

April 26, 1985

The Assembly met at 10 a.m.

THE CLERK: — I beg to advise the Assembly that Mr. Speaker will not be present today to open this sitting.

Prayers

ROUTINE PROCEEDINGS

INTRODUCTION OF GUESTS

MR. SHILLINGTON: — Thank you very much, Mr. Speaker. It's my pleasure today to introduce 64 grade 11 and 12 students who, I guess, are still filing into the Speaker's Gallery. They are from Central Collegiate, which is in my riding; from Balfour Collegiate, which is physically situated in Regina Wascana; and some exchange students from Quebec. I want to particularly welcome these students.

Balfour's not in Regina Centre, but I see many of the students crossing College on their way home when I'm going to and from the office down town. It's with a mixture of pleasure and sadness that I welcome the students from Central. This may well be the last time I welcome students from Central if the school is closed as planned.

It is a pleasure to welcome these students from Quebec. I hope that, and I'm sure, you'll be shown the same graciousness and the same good hospitality that many of us have been shown when we were in Quebec. Welcome to Saskatchewan.

HON. MEMBERS: Hear, hear!

HON. MR. CURRIE: — Mr. Speaker, I would join with the member from Regina Centre in extending a sincere welcome to the students from Balfour and from Central Collegiate here in Regina who are hosting the young people who are here on exchange from Quebec. And I'm not sure I can pronounce the particular place that they're from. I would hope that perhaps this could be done better by my colleague from Regina South.

But I hope that your stay in Regina will be interesting, educational, and I would ask members on both sides of the House to join me in extending you a sincere welcome.

HON. MEMBERS: Hear, hear!

HON. MR. ROUSSEAU: — Monsieur le Président . . . J'étais pour demander que ceux de Quebec de se lever. C'est ça; bon.

HON. MEMBERS: Hear, hear!

HON. MR. ROUSSEAU: — Monsieur le Président, c'est un plaisir pour moi au nom du Premier Ministre qui n'est pas ici ce matin, mais aussi de tous mes collègues, de souhaiter une chaleureuse bienvenue aux élèves de Quebec. Je crois que la prononciation de l'école c'est Polyvalente Ancienne-Lorette. Est-ce que c'est correct ça? De Lorette, Quebec. Je vous souhaite une belle, chaleureuse, très chaleureuse bienvenue à notre province. Et aussi, je vous souhaite un bon séjour ici dans notre province. J'espère que vous avez un voyage de retour. Merci.

HON. MEMBERS: Hear, hear!

MR. ENGEL: — Thank you, Mr. Speaker. It's my privilege today to welcome 13 students from Limerick, and their teachers. Allen Strange is their teacher. And Pat, isn't it? Sorry about that; Pat Waiting.

And then, to the member from Moosomin I'd say that an intern teacher there, Ted Tom, is also with us, and planning on moving to Limerick. So special welcome to Ted down at the good NDP country.

And to the young people that are here, I hope you enjoy question period this morning. And I'm looking forward to meeting you right after question period, before Agriculture estimates start. Thank you.

HON. MEMBERS: Hear, hear!

ORAL QUESTIONS

Provincial Election

HON. MR. BLAKENEY: — Mr. Speaker, I direct a question to the Deputy Premier, in the absence of the Premier. And it will, I'm sure, have crossed the minds of some people that today marks the third anniversary of the 1982 provincial election. . .

HON. MEMBERS: Hear, hear!

HON. MR. BLAKENEY: — In 1982 you promised, there's so much more we can be.

SOME HON. MEMBERS: Hear, hear!

HON. MR. BLAKENEY: — And now Saskatchewan people have found out what you meant was, there's so much more we can pay. And I hope you'll clap that.

SOME HON. MEMBERS: Hear, hear!

HON. MR. BLAKENEY: — In 1982 you were given a mandate to cut taxes, and specifically cut the income tax by 10 per cent and eliminate the sales tax completely in the first term of office. Now that was the promise.

What you've delivered is the single biggest tax increase in history. You have no mandate to raise those taxes. Will you now go to the people, on the basis of your budget, and give them a chance to say whether you have delivered?

HON. MR. BERNTSON: — Mr. Speaker, there can be no doubt that there will be an election — sooner or later. And there can be no doubt, Mr. Speaker, that when that election is held we will enjoy our fifth anniversary, our sixth anniversary, our seventh anniversary, and on and on, Mr. Speaker.

HON. MR. BLAKENEY: — Mr. Deputy Speaker, I direct a supplementary either to you or to the Premier, since I addressed the first question to you in his absence. We have seen . . . And I'll direct this, if I may, Mr. Deputy Speaker, to the Premier. A question to the Premier.

We have seen the biggest tax increase in any Saskatchewan budget. The increases were the exact opposite of what you promised and were elected three years ago today to deliver. You have no mandate to raise taxes. You said that the . . .

MR. DEPUTY SPEAKER: — Order. There's no preamble on a supplementary.

AN HON. MEMBER: — It was a new question.

MR. DEPUTY SPEAKER: — Order! The Leader of the Opposition, when he rose, definitely said supplementary.

HON. MR. BLAKENEY: — Mr. Deputy Speaker, I will allow the record to speak. May I direct a new question to the Premier.

Mr. Minister, three years ago you were elected on the policy of reducing taxes. You have brought in the biggest tax increase in the history of Saskatchewan. You said that your open for business policy would mean more money for your government because incomes would rise. In fact, incomes have dropped, and your tax shield has dropped, and you have raised taxes.

I ask you: how can you raise taxes in the face of the mandate you were given to lower taxes? Will you now submit your budget to the voice of the people? Will you now call an election on the basis of your budget and let the people decide whether or not you have delivered what you practise?

SOME HON. MEMBERS: Hear, hear!

HON. MR. DEVINE: — Mr. Speaker, the hon. member talks about tax increases and campaign promises. Let me clear up something for my hon. friend with respect to tax increases and promises.

We said to the people of Saskatchewan that we would bring in sales tax reductions, and the first one would be the removal of gasoline tax. And we removed it, Mr. Speaker. We took all the tax off gasoline. That was the single largest tax reduction in the history of Saskatchewan.

They don't want to hear this, Mr. Speaker, but I'm going to give it to them anyway.

SOME HON. MEMBERS: Hear, hear!

HON. MR. DEVINE: — It's a bitter pill for them to swallow.

We said . . . Listen to them. We said we would take the tax off gasoline, and they said, "You couldn't do it." And we did it, and it's still off. And it was the single largest tax reduction in the history of the province of Saskatchewan, and people are proud of that.

We had a big argument over how much money that would be. The members opposite know that it now adds up to between 4 and \$500 million by the end of this year that's in the pockets of people of Saskatchewan, because it was the largest tax cut in the history of the province.

SOME HON. MEMBERS: Hear, hear!

HON. MR. DEVINE: — Now, Mr. Speaker, they mention the tax increases, the largest tax increases. I say, Mr. Speaker, what was the tax rate in the province of Saskatchewan in 1971? What was it? It was 34 per cent — 34 per cent of the federal rate. What was the tax rate when we took over? Fifty-one per cent.

They took income tax rates from 34 per cent to 51 per cent in this province. That's the single largest increase you'll see in the history of Saskatchewan. It amounts to over \$200 million a year tax increases from 1971 to 1981 in this province.

On top of that, Mr. Speaker, they put the gas tax on, which is worth \$70 million a year in this province, so that's \$270 million a year tax increases in the province of Saskatchewan over 10 years, is almost \$3 billion in tax increases for the people of Saskatchewan. And they complain, Mr. Speaker, because we decided to take the tax off gas in the province of Saskatchewan.

And then, Mr. Speaker, they talk about, well do you have a mandate to make changes?

Let's go back and look, Mr. Speaker, if we said, or if the people said in the province of Saskatchewan, yes, indeed, the members opposite had a mandate to nationalize the potash industry. Was there a mandate to nationalize the potash industry? Spend \$600 million to take over the uranium mines? No, Mr. Speaker, there wasn't.

My hon. friends ask about a mandate. Okay? Now I'll tell you what happened as a result of that. And I was in La Ronge yesterday. I was in La Ronge yesterday. People in northern Saskatchewan do not buy the policy that we close all the uranium mines that these people put \$600 million into, and now want to close.

You want to talk about a mandate? You've lost your mandate in La Ronge. It's gone because the people of northern Saskatchewan want to see jobs; they want to see mining; they want to see economic activity; and they don't want to hear the doom and gloom that these people are pushing because they're going to close all the mines.

SOME HON. MEMBERS: Hear, hear!

MR. DEPUTY SPEAKER: — Order. Long questions result in long answers . . . (inaudible interjection) . . . Order. Order. Order. I would ask members to keep their questions short, and I would ask members to keep their answers short.

HON. MR. BLAKENEY: — Mr. Deputy Speaker, I direct a question to the Premier. The Premier has given us his harangue, once again, about this vast increase in taxes in 1977. Will he concede that the tax increase in 1977 was by way of negotiation with the federal government whereby grants . . . (inaudible interjection) . . .

MR. DEPUTY SPEAKER: — Order! Allow the Leader of the Opposition to ask his question.

HON. MR. BLAKENEY: — Will he concede that this alleged tax increase in 1977 left the citizen in this case, before the tax increase, total federal and provincial taxes, 145 federal points; after this last increase, total combined taxes between federal and provincial, 145 points — not one cent more came out of the citizen's pocket. Will you concede that that is fact and that your statement is a serious misrepresentation?

HON. MR. DEVINE: — Mr. Speaker, the people of Saskatchewan will not be fooled by that. The people of Saskatchewan, three years ago, looked at those tax increases and they said, my tax rate in the province of Saskatchewan went from 34 per cent to 51 per cent under the NDP. And they remembered that, and three years ago today they booted them out. That's what they'll remember, and they know the reason that they did it.

