terms, and frame of their budget. There are, of course, other items on which this province should be pressing the federal government for action, and I can't outline them, and I haven't got time to outline them all, but the key plank in this emergency program is to pass the family farm protection act.

That's something so easy and so simple to do, and it's going to help so many people. My bill is entirely identical to the exact act, except that it is to be in force until October 31, 1985. In that way, the farmer is protected throughout the '84 and on into '85, in view of the prospect of lower grain prices in '84-85 crop year. If there is no return around by that time, then neither act should . . . (inaudible) . . . be necessary.

This bill is designed as an emergency, short-run step to ensure that the farmer has a chance to survive in the face of low prices, admitted by the Minister of Finance in his budget speech, admitted by the Minister of Agriculture today. And this is a chance to develop a plan for survival, a chance to develop a plan for survival and to rearrange his financial affairs.

The second thing we're introducing, Mr. Speaker, is a farm operating loan guarantee program. This program is in effect in Manitoba. I talked to the minister that was introduced today, and he told me that it's costing the Manitoba government very little, because what they're doing is guaranteeing. If you will guarantee a loan for your son, you co-sign his loan. You know your son is going to make the payments. It's not going to cost you anything, and that's what we expect that this government should be.

You talk about big government and all. I think this government should be man enough to be a big brother, and stretch out a helping hand to that farmer that's going to lose his shirt. Sign on the dotted line for him. Be a guarantor, and the banks will give him some working capital.

AN HON. MEMBER: — Like you did for Bill Hunter.

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MR. ENGEL: — Yes, you had money for Bill Hunter. You had lots to guarantee his enterprise, and where is Bill Hunter today?

The third thing we think would be very essential, and this spring when it comes time to go farming, farmers need to buy some fuel. The Minister of Agriculture made fun of the fuel rebate program. His colleagues in Alberta give the farmer 32 cents a gallon every time he buys a gallon of fuel. They hand him 32 cents. Why can't you do it? Why can't you do it? You have \$100 million for the oil companies, and you can't find 50 million for a good rebate program.

I think this government, rather than spend the money on the home quarter, made a flat rate payable to the farmers, so everybody gets the same amount.

And our fourth point is to substantially increase the municipal and education grants so that the taxes don't have to go up.

The fifth point (and this is one of your election promises), you promised to hold them down. I've seen election promises made right across this province by the members opposite that are sitting here today, and that is to hold the line on utility rates. You put up a big smoke-screen with PURC (Public Utilities Review Commission). You said PURC is going to be the answer. You put up a big smoke-screen, and then you tell them what to do, and how much you can increase, and how much you can decrease. Even your own members couldn't stomach the 14 per cent increase in the electrical rates, and now you've pared them back to 9.7. But 9.7 or 10 per cent is still a substantial increase.

And then the sixth point, and one that I think is really a good one to look at, and you're the government that says you're open for business. You're the people that say you want to attract new industry to this province. Why don't you investigate ways of reducing fertilizer and chemical costs in Saskatchewan?

I listened to a person that wanted to be in manufacturing and was going around selling shares to produce the equivalent of Hoe-grass. I think he should have been given some concrete assistance, and he should have been given some consultant services. Sedco should have got behind him and given him some empty buildings you've got sitting around and get the guy going so he can produce it. Why should we be paying \$17 and \$16 an acre for a chemical that somebody said he could make in Saskatchewan for \$6 or \$7? Put your pocketbooks where your mouths are and do something about the chemical costs in this province.

There are other things that you really could do to reduce the farm costs, and I think the family farm improvement branch is one of the key tools your government should be using to provide inexpensive chemicals to farmers. But, no, you cut them off at the knees too. That's not in your government's philosophy. You think the private entrepreneur has got to get in there and make a buck off the farmer. Well, I think you're wrong.

As I mentioned earlier, there are many items on which the provincial government should be pressing the federal government for action. I've heard precious little from your government on matters to date. I can assure you, Mr. Speaker, that my colleague and I will be pressing the federal government to take action on a whole series of issues that would be of help to western Canada and to agriculture.

Mr. Speaker, I have one more issue I want to talk about today, and I raised that in the question period the other day. And that's one of the outlandish things that the Minister of Highways has done on January 10, and that's a letter he wrote to the Hon. Lloyd Axworthy.

I first heard about this letter when my friend, the chairman of the Fire Protection Committee, came down to a meeting, and I sat beside him on the platform in my constituency, near my

constituency, the little town of Big Beaver. And the member was down there with the minister, the member for Bengough-Milestone, and they waved this letter. They waved this letter, and said that their Minister of Highways, he has written a letter to Axworthy and he's pressing Mr. Axworthy to save your rail line. He's fighting to keep this rail line. Well, like I said, that's one of the most outlandish things I've ever seen or heard.