Mr. Speaker, the hon. member mentions the changes with respect to the taxes. What we see and saw in the province of Saskatchewan was that, time after time after time, individuals that were wealthy were not paying their share, and nobody would do anything about it. If you want to see tax increases, Mr. Speaker, if you want to see tax contributions to this province, the largest single increase, and the biggest contributions that large corporations have ever made to the people of Saskatchewan, take place now.

Look at the taxes that railroads pay. Look at the taxes that large financial institutions pay. Look at the financial contribution that the oil companies pay. Who is the single largest contributor to taxes in the province of Saskatchewan today? Who pays the most tax above income tax, above anybody else? Do you know who pays that? The oil companies in the province of Saskatchewan are the single largest contributor to tax in this province — higher than income tax, anything else.

Who pays for more roads, more highways, more schools, more hospitals? All those contributions are made now by oil, and it wasn't that case before. And, Mr. Speaker, if you want to talk about the tax shuffle, let's look at rebates. What administration set up the rebate business? The rebate

business — rebate the rich. Rebate people that make \$150,000. Rebate wealthy companies. Who set up that mechanism?

Low-income people wanted a break, and what happens is that we find that low-income people did not get the break, and the rich got the rebates, and we've decided to change that system so it's fair. And believe me, Mr. Speaker, Saskatchewan people will believe that it's fair.

HON. MR. BLAKENEY: — Supplementary, Mr. Premier. By way of information, the rebate system was set up by the Liberal government — by way of information. Yes, we kept it, and we're proud that we kept it.

SOME HON. MEMBERS: Hear, hear!

HON. MR. BLAKENEY: — And we're going to put it back in. Do you agree, Mr. Premier, do you agree, Mr. Premier, that to finance schools, as is the alleged purpose of the tax bite, to finance schools by taking \$230 from a caretaker who makes 20,000 a year, and \$230 from a doctor who makes \$120,000 a year is fair? Do you say that's fair?

HON. MR. DEVINE: — Mr. Speaker, if my hon. friend wants to talk about fair, he knows very well that there are many, many hundreds, and indeed thousands of people in the province of Saskatchewan — certainly across Canada — that do not pay their fair share of tax. And I'm sure he will agree that some tax reform is a good idea. In fact, I believe my hon. friend said yes, tax reform is a good idea, to make sure everybody pays their fair share.

Now what happened, Mr. Speaker, what happened is that people who received in excess of \$100,000 or 50,000 that didn't pay income tax already, in addition received a rebate, a rebate from the provincial government. So they didn't only pay their income tax; they also got a rebate.

Now the hon. member knows that's not fair. So in his view, and in my view, we should modify that system to make sure high-income people: one, don't get rebates they don't deserve; and two, make sure they pay some income tax.

So what do we do? We say the rebate should be increased to low-income seniors, and he agrees with that. That's what we're doing. Low-income seniors should receive more, and he agrees with that, and he acknowledges it. High-income individuals, who have never paid at all, should not get the rebate, number one; and two, should be paying more income tax. And he agrees with that.

All right, we've started a system now with this budget that says we're going to do those two things because they're fair. Number one, we're going to start taxing people that don't pay; and two, we're not going to provide rebates to people who don't deserve them.

SOME HON. MEMBERS: Hear, hear!

Federal Parity Price Bill

MR. ENGEL: — Thank you, Mr. Deputy Speaker. I'll direct a question to the Minister of Agriculture. Three years ago you promised to preserve and protect the family farm. Yesterday in the House of Commons Lorne Nystrom's parity Bill, Bill C-215, was passed, on parity pricing. That Bill passed second reading, supported unanimously in the House of Commons. What I'm asking you to-day: does your government support the parity pricing plan, or will you be appearing before the Commons agriculture committee to support this legislation and urge its final passage by the House of Commons?

HON. MR. HEPWORTH: — Mr. Deputy Speaker, hon. member, I, like every other farmer, I suspect, in Saskatchewan and Western Canada, would like to see \$10 a bushel for my wheat and

\$10 a pound for my cattle. At the same time I think, and I believe as well, that many farmers out there accept that there are some realities in this world.

And the whole issue, I think, as the Leader of the Opposition pointed out in budget debate earlier, that certainly it's something that should be considered. It's certainly something that should be considered, but there are many complexities in that.

And I think as well that certainly as it relates, for example, the domestic price for wheat — I think there is some upside potential for that to be increased. I know the minister in charge has already increased it something in the order of \$15 to \$20 a tonne. I have raised with him that issue and suggested that perhaps there is even further movement there that could be put in place to help our farmers.

I believe it's there that could be put in place to help our farmers. And in so far as protecting and preserving the family farm, I think all members of the House would agree that no government in Canada has done more than this government. This is the government that put in place 8 per cent money for our young and beginning farmers. Soon there will be 6 or 7,000 farmers.

MR. ENGEL: — Thank you, Mr. Deputy Speaker. I asked short question. Do you believe in, or do you support parity pricing for domestic products? Yes or no? Simple.

HON. MR. HEPWORTH: — As I said earlier, Mr. Deputy Speaker, I think there is good reason to give that concept consideration as the Leader of the Opposition has suggested should be given to it. I have no difficulty with that. I think it's a complex issue. I think it's one that has to be looked at realistically. I think it's one that has to be looked at in the context of how would you make it work. Do you erect barriers around Saskatchewan? Do you erect barriers around Canada?

What kind of signals have been sent to the world, for example, with Argentina, who tried to feed lower-priced wheat into the U.S. system? What kind of message is that sending to people of Ethiopia who some days have no food, no hope, no credit? How do you say to them, you should pay \$10 for your wheat? That is the kinds of things that have to be addressed in that question.

MR. ENGEL: — There's likely one Ethiopian, maybe two, that can afford to come to Saskatchewan to visit us and use domestic grain. I'm talking about domestic sales, sales in Canada. Do you support the concept of parity pricing for products sold in Canada, or don't you? I believe that nobody in this House knows what your answer is yet. I'll give you a third chance at it.

HON. MR. HEPWORTH: — Mr. Deputy Speaker, hon. member, I support as does, I think, every farmer and every person in this province who understands farming, increased prices for our producers, period.

MR. DEPUTY SPEAKER: — Order.

Letters sent to Government Employees

HON. MR. DEVINE: — Mr. Speaker, I rise because my hon. friends asked me a question with respect to me corresponding with public employees in the civil service, in the public service in Saskatchewan. And Mr. Speaker, I am very happy that my hon. friends have given me the opportunity to once more say thank you to the public employees in Saskatchewan.

Mr. Speaker, what I have attempted to do that previous administrations did not do, and certainly the Premier didn't do it — the former premier didn't do this, and I have made a special effort to do it — is to see public employees personally, to talk to them personally, to thank them personally, going to department by department by department.

Now, Mr. Speaker, I want to take this opportunity to thank all the public employees for the contribution that they have made. I want to say, Mr. Speaker, that.

MR. DEPUTY SPEAKER: — Order. There's so much noise on both sides of the House. Order, order. There's supposed to be no noise at all when the Speaker is on his feet. I would ask members all to be quiet when somebody is addressing the House.

HON. MR. DEVINE: — Mr. Speaker, I want to take this opportunity to read to the hon. members, and to the public, a typical kind of letter that I would send to a public employee — and I will also provide the costs — and the kinds of things that I would do with public employees that were not done before, because I appreciate their work.

Mr. Speaker, this is a typical letter that I would provide to the public service. It says this, Mr. Speaker:

Dear Public Employee: As the government enters a new legislative session this month, I would like to thank you and your colleagues for your responsiveness in the implementation of government initiatives. These programs have contributed significantly in areas such as health care, job creation, education, agriculture, and many areas too numerous to mention here.

In your corporation, for example, the Saskatchewan Mining and Development Corporation, the sale of all of 1984 and '85 production in a difficult market is a positive benefit to the people.

MR. DEPUTY SPEAKER: — Why is the member . . . Order. Why is the member on his feet?

MR. LINGENFELTER: — Mr. Speaker, the Premier took notice of a question on the cost of the letter. He is not giving the answer, Mr. Deputy Speaker . . . (inaudible) . . .

MR. DEPUTY SPEAKER: — Order. The only time a member can move a motion of adjournment is after he's been recognized, and you have not been recognized . . . (inaudible interjection) . . . Order. Order. Order. The members know that when the Speaker is on his feet there is supposed to be no noise in the Assembly. The Premier.

HON. MR. DEVINE: — Mr. Speaker, I've had the opportunity to thank public employees personally and by letter. We have approximately 30,000 public employees, Mr. Speaker, I have talked to them by the hundreds and by the thousands, through department after department, corporation after corporation.

And yes, I've sent them letters of thank-you. I have sent letters of thank-you to approximately 20,000 government employees. And if you add up the stamps and the paper associated with sending thank-you to 20,000 government employees, putting it all together you look at something like \$12,000 to say thank you to Saskatchewan government employees.

And I am very proud of that, Mr. Speaker, because the public employees would now appreciate having the Premier walk down to them and say thank you, receiving a letter saying keep up this good work, thank you for the contribution.

We have thousands more, Mr. Speaker, that I'm going to see. In La Ronge yesterday I went through the complete government buildings to say thank you very much for your help.

Mr. Speaker, I will continue to say thank you to public employees. We have initiated productivity studies, listening to public employees. They're never seen that before. Many have said in department after department, Mr. Speaker, they have never, ever, ever seen a premier walk through the department and say thank you very much. And I'm going to keep it up.