They tried to tell the people at big Beaver, and the member for Rosthern said, "As Legislative Secretary to the Minister of Highways, I can't disclose what's in this letter." But I have this letter here, and the minister has written to Axworthy and, "We're going to fight to save your railliner," are the words he used.

These two gentlemen did their best to leave the impression that the government was concerned about rail branch line abandonment, because if they wouldn't have, they wouldn't have got out of there in one piece. They dropped the hint that the Minister of Highways had recently written this letter, and that they didn't have liberty to reveal the contents.

Two days later the minister made that letter public in a press release. And what a bombshell I can tell you it was to the Big Beaver area farmers, because I took the liberty of sending each one of them a copy. And I can tell you, Mr. Speaker, that when the people in Big Beaver saw what was in the letter, they were fuming, and many of their comments couldn't be repeated in this House. Why was that? The reason is because the letter made it shamefully clear where this government stance is on rail line abandonment. They wanted the money to build roads rather than to keep rail lines. In other words, they wanted to see some of the money that was to be spent on roads, so big semi-trailer trucks could haul grain to inland terminals.

The evidence is clear in his letter. He starts off by noting that the prairie branch line rehabilitation agreement was going to expire in 1984, and that a new agreement will be needed to cover the expenditure of \$670 million. He then makes specific reference to provisions of Bill C-155, and I quote:

Also speaks of agreements to provide for the movement of grain by truck.

Finally, he cautions against making any final decisions, and let me quote:

Some allocation of the remaining funds between the rail and the road modes may be advisable to create the greatest efficiency and to minimize the negative impacts resulting from changes to Saskatchewan transportation's infrastructure.

What a betrayal to the Saskatchewan farmer! It is many years since this province has seen that kind of betrayal of the farmer's interests. The Minister of Highways has crawled into bed with the CNR and the CPR, rather than standing by the farmer. Canada's railways lied to the farmers of western Canada during that long and bitter debate over the Crow rate.

Now, the federal Minister of Transport has confirmed that the CPR and the CNR will spend billions of dollars less than they promised during the Crow debate on improvements to the western rail system. A deals' a deal, Mr. Speaker, and the railways have broken their end of the deal. Now the Minister of Highways is even trying to persuade the federal transport minister that federal money, now allocated to rail lines, should be diverted to upgrading roads.

It is clear – it is clear that this government has given up the fight to save prairie branch lines. You have brought the railway line that we should have inland terminals and forced Saskatchewan farmers to haul their grain 50 or 100 miles. The minister has broken his words. He's betrayed Saskatchewan farmers. He's crawled into bed with the railways.

A year ago, both the Premier and the Deputy Premier vowed that the PC government would open up the provincial treasury, if necessary, to compensate Saskatchewan farmers for the loss

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of the Crow rate. The Crow rate is gone as of January 1, and since that date Saskatchewan farmers have been spending an average of 16 per cent more to move their grain. But this PC budget doesn't have a single word about Crow compensation – not one word about Crow compensation.

Doctors and lawyers get to invest in the livestock industry to cut their taxes, but there's very little in this budget for the ordinary farmer. Where is the Crow rate compensation that this government promised Saskatchewan farmers just a year ago? It's nowhere to be found. It's just another empty, hollow promise from this hollow government. It's another demonstration of their betrayal of the Saskatchewan farmer.

Mr. Speaker, in conclusion, in conclusion . .

SOME HON. MEMBERS: Hear, hear!

MR. ENGEL: — I didn't know they enjoyed it that much, Mr. Speaker. But, in conclusion, the Minister of Finance put a lot of emphasis on the highlights of the budget. What he tried to keep hidden was the lowlights of the budget. This budget is bad news for the thousands of Saskatchewan people. It shows no compassion or understanding for the needs of Saskatchewan people, or for the needs of our neighbours. Rural Saskatchewan, and the farmers of this province, are left to flounder as best they can in these difficult times. The government has missed an opportunity to provide some much-needed help for agriculture.

I challenge the members opposite to let us put through a private member's bill. Blame the banks that it's our bill. We'll take the responsibility for all the actions, and you can take the credit for all the farms we save. You'll never find a better deal than that, Mr. Speaker. I urge each member to let this bill go through.

Secondly, I would say that: don't leave the rural farmers flounder. Put some money into a fuel rebate program. Do the sensible thing – that all the farmers need – some help, for all the reasons that I've stated, and for other reasons that my colleagues are going to elaborate. You can rest assured . .

Somebody from your side the other day challenged us to vote against the budget. Isn't that a wonderful challenge? Mr. Speaker, is there any two other members in this house that have been here longer than I have? And I have never, ever seen an opposition vote for a budget, and I can assure you they won't this time. We'll be supporting the amendment. Thank you.