SOME HON. MEMBERS: Hear, hear!

Saskatchewan Position on Parity Pricing Bill

MR. LUSNEY: — I have a question for the Minister of Agriculture.

MR. DEPUTY SPEAKER: — Order. It's so noisy in here that I can't even hear the question. Would you please be quiet while the member from Pelly addresses his question.

MR. LUSNEY: — Thank you, Mr. Speaker. I have a question for the Minister of Agriculture. Mr. Minister, in your recent budget you imposed a fairly heavy tax on the farmers of Saskatchewan. In light of that, are you prepared at this time to support the parity pricing bill that's before the agricultural committee in Ottawa? Will you say that you will support it?

HON. MR. HEPWORTH: — Mr. Deputy Speaker, hon. member, I think I have, for the most part, given the answer to that question today. I will enlarge.

I think if the hon. members opposite are suggesting that there is one thing in agriculture that you can do, if there is a quick fix, if there is some black magic that's going to solve some global agricultural problems, some fundamental problems in agriculture globally, I think they are sadly mistaken.

As I said earlier, I do believe there is some room to move, for example, the domestic price of wheat, up. They have moved it up some. I think there is room to move it up some more.

In so far as the larger issue — the larger issue of parity pricing — I have also said I'd like to see \$10 a bushel for my wheat and \$10 a pound for my cattle, but how do you do it? Do you put up barriers around this country?

We make our living, Mr. Deputy Speaker, we make our living by trading. That's a fact. Canada makes its living by trading. Certainly Saskatchewan makes its living by trading. We only have a million people. We couldn't eat very much of our total production.

And I think if we were to talk to the pork producers, as we did last night, you can see the results of setting up barriers in between boundaries, and the kinds of implications that that can have. So to suggest that that's a simple magic answer, a quick fix, is some kind of junky's idea of solutions to agriculture, Mr. Speaker.

MINISTERIAL STATEMENTS

Freezing of Crown Land Lease Rates

HON. MR. HEPWORTH: — Mr. Deputy Speaker, as you are aware, our government has a major commitment to helping farmers get on the land and remain there. As part of this sincere commitment we introduced the Farm Purchase Program which has helped over 4,000 farmers own their land. This year, an additional 1,800 farmers are expected to take advantage of this most generous program.

Also, rather than see farmers remain as tenants and tenants only, we have given them the opportunity to buy Crown land which they lease. In the past two years nearly 400 farmers have purchased, or are in the process of purchasing, land which they formerly leased. And in addition, Mr. Deputy Speaker, farmers have bought nearly 350 parcels of land under our tender sales policy.

This last December we passed The Farm Land Security Act which severely restricts foreclosures

against farm land. Clearly, Mr. Deputy Speaker, our government believes in putting farmers on the land and keeping them there. We've made very significant and positive steps in this regard. And now, Mr. Deputy Speaker, we will do more. We will not stop at this, Mr. Deputy Speaker.

As a continuation of these efforts I am pleased today to announce that charges for leasing Crown land this year will be frozen at last year's rates.

SOME HON. MEMBERS: Hear, hear!

HON. MR. HEPWORTH: — The only exceptions to this rate freeze are a few older leases which may be renewed or reassigned using current contract terms. In other words, Mr. Deputy Speaker, virtually all of the 12,500 farmers who lease Crown land will have their lease rates frozen. By keeping lease rates the same as they were in 1984, our government is saving farmers \$1.6 million, Mr. Deputy Speaker.

SOME HON. MEMBERS: Hear, hear!

HON. MR. HEPWORTH: — Mr. Deputy Speaker, we could have followed, certainly we could have followed the formula which was in place, and it would have seen cultivated leases increase about 10 per cent, or for some quarters, about \$250. And grazing leases would have increased about 5.5 per cent.

Initially it was thought that the formula would be followed. However, the trend across Saskatchewan in the private sector has been towards lower cash rentals. To be consistent, and in light of rising costs of production, low net farm returns, and our government's unwavering commitment to help farmers through difficult times, any increase at this time would be considered insensitive to the farmers' situation. And that is not our style, Mr. Deputy Speaker.

As a result, we chose to take the responsive and responsible approach and to override the formula and to freeze rates at the 1984 levels.

Mr. Speaker, I'm proud to announce to Saskatchewan farmers today a saving of \$1.6 million.

SOME HON. MEMBERS: Hear, hear!

MR. ENGEL: — Mr. Deputy Speaker, I appreciate the announcement the minister made this morning. Last year during Agriculture estimates, we argued about the formula. We said the formula does not reflect the farmers' income. The formula does not indicate that the farmers are making less money. And I said last year, there has never been a time when beef producers in our province were squeezed harder, and especially a year in this drought. I welcome it. The farmers didn't save 1.6 million. You would have taken another 1.6 million out of their pockets, but you decided not to, and I appreciate that.

This announcement today is a smoke-screen, Mr. Deputy Speaker. The Minister of Agriculture doesn't include the farmers that are being forced off their land. I've met with a number of farmers this spring who are being forced off because they can't make their lease payments, and the lease payments do not apply because they're renting land. Their great big umbrella legislation that they have got in place there that says it's going to be a safety net to catch farmers, that doesn't apply to those people. Why don't they give them a one-year guarantee that they can stay on their farm and see if they can make enough money this year to make their lease payments? Why are they still pushing these people to the brink by trying to collect their lease fees and their rental payments on the old land bank land, and some of the farmers that are having trouble making their lease payments?

There's a start here, Mr. Minister, but the farmers are being pushed for \$1,000 more in taxes of the money they lost. They're being pushed — \$60 million they're getting more out of farmers,

and here he tries to announce \$1.6 million in relief, when they're taking \$60 million out of their pockets.

Mr. Minister, as you're opening your estimates today, you are not opening with a very happy note. This is a major announcement a minister can make, when he's tapping the farmers of Saskatchewan by \$60 million. I think it's a disgrace. I think it's a disgrace that the minister stood up today, and was looking for some fanfare, and said: we're going to save them \$1.6 million; we're going to raise their rates by that much. We asked for it last year. We think they should have reduced the rates. By the formula and the amount of money farmers are making, they should have reduced the rates this spring, not leave them at the same.

SOME HON. MEMBERS: Hear, hear!

ROYAL ASSENT TO BILLS

At 10:39 a.m. His Honour the Lieutenant Governor entered the Chamber, took his seat upon the throne, and gave Royal Assent to the following Bills:

Bill No. 34 — An Act to amend The Municipal Financing Corporation Act

Bill No. 35 — An Act to amend The Agricultural Products Market Development Fund Act

Bill No. 36 — An Act to amend The Public Trustee Act

Bill No. 37 — An Act to amend The Notaries Public Act

Bill No. 38 — An Act to amend The Commissioners for Oaths Act

Bill No. 39 — An Act to amend The Traffic Safety Court of Saskatchewan Act

Bill No. 40 — An Act to amend The Department of Supply and Services Act

Bill No. 42 — An Act for Financial Assistance to Students for the Pursuit of their Studies

Bill No. 43 — An Act to amend The Department of Advanced Education and Manpower Act

Bill No. 45 — An Act to amend The Education Act

Bill No. 46 — An Act to amend The Urban Municipal Administrators Act

Bill No. 47 — An Act to amend The Community Capital Fund Program Act

Bill No. 26 — An Act respecting Securities in Saskatchewan

Bill No. 51 — An Act to amend The Farmers' Counselling and Assistance Act

Bill No. 60 — An Act for granting to Her Majesty certain sums of Money for the Public Service for the Fiscal year ending on March 31, 1986.

His Honour retired from the Chamber at 10:43 a.m.

POINTS OF ORDER

MR. LINGENFELTER: — Before orders of the day, Mr. Deputy Speaker, I want to rise on a point of order that concerns the answer given by the Premier to a question he had taken notice of on April 23rd, the question asked by the member for Athabasca, on page 1270, and I would like to read into the record part of the question. And it is:

On December 10th, you agreed to tell this Assembly, and the Saskatchewan taxpayers, how many letters were sent, (and note, I say again, the part of the question), the cost of these letters, and why the Conservative Party . . . shouldn't be paying for these political letters.

Now in taking notice of the question, the Premier said that he would bring back an answer. In the answer that he gave today he went on in a long harangue, I believe a political answer, which wasn't in reply to the question, but went on in many other issues.

I would ask the Deputy Speaker to check the record, bring back a ruling, and tell us whether or not his answer was in order. And I think that in taking notice of a question, bringing back an answer that does not relate to the question is not in order. And I would ask you to bring in a ruling.

MR. DEPUTY SPEAKER: — The point of order is not well taken. It's not the role of the Chair to decide whether the answer was sufficient or not.

(1045)

HON. MR. BLAKENEY: — Mr. Speaker, I rise on a point of order. Obviously my colleague's point of order was not understood. My colleague was asking not whether the answer was sufficient, but whether it was in order; whether it is in order for any member of the House to take notice of a question, a detailed question asking for figures, and then come back with a long answer which deals with all manner of things but the matter under issue.

We're not talking about the sufficiency of the question, but whether or not it's within the rules of the House. That is what I understood my colleague from Shaunavon to say. If you viewed the matter otherwise, I will raise that point of order. And I ask, Mr. Speaker, you to make a ruling on whether or not, in answer to the question of the member for Athabasca, which appears on page 1270 of *Hansard*, a short question in answer to the Premier saying, "Mr. Speaker, I don't have the information with me, but I'll get it as quickly as possible" — whether the answer of the Premier was in order.

That is the point that we are raising. I take the position that the answer was not in order, that it was substantially out of order, and I ask for a ruling.

HON. MR. BERNTSON: — If I could speak to the point of order, I would just like to say that, from where I was sitting during the period that the question was being answered, it was very difficult to hear just what was being said because of the noise going on in the House. And I would invite the Deputy Speaker to in fact review the record and bring back a ruling as to whether the answer was in order or not. Because I know that Mr. Speaker would have difficulty hearing the question as well, or the answer as well as I did, sitting right beside the Premier.

MR. DEPUTY SPEAKER: — I will review the record and bring an answer back on Monday.

MR. KOSKIE: — Mr. Deputy Speaker, I would also like to raise a point of order. As you will recall, that during question period the member from Shaunavon rose, and at that time you asked the member, recognized the member, and asked him why he was on his feet. At that point, the member from Shaunavon moved a motion to adjourn the House.

I want to indicate, Mr. Deputy Speaker, that a motion to adjourn is in order, and is in order during question period. I submit that you recognized at the time the member from Shaunavon, and you turned to him and you asked the member why he was on his feet, and he proceeded. If you had, Mr. Deputy Speaker, at that time said, I have recognized the Premier and I cannot at this time recognize the member from Shaunavon, that might have been justification for you to make a rule that the member cannot make the motion to adjourn the House on the basis of not being recognized. But clearly, Mr. Deputy Speaker, you recognized the member from Shaunavon, and the member from Shaunavon proceeded to make his motion. And then in the disguise of ruling on it, you indicated that the motion wasn't in order because the member wasn't recognized. Clearly you recognized him. I'd like you to check the record and to make an appropriate and thoughtful and careful analysis, and bring back a decision to this House.

MR. DEPUTY SPEAKER: — Order. The point of order is not well taken. The member from Shaunavon was not formally recognized. The Premier had the floor. Order. The motion of adjournment is in order if the member would have been recognized. The member was not recognized.

ORDERS OF THE DAY

GOVERNMENT ORDERS

ADJOURNED DEBATES

SECOND READINGS

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Lane that Bill No. 41 — **An Act respecting the Consequential Amendments to Certain Acts resulting from the Enactment of the Canadian Charter of Rights and Freedoms** be now read a second time.

MR. KOSKIE: — Thank you, Mr. Deputy Speaker. I'm rather pleased to have the opportunity to speak briefly in this debate on the government's Bill 41, the charter of rights consequential amendments Bill.

Mr. Speaker, Saskatchewan has a long and proud tradition of being at the forefront of human right issues in Canada. The New Democrats are proud to be a part, an integral part, of that tradition. When the Minister of Justice mentioned in his remarks the other day the role of Tommy Douglas in introducing in Saskatchewan the first Bill of rights in Canada, he was acknowledging that strong CCF-NDP tradition. He might also have mentioned the Saskatchewan Human Rights Code, the human rights commission, the Ombudsman, the full and free collective bargaining rights, all introduced in Saskatchewan within the term of office of the New Democratic Party. So it's a long tradition, and one of which we are indeed very proud of.

As all members know, of course, this Bill is now before us because of our new Canadian constitution . . . has an important new charter of rights. Its equality provision, section 15, only came into force last week, and the minister says this Bill represents his attempt to ensure that Saskatchewan laws now conform with the charter of rights.

There can be no doubt that the charter of rights, including the recently proclaimed equality provisions, will have an enormous impact on Canadian life. Many conventional practices, habitual patterns and customs, and many deeply rooted social institutions will be challenged by the existence of the charter. Many forms of explicit and implicit discrimination will have . . . which we have for too long been imposed on women and some minorities, will now be open to solid legal challenge.

No one can today accurately predict the full impact of the charter on Canadians and the Canadian society. Its potential for positive, progressive social good is enormous. It appears to provide a powerful legal remedy for the wrong victims of discrimination. It is therefore our responsibility, our responsibility as legislators here in the Assembly, and the responsibility of each of us as private citizens to help make that potential a reality, to help ensure that the charter's potential for positive, progressive, social change is in fact realized.

But let us not celebrate a victory over discrimination too soon. Such a celebration would be premature today, for we have not won the war on discrimination and inequality. We have merely acquired another legal weapon for the battles which lie ahead.

Let us remember that the charter and its list of codified rights and freedoms is not complete, or, for example, is the right of children to adequate food, shelter, and medical care. And where is the right of full employment and job security? Where is the right of senior citizens, our pioneers, to live in dignity and security? And where is the right of each citizen, individually and collectively, to a grater and more effective share in the social, political, and economic power in Canada? Where is the right to social justice?

We may also look abroad to other nations, which have many years of experience with the code of explicit constitutional rights. We may learn from their experience. We note that in the United

States, for example, the vicious and contemptible institution of slavery was allowed to persist for almost 100 years after the Bill of Rights. And in some places in the United States it was almost a 100 years, only in the 1960s, that young black children were able to exercise effectively their right to equality and educational opportunity.

Codifying the rights is but one step. The actual realization of social and economic change is much more difficult. It takes a political will: the will to establish positive goals for our society, and the will to pursue those goals with vigour; the political will which must be exercised by duly and democratically elected governments — governments which must be constantly monitored by an informed and alert public. For the price of democracy is eternal vigilance. Otherwise we will have only meaningless lists of abstract legal rights, but no effective improvement in our society.

Mr. Deputy Speaker, let me now turn for a moment to the specific content of the Bill before us, in a general way. While there are no great surprises with what the Bill contains, I am a little surprised and disappointed at some of the things which it does not contain. It seems that neither in this Bill nor in his remarks to the House the other day has the minister even acknowledged two of the most important issues raised by the coming into force of the charter's equality provisions: the issue of mandatory retirement, which on the face of it appears to be a patent contravention of the charter; and the second issue, the issue of equal pension benefits for men and women.

Perhaps the minister has some plans to address these issues. If so, I trust that he will share those plans with the House when he concludes the debate. If he has no plans, I trust he will acknowledge that in his concluding remarks, as well.

In conclusion, therefore, Mr. Deputy Speaker, I wish to make just three points. First, the coming into force of the equality of rights provisions in the charter is very significant, and we hope that this Bill before us will in fact go some way towards eliminating discriminatory statutory provisions in Saskatchewan law.

Second, we cannot be complacent about any codified set of legal rights. What matters is social justice to Canadians, and that is what we must strive for.

Third, the Bill before us appears to neglect two fundamental issues, and I hope that this government will address these in the near future.

Thank you, Mr. Deputy Speaker.

Motion agreed to, Bill read a second time and referred to a committee of the whole at the next sitting.

COMMITTEE OF FINANCE

CONSOLIDATED FUND BUDGETARY EXPENDITURE

AGRICULTURE

Ordinary Expenditure – Vote 1

MR. CHAIRMAN: — Is the minister ready to introduce his officials?

HON. MR. HEPWORTH: — Thank you, Mr. Chairman, hon. members.

I would like to introduce my officials. To my immediate right is Jack Drew, deputy minister, Department of Agriculture. Behind me is Wes Mazur, director of admin services branch, Saskatchewan Agriculture. To my left is Henry Zilm, assistant deputy minister, Saskatchewan Agriculture. To Mr. Mazur's right is Ross Johnson, administrative officer, admin services branch,

Saskatchewan Agriculture. And to the right of Mr. Drew is Stu Kramer, assistant deputy minister, Saskatchewan Agriculture.

(1100)

And as well, Mr. Chairman, I would like to acknowledge the tremendous support, help, hard, diligent, and dedicated work that these officials and many others within the department have provided since I last reported to this committee. And I would like to at this time thank them for their tremendous efforts.

And it goes farther than that, Mr. Chairman. I would acknowledge as well the tremendous support from people like Norm Ballaugh and his officials at the Agricultural Credit Corporation and, in fact, to the very, very, very many Saskatchewan farmers and Saskatchewan citizens who serve voluntarily almost, if you like, and out of the goodness of their heart in terms of wanting to see Saskatchewan agriculture and Saskatchewan farming succeed; who sit on the very, very many boards and commissions, advisory boards, beef stabilization boards, natural products marketing council, farm land security boards, farmer review panels — just several hundreds of people out there who serve in the interests of agriculture in this province. And as well, I would like to acknowledge the help and support of the many members of the government caucus, especially the agriculture caucus, under the chairmanship of the member from Kelvington-Wadena and my Legislative Secretary, Walter Johnson, the MLA for Saltcoats, who take a very, very active role in policy formulation, in listening to the farmers needs and desires out there. When you've got this kind of network that is out there virtually every day, and certainly when the sessions are on, every weekend, interfacing with several thousands of farmers on a weekly, monthly basis, I think that's the kind of grassroots input that a government needs. That's the kind of grassroots input that this government gets.

And I would like to publicly acknowledge to this House the tremendous support that I received from people like the member from Kelvington-Wadena and the Legislative Secretary to myself, for example, in this round of meetings that were held this winter, 15 or more meetings across the province relating to the cost-price squeeze, how the debt moratorium legislation might assist those who are in deep financial trouble, and in general, how the many government programs that we've put together in agriculture might assist the very productive farmers out there to, in fact, be more productive or, in fact, save them money or, in fact, help them with additional developments on their farm. So I wanted to mention those things, Mr. Chairman.

As well I think since I last reported to this House, we have seen many, many things happen out there in the world of farming, especially as it relates to the weather. We have, since I last spoke to this committee, seen the very, very large area of the province undergo, for the most part, a very severe drought. Other parts of the province had other weather problems: excess moisture; grasshoppers were a problem; wheat midge was a problem; pests in general, Mr. Chairman, pests in general.