SOME HON. MEMBERS: Hear, hear!

MR. JOHNSON: — Mr. Speaker, I'd like to start off this evening by offering my congratulations on what I think is one of the most imaginative and innovative budgets that ever been probably proposed to the province of Saskatchewan, in that the finance minister, Bob Andrews, and excuse me, and our good Premier, and all the cabinet ministers that have put such an imaginative budget together. You know, finally, for many, many years – and I've been in agriculture all my life – for many years I've wondered why government never addressed agriculture in its proper form. Well, Mr. Speaker, finally we have a government that has done exactly that.

I'd like to start off a few minutes about talking about the deficit. The only thing that I could understand from sitting here for the last two years is my little group to the South here --my little group of eight – all they do is preach gloom and doom every day. Everything is negative to everything that's positive.

The member from Assiniboia just went for about 45 minutes, and I timed him. And he talked about everything except agriculture, and I thought that you were an agriculture critic. You spent the last 10 minutes talking about agriculture. But you talked about third-world countries, and you

talked about the Department of Highways. You never really got to the point. But let's get back to the budget speech.

The Leader of the Opposition, the only thing he had negative to talk about the budget, on budget night, was he stood up and addressed the Assembly for a few minutes, and talked about \$11,000 an hour. That's all we heard.

The next day he went for another hour and 15 minutes or so, talking about \$11,000 an hour. Now, you can't fool the people out there any more, Mr. Speaker, because I'll tell you, the potash, when they bought those used holes in the ground a few years ago, paid something like \$800 million, or something. I wonder if that \$11,000 an hour wasn't true to form then.

And again, they went to \$600 million in uranium, the uranium mine that they wanted to shut down. I wonder if that wasn't something like \$9,000 an hour. I wonder really what the bill was, Mr. Speaker.

The question is, as I see, going out through the country, and my good friend, the Minister of Small Business and Tourism was out with me to Saltcoats the other night speaking to a town and country banquet out there in that good little town, and there was about 125 people there, and they all applauded the budget.

Now I don't know who these guys are talking to when they go out. They claim that there's people out there that said the budget isn't any good. Well, we managed to get 150 people, in one hall, that thought it was a great budget. You just ask the Minister of Tourism what kind of a reception we had out in the town of Saltcoats. They were very impressed with the budget, I'll say.

I also went down to Weyburn and talked to the FarmLab people and agricultural representatives of the south-east part of Saskatchewan, and that's the constituency of the Minister of Agriculture. They thought it was a great budget. You just ask the Minister of Tourism what kind of a reception we had out in the town of Saltcoats. They were very impressed with the budget, I'll say.

Mr. Speaker, these are the real people out there that we have been listening to. And I need to make mention of my ag-caucus committee that I used to be chairman of, that have met with many, many, many farm groups since we got elected and put their wishes into some of our decisions in government. Here we have the same old group over here, I guess I'll relate back to Snow White and the Seven Dwarfs, still preaching gloom and doom on a daily basis.

On the other hand, they say the budget is away too high – the deficit is impossible. And, when you listen to the critic that was just finished speaking, he tells us that we should be bailing out all these people that owe \$500 million, or \$500,000, or whatever, and I would hate to think of what the budget would be. It would be a bid deficit budget if we were to take everybody out of trouble.

And again, Mr. Speaker, I'll relate to you that if they'd just realize who caused the problem of the losing of the Crow, who causes the problem of the high input to farmers, is the feds down east.

AN HON. MEMBER: — Brian Mulroney.

MR. JOHNSON: — No, sir. The NDP MPs from western Canada that went to bed with the Liberals. They went right to bed with the Liberals, and they defeated the Joe Clark government, and that's why we're in the mess we are today.

Mr. Speaker, we've been working on a daily basis out of the minister's office and his department on the reduction of the federal tax on agricultural production fuel. That probably is being held for an election ploy, I would think, by the federal government. And I think that with the stroke of a

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pen they could reduce the price of gas and fertilizer and fuel and all production fuel, simply by the stoke of a pen in Ottawa, and bring the production costs down of fertilizer, farm fuel, and all that input.

Mr. Speaker, to simply change the formula on the western grain stabilization payment, to trigger a payment would put something like \$10 to \$15 million in the farmers that are participating in that program.

We are hearing that there is farmers out there that are having a lot of problems, and we're working on a daily basis to take care of those problems. The thing that I can't understand is that these people over here – and I've listened to them for two years, Mr. Speaker, with a lot of hard thinking of what they must think or what kind of people are giving them their input.