And I also am happy to say that we have not stood idly by. And I suppose one could pose the question three years ago, or two years ago, or one year ago: did we have things in place for Saskatchewan citizens like we have today? Three years ago, Mr. Chairman, did we have in place 8 per cent programs to help Saskatchewan's young and beginning and establishing farmers to become farmers and to own their own land? Did we have that kind of program in this province? And the answer is obviously no, Mr. Chairman. The fact of the matter is today we have a program, Farm Purchase Program, providing interest rate relief for our young and beginning farmers to own their own land. And it's not just for a 151 or 200 or 300. It's for . . . by the end of this fiscal year we suspect there could be close to 7,000 young farmers out there enjoying the benefits of that program.

In fact, Mr. Chairman, the interest rate relief we're providing through the Farm Purchase Program, which this year in the budget estimates is something in the order of \$22-22.5 million, is in fact

more than the entire NDP budget for Agriculture was in 1970-71, '72-73 — more than their entire budget in those years. And I think even if one was to adjust it for inflation, one would have to agree, Mr. Speaker, that in that one area alone we are doing more for Saskatchewan farmers than the entire NDP budgets of the past did.

I think as well, Mr. Speaker, one could ask: three years ago, two years ago, one year ago in this province, did farmers have access to some tax relief? We've heard a great deal of talk about tax increases from the opposition. The fact of the matter is, our farmers have had some tax decreases, and substantial tax decreases.

For example, Mr. Chairman, some hon. members in the House, as I hear them as I stand before you this moment, are talking about \$200 and \$300 gas rebates, and \$1,000 here that we are purportedly to have taken from their pockets.

But let's just take one example, Mr. Speaker. Let's take one example of a rebate that certainly was never available when the NDP were in power. They had an \$89 gas rebate one year. That was the average — an \$89 gas rebate. I asked a farmer . . . And I was just talking to one who was sitting in the gallery. I said to the farmer, really, how far does a \$300 . . . Certainly, an \$89 gas rebate, how far does that go today? And he agreed, on a farm that's grossing 100-120,000, really, how far does it go? Certainly every little bit helps. But what he was saying is: you're darned right; that \$5,000 interest rate, like that 8 per cent money rebate program provides to young farmers, now that means something. Five thousand bucks — that means something on the farm.

. . . (inaudible interjection) . . . The hon. member across the way has got that famous mentality, that socialist psyche that's coming through still. For example, in terms of tax breaks, three years ago farmers in this province didn't have any tax breaks. They didn't have any tax breaks, Mr. Chairman. You could invest in movies and get a tax break; you could invest in MURBs (multiple unit residential building (program)) and get a tax break. But farmers couldn't get a tax break. There was no tax breaks provincially, focused right at agriculture.

And so it is with some degree of pride that I announce in the legislature today as I report to this committee, that the Livestock Investment Tax Credit was designed not only to give a tax break to our farmers but, as well, to stimulate livestock feeding in this province. It has had — and these figures are reasonably up to date, Mr. Chairman — something in the order of 3,800 applications. And of course for those in the beef cattle industry it's a \$25 per head tax credit. Tax credits amounting to over \$4 million in those 3,800 applications. Average tax credit, \$1,072.

And that's a tax credit. It's got tremendous leverage. How much income has a \$1,072 provincial tax credit wiped out— 3,000, 4,000, 10,000? I don't know, but it's substantial because you have that kind of leverage in a tax credit.

The next question I would pose to the members of the committee is: is that tax credit working? Is it increasing production of pork and beef in this province? That is one of the aims of that program, to increase feeding, finishing, processing, packing plants, provide jobs, add new economic wealth to the province — new economic wealth that we can put back into agriculture, put back into education, building universities, put back into health, put back into social services, put back into roads.

Well, is it working? Well I would suggest to the members of the committee that it is, even in the face of a drought when we had shortages of hay, shortages of water, shortages of pasture, shortages of barley; a year that we were devastated by severe weather conditions, erratic market fluctuations. I submit to the members of the committee that it is working.

Pork production: 1984 over '83, up 25.66 per cent. Up 25 per cent; 770,000 head, very close to 770,000 pork, hogs finished out in this province last year. And the estimates for this year are even better, Mr. Chairman — 900,000 head estimated for the year 1985, and I get these numbers as

recently as last night's meeting with the Saskatchewan Pork Producers Marketing Board.

The trend, Mr. Chairman, even in the face of all that adversity, has been up, increasing production. And I would suggest to you— but certainly there are cycles in pork production — but I would suggest to you that the Livestock Investment Tax Credit in terms of livestock finishing is one of the programs, one of the changes that we've made, one of the innovative changes we've made, one of the first that was done in Canada that's increased, increased that production.

And that sharply contrasts with the NDP record. What was the NDP record in pork production in the 10 years that they were in power? How many hogs were finished in 1971 in this province when the NDP took power? How many were there? Well, that was the halcyon year in pork production to last two decades. In 1971 when they took power, farmers in this province were finishing out, feeding out, 1.26 million hogs — 1.26 million, and by the end of their term, had it gone up? Had the pork industry continued to prosper and thrive under NDP policies? Had it gone from 1.2 million to 2 million, for example? No, Mr. Chairman, it had gone from 1.2 million to 600,000.

My hon. colleague from Souris-Cannington, a well-known hog producer in his corner of the province, corrects me and says, it's 500,000, and both pigs on his farm contributed to it, he said.

But that is the NDP record in this province. That is the kind of support that they give the livestock industry — no support — and it catapulted in disaster. And since that time we've been building with a strategy, a strategy for the long term to put that industry on a sound footing. Now our production is edging up from 600,000 through to 770 and, the indications are, 900,000. And certainly, Mr. Chairman, that doesn't mean that the pork industry isn't facing some very serious problems today, because it is.

I was very happy to be able to raise, not only with His Excellency, the Ambassador, when I visited with him earlier this week, but certainly last night when I visited with the Pork Producers Marketing Board, at least some of the members, the seriousness of what some have described as the hog wars between the U.S. and Canada, hog wars that, in my view, have largely been stimulated by the massive subsidization in central Canada where we've seen pork production dramatically shift from the West in terms of share to central Canada, fuelled down there by the treasury, not by necessarily any comparative advantage.

And I must say, Mr. Chairman, that I think it is with some dismay that members, certainly as I introduced them here last night in this legislature, it's with some dismay they viewed the lack of interest on this issue by the opposition. Certainly our agriculture caucus and myself have made representation, not only to Ottawa, talked to our other colleagues, but not one peep have we heard from the opposition on this issue, Mr. Speaker — not one peep. Not once have they stood and even questioned me on what we're doing about this. Not once have they called my office and said, Mr. Minister, our pork producers are in serious jeopardy with this hog tax. What are you going to do for them? Not one call — nothing. But then that shouldn't be surprising, given the record of the NDP and the hog industry in this province.

Well I say to the farmers out there, don't worry; we're in charge. If they don't even know, it's an issue, don't worry. We understand it is, and we're behind them 100 per cent, and we'll give them the support and back-up that they need.

And so as I said earlier, Mr. Chairman, I was happy to raise that issue on behalf of pork producers with His Excellency, the Ambassador to Canada from the U.S., Mr. Paul Robinson.

To return for a moment to livestock finishing and the impact of the Livestock Investment Tax Credit and, in addition, other programs we've put in place. I mentioned the pork production and what's happened there. Certainly the livestock beef sector was maybe even perhaps more

severely affected by the drought. And what has been the record there? What does cattle fed '84 over '83 look like? Well, it's been somewhat less dramatic than in the hog sector, but we've seen the numbers go from 402,890 by the numbers I have here to, in 1984, cattle fed 449,940 — something in the order of 10 or 12 per cent.

(1115)

I would submit to the members of the committee that that is fairly good performance in the face of the conditions that we faced this last year. And that tax credit, as I mentioned earlier, is only one of many measures that we've put in place — long-term, having an agenda, some long-term — using the building block approach to develop our livestock industry.

The feeder associations that have sprouted up, as a result of our feeder loan guarantee program . . . I must say, as a minister, and I think I can speak on behalf of certainly all those in the agriculture caucus, is that if there's been one program that we've put in place that has really surprised us in terms of the overwhelming response that I've seen out there, it's the feeder loans association guarantee program. They are just sprouting up all over. We're getting a tremendous network, and a tremendous camaraderie of clients and feedlot operators — the real makings of a tremendously strong and viable and healthy feeder industry.

I met just this week, in fact, with the cattle feeders' association — once again, a group that's sprung up, a relatively new organization in this province, but full of young and vibrant and hustling movers and shakers, the kinds of thing that you see, when you go to their meetings and their conventions and see them there — and they're there very often with their wives, because it is a partnership in agriculture today — and you look across the sea of those faces, you know that that industry is in good hands and has got a bright future ahead of it, albeit that agriculture is always full of risks. And I'll be happy to share the numbers with the hon. agriculture critic, and any other of his colleagues as we go into these debates, because certainly we have them. A number of these associations have been formed, and some of them have substantial numbers of members.

I think as well, Mr. Chairman, that the co-operation that we've enjoyed over this past year with the new federal government in Ottawa must be mentioned. I think for too long the approach has been, out of Ottawa, one of confrontation and not of consultation. And certainly with the election of the government of Prime Minister Mulroney, and now the election of a government that has an overwhelming number in terms of cabinet representation from the West, for the first time in a good long time in the history of this province we're starting to see the fruits and the benefits of that kind of good working relationship.

And the first and best example we had was this past fall, when I, along with my colleagues, the ministers of agriculture from Alberta and from Manitoba, when we inked the prairie drought agreement that has pumped something in excess now, I suspect, of over \$60 million into the western Canadian livestock producers' hands. Here in Saskatchewan I think the numbers that we put into the drought programs are in excess of \$30. Certainly, alone in the livestock drought program, the western livestock drought program, I think we're approaching something like \$30 there in joint funding. I think that works out to the 125,600-plus applications we've had, at \$2000 on average.

And the hon. members opposite talk about the cut-backs and the losses and the losses in income that our farmers have received as a result of this government. They fail to examine things like the tax credit. They fail to examine things like the \$2,000 on average that the livestock producers have got. And that doesn't include things like the transportation policy to help move cattle to summer pasture, which this year we have again announced. It doesn't include things like the water well assistance programs that we announced. And it doesn't include things like irrigation, which my colleague from Morse so amply pointed out the benefits and the strides forward we've made there, in debate in this House just few days ago.

They fail to point out as well, Mr. Chairman, the tremendous pay-outs that we've seen from some of our existing insurance programs — pay-outs that we lobbied for, changes that we lobbied for, and I might say, Mr. Chairman, with some degree of success.

And I have no doubt that the hon. agriculture critic will get up here later in this debate and ask me about how much I spent flying around the country — flying here and flying there. Well even before he has a chance to announce and to ask that, I want to tell the members of this House that I'm darn proud of what's happened as a result of me climbing into a jet airplane and flying down to Ottawa every six weeks or so.

I'm darn proud of the fact that we had a report commissioned by our department to study HY320 that said, yes, this looks like a very good option for our farmers and one they should have. I'm very happy that when I climbed on to an airplane and went to Ottawa and said, yes, fellows, this wheat should be licensed for our farmers, they need this option — and we got it.

And if that's what it takes, is a couple of hundred dollars in air fare to Ottawa, I'll do it tomorrow. And in fact, I will not apologize for, as well, climbing on to an airplane and going to see the ministers in Ottawa and saying, look, fellows, a lot of that money in the grain stabilization fund is the farmers' own money and times are tough out there. And I know the Liberals wouldn't amend the Act, nor would the NDP agree to it — to amend the Act for an interim pay-out — so we think you should amend that Act to have an interim pay-out, and that interim payment should be meaningful and it should be in their hands before spring's planting.

And so, yes, I did. I will openly admit to the members opposite, I once again climbed on to a jet airplane — I climbed on to a jet airplane — and I went to Ottawa and I said, this is what I think you should do. And I'm happy to say that we did it with some success. For just this past week I . . . And I suspect the member from Assiniboia-Gravelbourg, I suspect the member for Shaunavon, I suspect the member for Pelly, this last week got their cheques in the mail on the interim grain stabilization payment.

And they've talked about the \$1,000 the farmers are going to lose because of this PC budget in the province today. It's airy-fairy numbers in the first place, but that's what they talk about. Well let's talk about the \$8,000 that farmers got out of the grain stabilization fund, and I would like to suggest partly because of the lobbying efforts of the farmers in this room — the farmers on this side of the House, that is.

And I would suggest to you that we should talk about the \$9,600 that was paid out, on average, on the federal-provincial Saskatchewan crop insurance program — \$9,600. And I congratulate the minister in charge of Saskatchewan crop insurance for not only that very good and meaningful insurance payment in a year when production dipped, but he hasn't stopped there. He's even made the program better.

Members opposite, when they talk about this \$230 grant missing, or rebate going, they fail to talk about the fact that our federal colleagues, because we asked them to — and it's something we have asked and asked and asked for years and years and years — take the federal taxes off fuel. Three years ago we didn't have it; four years ago we didn't have it; two years ago we didn't have it. And when we got a Tory administration in Ottawa, we got it, and that's putting \$30 million a year in Saskatchewan farmers' pockets — \$30 million a year.

And so how much is that for the average farmer? Fifteen hundred, \$2,000? I don't know. It depends a little bit on the farm. But I'll tell you what, if the loss is more than an \$89 gas rebate that the NDP put in . . . The NDP put in a gas rebate and they also took the gas rebate out. I would suggest to you that's the kinds of fundamental things that the people in this province and the farmers in this province want.

And as it relates to interest rates, federal-provincial co-operation, once again, has resulted in some successes. We set the stage across Canada in terms of 8 per cent money for young farmers. Mr. Wise, when he came in as Minister of Agriculture, talked to the officials at Farm Credit Corporation and said: whoa boys, we've got some fairly serious problems out here in the farm sector; until I get a handle on this, whoa, nothing will happen. He self-imposed a debt moratorium on the corporation for three or four months.

My hon. colleague, the member from Morse, talks about the freeze on rail line abandonment. And certainly I suspect that we will hear the member from Assiniboia-Gravelbourg get up and congratulate the minister for that move, because certainly it's one that affected his seat.

And he also, I suspect, will be very happy with today's announcements in the paper. He talked about parity pricing in Ottawa. What else do we read in today's paper? "Grain freight rates likely to be cut," *Leader-Post*, April 26th.

That's the kind of headlines you get from the Tory farmer politicians at Ottawa. And that's the kinds of cuts I like. And they can give us all the cuts they want when they're cutting our fuel prices and cutting our freight rates, and increasing our prices of wheat, which they have also done. Two-price domestic price of wheat, another \$27 million per year into the farmers' pockets because of the increases there.

As I started to talk about the Farm Credit Corporation. Minister Wise wanted to get a handle on it, and as a result he's made some interest rate reductions, put in some safety net programs at farm credit to shield interest rates somewhat. In the one program alone in Saskatchewan it means \$4 million a year for our Saskatchewan farmers; some 1,400 people affected; something close to \$3,000 a year in benefits for those individuals.

I must as well, Mr. Chairman, report to the committee, since we last met, some of the substantive changes at the Agriculture Credit Corporation of Saskatchewan — the board there, in conjunction with some chief executive officers that are doing a tremendous job for us — business is up so to speak. The thrust, as it relates to focusing and providing 8 per cent money for livestock and irrigation producers, is being a success, and of course in this last budget we announced that some of the problems that the NDP had left us with when interest rates were high, we would in fact attack and write those down as well.

And just to review for the members of the committee, things like the increasing in the maximum loan from \$200,000 to \$350,000, a reflection of what the real world is all about out there today; a rise in the cut-off point for net worth to 300,000 from 185,000 when the program existed under the NDP, once again making more farmers eligible; an easing in the income restrictions preventing eligibility in terms of off-farm income. Because we recognize that although we're not happy that people have to work off the farm to make the farm work, we recognize it exists out there. Guaranteeing loans to commercial feedlot operations available through private lending agencies; loans available to assist farmers to retain their calves for the purpose of feeding them to slaughter weight; credits also provided for the purchase of feeder animals for the purpose of feeding them for slaughter.

And I think, Mr. Chairman, it's worthy to note that the corporation clientele is increased. This is a point that this member from Assiniboia-Gravelbourg should hear, because he lambasted fairly severely the initiative of this government to remove farmstart and replace it with the Agricultural Credit Corporation of Saskatchewan where we want to exploit success. He lambasted me fairly broadly on that, and I would just like to, here today, report to him how our exploitation of success has gone.

The corporation has increased its clientele to just some 39 short of 4,000 farmers, from something under 3,500 under farmstart, and total loans have increased to \$152 million from \$129.5 million — another example of exploiting success, Mr. Chairman.

I could go on at great length relative to some of the other issues and programs that we've put in place since I last reported to the committee. I have no doubt that my opposition critic will want to examine in detail some of the programs on a line by line basis, but I think it would be as well worth while to note that not only have we in Agriculture been able to initiate many programs of which we're very proud, but I think we've had tremendous co-operation and assistance from other departments because they recognize the strength of agriculture; they recognize it as the backbone of the economy, and they are all doing their part. And I think of things like the rural natural gas distribution program that this government has put something — probably \$30 to \$40 million — into, providing a low-cost fuel out there to heat pig barns and dairy barns, and perhaps run irrigation pumps and grain driers, in, perhaps, the hon. member from Pelly's constituency — those kinds of things all going to improve the quality of life.

And these, Mr. Chairman, are the kinds of things that we've got to look at — attacking energy costs on a fundamental sort of way rather than with this old rebate mentality.

The hon. members opposite, I suggest one could have accused them of being masters of the rebate game. It was like a shell game for them. That's not necessarily our style. We certainly . . . I wouldn't want to suggest that we don't have a rebate. But the rebates we have in place are meaningful. A \$5,000 interest rate relief rebate to the Farm Purchase Program — well now, that means something.

But certainly we want to acknowledge and thank Saskatchewan Power for their foresight in providing that rural natural gas program and enhancing the quality of life in rural Saskatchewan. In fact, that's what's going to maintain the woof and the weave of rural Saskatchewan.

(1130)

I think, as well, it would be remiss of me if I did not congratulate the Deputy Premier and the minister in charge of the agricultural development company for his initiatives on behalf of our . . . particularly our livestock producers, but I could in fact say virtually every farmer in this province — his initiatives as it relates to livestock sales.

I think now we have, during this administration's term, probably had sales something in excess of 3 — 3 to \$4 million, and they're occurring on a daily basis, putting in a place . . . And, in fact, putting in place not only the breeding stock, but putting in place a reputation for delivering, and for delivering quality. And I see that as an area that has nothing but tremendous upside potential for our farmers, and I congratulate him for that.

And, as well, I would be remiss because part of my departmental budget is the matching grants-in-aid program, and I think I would be remiss, as well, in discussing international aid if I did not congratulate, not only the Deputy Premier, but in fact all the members of this caucus, and certainly the Legislative Secretary to the Deputy Premier, the MLA for Morse, who's spearheading a tremendous humanitarian effort on behalf of, not only this legislature, but on behalf of all the farmers of Saskatchewan — spearheading a boatload of what to be delivered to the African continent that has been devastated by drought and famine for not just one year, but now for several years — putting a boatload of the farmers' wheat, a boatload of generosity, a boatload of smiles, a boatload of full tummies, into countries like Ethiopia. And I can only congratulate and extend a warm thank-you, in fact, on behalf of the citizens and the farmers of this province to my hon. colleague, the MLA for Morse, for a job well done. And I wanted to acknowledge him for that.