The agricultural critic that was just speaking a while ago, the member from Assiniboia, and I say again he hardly mentioned agriculture in his speech, he went on and on and on from liquor advertisement to CIC to everything – and highways – that didn't even relate to agriculture. And I think, if he's a critic, that he should have been on the agriculture subject most of the time. The member from Assiniboia better hope there wasn't very many people listening today, because I would doubt very much if they would agree with anything that he said.

I've got a whole lot of things that I could talk about in agriculture, Mr. Speaker – the farm purchase program, the grazing land policy, the sale policy that we came up, and the new leasing of grazing land in the province – but before I run out of time, Mr. Speaker, I would like to just slip over some of the agricultural things that we've done, like the farm purchase program that the ag committee and the minister in consultation with a whole lot of people out there set up; the sale policy that some 2,500 farmers have taken advantage of. It's a great, imaginative program. It's so good that every other province in Canada, and our neighbours to the United States, have looked at it and are thinking very seriously of implementing it into their system.

The Minister of Agriculture has rolled out most of the good things in agriculture, so I would just be repetitive if I was to go over what he's just said. You know, the thing that bothers me about the press – and there's not very many left up there, if any – we have our little megaproject here every year in Saskatchewan. Just as sure as the sun comes out and the snow goes away, those old farmers get out there in the field and they cultivate, and they put a billion dollars out every spring, just as sure as clockwork. And I think what happens is – and that's in seed and fertilizer and sprays and machinery, and everything else related to farming. And what we get in the *Leader-Post* and the Saskatoon *Star-Phoenix* or even farm papers, I suppose, is today's headlines: "Farmers Start Seeding in Saskatchewan Today." And that's it.

But when we announce an upgrader, or any other megaproject in Saskatchewan, or anywhere in this world, there's a whole big to-do about it. They just bring it on and none of those megaprojects would ever start unless they had tax concessions, unless they had a thing here, and a gimmick there, to let them go ahead and do their little thing. But farmers don't ask for that. Farmers just go out and start seeding and get right with the job at hand.

Mr. Speaker, I think while I still have some time (we have just had one of the shrinking few come back to his seat), I want to clear up a few things with the member from Pelly.

The member from Pelly, yesterday, had a little bit to say about some certain care home out in Saltcoats. Well, I'd like to inform him . . . And before I start I would like very much to read you a little thing here by John Rhodes. There's only eight points and I'd like to take time and relate it to them, and maybe to all of us. It says:

1. Do more than exist – live.
2. Do more than touch – feel.

3. Do more than look – observe.

4. Do more than read – absorb.

And I hope the member from Pelly is listening.

5. Do more than hear – listen.

6. Do more than listen – understand.

7. Do more than think . .

MR. SPEAKER: — Order please. Some talking back and forth across the Chamber is allowed, but when it comes to shouting so that the member that is recognized on the floor cannot be heard, I think you've gone too far, and I would ask members to return to some form of decorum.

MR. JOHNSON: — Thank you, Mr. Speaker If I haven't lost my place:

8. Do more than talk – say something.

So just for a minute, Mr. Speaker, I'd like to address some of the allegations that came from the member from Pelly, that, in fact, Saltcoats hadn't asked for a care home. And I think that that's not a true statement, because I have in my hand documents that, in fact, date back to November 17, 1980, for a request for the need of 25 care home beds in Saltcoats to be built then.

AN HON. MEMBER: — Did anybody ask for those?

MR. JOHNSON: — Oh yes, absolutely.

AN HON. MEMBER: — Who did?

MR. JOHNSON: — Well, you should know, the member from Shaunavon should know because he was the minister in charge of Social Services at that time. And in 1980 in a follow-up letter of December 8, comes from the minister's office, with almost a denial, before they met with the people of Saltcoats . . (inaudible interjection) . . and I'll get to you, sir – with a letter of intent, November 17, 1980 – a letter of intent from the town requesting the beds, and then subsequent letters of December 8, 1980, which before they had a meeting with the town incidentally, Mr. Speaker, they write back and forth interdepartmental. The Saltcoats letter of intent does not have the following community services: hospitals, resident physician, local pharmacist, and they go on. But, however, the review committee will meet with them to discuss their request. And then, subsequently, January 7, 1981, the actual denial signed by the minister of social services serving at that time.

AN HON. MEMBER: — Who was that minister?

MR. JOHNSON: — The minister from Shaunavon. So it was turned down in 1980, Mr. Speaker, and although, when I got into my position to serve my people like I thought I should, I picked up these very important documents and started to go to work on their behalf. And I would like to thank the Minister of Health, if he was in here, for recognizing the need to get . .

MR. SPEAKER: — Order, please. Being 5 o'clock, I do now leave the chair until 7:00 p.m. this evening.

The Assembly recessed until 7 p.m.