SOME HON. MEMBERS: Hear, hear!

HON. MR. HEPWORTH: — And I think not only he, but all members of this House, should proudly . . . should stand tall and stand proud in that increased commitment that this

government has made to those who are less fortunate than ourselves in the world. It's not something that we take lightly and, certainly, our commitment to the matching grants and aid program is there; and it's there, not only in that program, but in terms of our commitment to international aid; it's there, and other programs as well, and it's there in spades.

I think, Mr. Chairman, that the other major area of the budget that I would like to address for a few minutes before I entertain questions from my hon. colleagues, is that it is very much our view, and I think the Saskatchewan farmer's view, that the thrust of what we can do as a legislature, or what we can do as a government in this province, has to be twofold.

First of all, when you have weather conditions going against you, or market prices going against you, or inputs rising more quickly than your prices are rising, I think there is an obligation by governments to provide the safety nets when those conditions exist. And I talked earlier today about how some of those safety nets can be improved, have been improved and, in fact, can be meaningful.

Because I think our commitment in the short term and for the tomorrow, if you like, of the world, is to make sure that the farmers can get that crop in. And of course the new budget initiative in that regard is the \$200 million over the next two years that we're prepared to provide in loan guarantees, unequalled across this country.

Because we recognize that if you couple that with The Farm (land) Security Act, the other interest rate relief programs, and not being so naïve as to think you can legislate success — because you cannot — but I think that in terms of dealing with the cost-price squeeze, keeping farmers on the land, and having those who are viable in the long run succeed and have the opportunity to succeed, I don't think there's another government in this country who has done as much as we have. Because we know that you have to deal with the todays and the tomorrows.

But what we were hearing in the hearings that we held, the meetings that we held across the province this winter — many of my colleagues were at — what we were hearing is that there were many of us, Mr. Minister and MLAs, that there are many of us who the sky is not falling in on today. We are not going broke. We are not in need of utilizing debt moratorium because we, in fact, can pay our bills, and there's no banks oppressing us. But our incomes are falling.

What we would like you to address, Mr. Minister, they said, is: what can you do as a provincial government, or what can the federal government do, or what can we as farmers do to make sure that over the long haul, over the next 10 or 20 years if things go the way they are, what can you do to ensure that we won't all become a statistic? They wanted to know what they could do to be assured that they are going to have a future. They wanted to have some assurance from us that we, in fact, were thinking about the future on their behalf.

Certainly, as I said earlier, you have to address the very immediate problems that we're facing. There's droughts and floods and grasshoppers and that kind of thing. But the issue is more and more becoming out there, over the long haul, have you got a plan? What have you got in mind for making sure that farming survives into the next century, and not merely survive, not merely have us coping with the situation, but, in fact, having us out as successes.

And that, Mr. Chairman, brings us to the Agriculture Department Fund that was announced in this last budget — the \$200 million commitment, a commitment for the future of farming in this province, a commitment that will see some funding from the federal government as a result of a successful negotiation on the ERDA (Economic Regional Development Act) agreement, a commitment that will, as I said in my budget speech, address some of the fundamental issues facing Saskatchewan farmers.

You can go along and rebate \$89 until you're blue in the face, or \$300 till you're blue in the face,

on your gas costs, but what farmers need is not a \$300 rebate. They need their fuel bill cut in half. And that's why you've got to explore and see if in fact natural gas, for example, is a practical reality to fuel tractors on the farm. That's why you've got to explore on their behalf what lies beyond the HY320s of the world. That's why you've got to explore on behalf of livestock producers, how can I increase my production? How can I increase my gains? How can I decrease my feed costs? What about implantation? What about embryo transfers? What about market development?

And I suppose what they're saying, Mr. Chairman, and hon. members of the committee, is where would we have been if they hadn't developed, for example, rust resistant wheat some decades ago now? Where would we have been if they hadn't developed the combines that replaced the binders? Where would we be if we hadn't developed fertilizer technology to increase our output per acre and hence reduce our units costs? And in fact how can we use that technology to maintain and enhance the quality of our soil?

What about water management? What about development in what we call the northern part of our province? What about enhancing and improving the forage, the grasses of this province, and some of our pastures?

When you think about it, Mr. Chairman, these are the kinds of issues, and I've just touched . . .

MR. CHAIRMAN: — Order. I understand it's customary in this Assembly that ministers be given an opportunity to give a brief review of their department's activities in the prior year or the prior three years. However, I wish to caution the minister that the brief review should be, at least to some extent, brief.

HON. MR. HEPWORTH: — Mr. Chairman, your point is well taken. I was coming to a close anyway. And what I was trying to say is that, on behalf of Saskatchewan farmers, we recognize that they do want us to be thinking, and thinking very seriously about the future.

We do recognize, and I outlined those before in this House, some of the fundamental structural changes that have taken place, and are taking place, in global agriculture. And we are going to analyse them for them, analyse those changes for them and plot our course for the future in partnership with them. And not only with the farmers out there, but with virtually every player in this business of farming. And with that, Mr. Chairman, I conclude my brief opening remarks.

Item 1

MR. ENGEL: — Thank you, Mr. Chairman. I'm not going to go through the lines and recognize if you are chairman or deputy chairman. I think in committee the person that's sitting at the table is chairing the committee that's taking place, and if you will be satisfied with me calling you chairman rather than deputy chairman. I hope that'll be sufficient.

MR. CHAIRMAN: — You can call me almost anything as long as you follow my ruling.

MR. ENGEL: — Thank you, okay. That's very good and I appreciate you, I appreciate you getting involved in the debate earlier, because when the Deputy Premier and our House Leader decided that this was going to be a boring session, I didn't realize what they were talking about, but after listening to the opening remarks from the Minister of Education, and then today from the Minister of Agriculture, I get a little hint of what they're talking about, and I see what they're trying to do and how they're trying to make this a boring session, and I'm not sure that it's going to stay that way now that we're through with the minister's opening remarks.

It's pleasant to be able to sit down or to stand up in this House and be able to tear about 20 pages out of *Hansard* so he has a nice little statement to circulate during this imminent election campaign, and saying, there's some material that I've shared with you. It's too bad that

he wrote this material on blue paper because that's basically the colour of the feeling amongst farmer since you've taken office.

Farmers in Saskatchewan are becoming more and more and more disenchanted with this Minister of Agriculture and his staff that he has immediately about him. Farmers are beginning to say, how long do we have to wait for a change, or how long do we have to wait for some innovation? And I tell the people I meet, well, just hang on, they're circulating some papers, and they are talking about some new and innovative ideas, and things are going to start happening.

And I listened this morning and I thought to myself, here we have agriculture moving by the minister, and he's standing there and it's passed him and he doesn't know what happened. He's making excuses and saying that this and this and this are the reasons and we're . . . everything is so great and we're shoring up success, but, folks, there's a drought out there, there's excessive moisture some place else, and there's some grasshoppers coming on, and we've got all these things we're going to do for you. Just hang in there — just hang in there; just hang around, something's going to happen. Trust us, he said, trust us.

Then he stands us and he tells this House earlier today in remarks how far does \$1,000 go to a farmer who earns \$150,000 a year? Why worry about these little tax cuts, Mr. Chairman. Why worry about these little increases in taxes? What's \$1,000 when he's got \$150,000 gross income?

This is what the minister said. He said, we've given them some tax breaks. We've had 3,800 applications on this feeder rebate program of \$25 a head which saved on an average \$1,000 in income tax — an average of \$1,072 income tax to farmers.

Well, Mr. Minister, the farmers that can save \$1,000 income tax by getting involved in a little feed lot, they're moving by us, and they're going along, and there's no problem. They have no problem with the \$350 break on their education tax. The \$375 that they're getting back, well that's just another application, another form to fill out. That's peanuts.

Mr. Minister, when you talked about shortages in hay, shortages for pasture, and shortages for barley, and then went into this whole aspect of the hog thing to put up a little smoke-screen — the beef people are listening, Mr. Minister, the beef people are listening.

(1145)

And I've outlined in this House more than once the changes that you've effected in the beef stabilization plan and what this has cost the farmers across Saskatchewan. And a little thousand dollar tax break isn't going to make an awful lot of difference. That's \$1,072 tax credit isn't going to make an awful lot of difference to the beef producers, because I've talked to beef producers with four and 500 cows who are telling me, we really don't know what income tax is, Allen. We've never paid income tax since these guys were in office. We're not making enough to pay income tax.

He talks about — and here's the part that is remarkable that he even mentions it. As a minister, I thought in your blue paper and in your discussion today that you wouldn't get involved, and that you'd be ashamed to talk about your counterparts in Ottawa. I'm surprised that you would stand up here and try and deceive this House.

Now I don't know where you were, Mr. Minister, on March 28, 1985. But I have here a copy of a news release that went out and it got fairly good coverage. And the title is: "Engel is Worried About U.S.A. Pork Tariff." And it was a pretty good piece of material that I sent out if I have to say so myself. And I want to read this into the record just so you can agree with me because it sounds like you were trying to say the same thing:

The Mulroney PC government has reached into the pockets of Saskatchewan pork

producers to pay for its friendship with U.S. President Ronald Reagan, New Democrat Allen Engel charged on Thursday.

On March 17th, Mulroney and Reagan talked about a new era of co-operation between Canada and the United States.

On March the 17th, your illustrious leader met with the President of the United States. How long did it take for the President of the United States to slap on import restrictions on our pork? How long did it take, Mr. Minister? Well on this press release, it says:

But less than two weeks later the Americans have slapped a huge tariff on Canadian hogs sold on the U.S. market.

Saskatchewan pork producers are paying dearly for the blarney summit, is what I called it, the blarney summit.

One-third of Saskatchewan hog production finds its way into the United States market, either through direct sales or packing houses. The American tariff has already started to drive Canadian hog prices down, and the Assiniboia-Gravelbourg MLA expects them to drop as much as 5.3 cents a pound.

Do you want to hear the rest of this article?

AN HON. MEMBER: — No.

MR. ENGEL: — I guess you don't. I didn't think you would, but I'm going to give it to you anyhow. We're facing a direct loss to this province's pork producers of \$2 million this year because of the blarney summit and your illustrious leader. At a time when our hog producers are already facing difficult problems, this kind of tariff will spell disaster for many of the producers.

Mr. Minister, what happened to that hot line you said you had with Mulroney? What happened to that hot line? They sang a pretty nice duet, and they talked about Irish eyes are smiling, Mr. Minister, but the eyes of the hog producers aren't smiling; they're filled with tears. When they think of your Minister of Agriculture who stands up in Toronto on the 28th of November, 1984, and Wise tells farmers to bite the bullet.

"Farmers have to bite the bullet along with the rest of society in an effort to clean up the federal government's deficit," says federal agricultural minister Wise.

Wise tells us, we have to bite the bullet. "Wise considers cuts to Agribition," is another headline.

Do you want me to go on and on and talk about your friends in Ottawa? Do you want me to tell you about the message that came out of Wise's office when he first got elected? And one of his chief researchers, the top dog, what did he say? Saskatchewan and western farmers are getting 7 to \$800 million in too much money. There's too much money in transfer payments going back to the West. That's what your friend in Ottawa said.

What else did he say, Mr. Minister? What else did they say? What message came out and spread across all the eastern and western papers? Any paper in Victoria or Vancouver, the papers in eastern Canada reported it freely — Saskatchewan farmers are making 60 and 50 times as much as their counterparts in the cities. That's what your friends in Ottawa are telling us. That's what your friends are telling us. That's the kind of message your friends are spreading out. And Mr. Minister, the farmers don't like it. The farmers don't like the side you're on.

This morning in question period we tried to get you to stand up and say, look, Mr. Minister, pick up your telephone, tell the agriculture committee you want to appear before them and present a

brief. That's what we asked you to do. That's what we asked you to do.

And what did you say? You weaseled all over the place, and you jiggled around and jumped around and danced around, but you wouldn't tell us. You wouldn't tell us. You tried to compare and say, well the Ethiopians can't afford it. We're talking about domestic prices, not Ethiopian, not world market prices. We're talking about a parity price, a parity price for domestic consumption. You wouldn't stand up and say you're supporting it.

If you want to talk about Ottawa, Mr. Minister, we could take days, because there are so many things you could do. There are so many things your government could do. You say the sky isn't falling in. Well I'm telling you, everything else is. The future of agriculture is on the line, Mr. Minister, and never have I seen a greater change.

I've witnessed a transition in agriculture. When I was a little guy, I stood on the back of a drill that I could hardly see over top of the box, and I enjoyed horses, and I followed along behind when my dad was seeding. I can remember those days when he seeded with horses.

And I can remember the transition, and I can go out and I can seed 40 acres in an hour today. You talk about 44 mentality, Mr. Minister, and I know what 44 mentality's all about because I've lived through it. I've lived through it. I know what will stabilize the farm economy. I'm afraid you don't. I'm afraid you don't care.

I think this budget points loud and clearly who you care about. You care about tax breaks and tax cuts for the guys that are paying 20 and 30 and 40 and \$50,000 income tax. You go along with importing a flat tax that they can avoid and that will hit the ordinary person. You go along with saying every farmer in Saskatchewan should divvy up \$1,000 cash out of his pocket. You go along with that, but boy are we going to give him a tax break; are we going to give him some tax credits.

Well, Mr. Minister, in this little session here, we want to get down into *Hansard*, and we want to get down into a record that the farmers could read and understand and can grasp and cope with, and say that this is the direction your government is taking in plotting the future of agriculture in Saskatchewan.

I have intentions to go through your estimates today, not talking about the sky, if it's going to fall in or not; not talking about fanciful things of millions, of thousands of things you're doing; but let's talk about little details that affect the future of Saskatchewan and affect what's happening.

You talk about innovation. Where would we be without the innovators? Mr. Minister, where are the innovators? Where's our generation of innovators that should be around? Where are the people? Where's Pro-Star Mills? Where's Pro-Star Mills today, Mr. Minister? In your administration, we saw them go under.

Where's Friggstad, the man that came up with a plan and could build a cultivator and could market it? Where's Friggstad today? His company is in the hands of somebody else, thanks to your government's concern.

Those who revolutionized agriculture in my lifetime, those people that have taken us from the days of the little horse-drawn, 14-run drill to the situation we have in farming today — those innovators want a chance, Mr. Minister. Those farmers that are farming their two sections of land or their six quarters of land, if it's in my colleague's constituency in Pelly, or their 9 or 10 or 12 sections. Those people say, look, we don't want a special deal. We want everybody to have a chance to make it go. We want programs in place that aren't going to be ones that encourage and interfere with the regular flow of cash. We want a government that's going to be concerned about freight rates.

You talked about freight rates and you raised the headline of a freight rate, Mr. Minister, if the former minister of agriculture would have done his job, and if the former minister of agriculture in Saskatchewan, who is sitting right here, would be a man of his word, we'd still have a Crow rate. I can assure you that the Crow rate wouldn't have changed if your government would have had a mind to maintain and keep the Crow rate for Saskatchewan farmers.

You want to talk about the review that's taking place in '85. You want to talk about the review that's going to take place in '85. What about the 50 per cent increase that farmers are already facing because of the inability of your government to fight the changes, because of the lackadaisical attitude you people have taken towards freight rates? You want to talk about rail line abandonment in fancy talk, Mr. Minister, I want to tell you there's no party in this country that has taken the position of farmers more than the NDP in Saskatchewan and the NDP in Ottawa.

If you want to talk about people fighting for the farmers, you'll talk and you'll slap Vic Althouse on the back; you'll give Stan Hovdebo a pat on the back; you'll give Lorne Nystrom a pat on the back, because they're the ones that are speaking for western agriculture. Not the tootsies that are sitting there bowkowing to Mulroney and wise and saying that there's millions and millions of dollars too much money coming in transfer payments to farmers. We're not standing up and letting the farmers ... and letting those people representing Saskatchewan get by with saying that Saskatchewan's getting 600 or \$700 million too much in transfer payment, Mr. Minister.

We've got people in Ottawa that'll pass a Bill like the parity pricing Bill, and because it came from an NDPer, you'll be afraid to support it. And I challenge you, Mr. Minister, to stand up, wherever you're sitting, and tell me what you're going to do about the parity pricing Bill because that is one issue. If a properly administrated fuel price system is developed for Canadian consumers, the people of Saskatchewan that are having trouble today will survive, they will get ahead, because they'll be getting paid a price for their product. They'll be getting a price that is matching up what it costs them to produce. What's your stand on parity pricing?

HON. MR. HEPWORTH: — Mr. Chairman, hon. member, to pick up on a few of those points. First of all, I think you raised the issue of the beef stabilization program and some changes that were made there. I can only presume, I can only presume that you don't agree with the policy that in fact your administration put in place because that's the regulations, that's the legislation that we're living under. And it first of all said that when the levies reach 6 per cent it automatically triggers a review. Your regulations. But more than that, and more importantly than that, because regulations nor legislation is carved in stone and etched for ever, because we change it here on a daily basis.

So what, then, should a Minister of Agriculture do — a responsible, responsive Minister of Agriculture do? It seems to me that when you have recommendations come from a board that now has no voting government member on it, that a board made up of producers, auction mart representatives, feed grain users, the feeders — a board that has been expanded to include all the partners in the livestock feeding industry — and if those honest and decent and sincere citizens and those statesmen of the livestock industry out there come to you with a unanimous recommendation to make changes in the best interest of their industry, are you trying to stand before this House today and say you, the member from Assiniboia-Gravelbourg, or me, the Minister of Agriculture, that I'm smarter and wiser than those 12 or 13 or 14 people that sit around that table?

I mean, I could say, hey, I don't want anything to do with what you guys are recommending. And it seems to me that what they would turn to me and say is, well, Mr. Minister, obviously you don't need a board. You're running it, like, by the minister. The minister is running this.

That was the NDP style. Your colleague, the former minister of agriculture — MacMurchy — put together that plan. It was flawed. He put in place a 50 feeder option. He put it in place going

against the recommendation of the industry — don't put that in there. It's been a serious flaw. It's one that's caused the board, and it's caused me, and it's caused this government, it's caused the producer nothing but headaches. It's piled up like a massive debt in the plan, and you've got the audacity to stand across there and accuse us of tampering with the plan?

We spent the first six months that we had that plan and the first six months we were in office trying to fix it up so it would work. And I congratulate the board for the initiatives they've taken. They scrapped the 50 feeder option. That was a true, sound, financial move. Everybody agreed with it.

But not only did they scrap it, they put in place a feeder-to-finish program that, in fact, works. They expanded the sales options. No longer is there simply the central sales desk — bids at the feedlot, sales at auction marts — the kinds of traditional ways that farmers have always wanted to be able to sell their cattle.

So I say to you when the board that is made up of honest and decent and sincere citizens comes to me with some recommendations — responsible recommendations — who am I to turn them back? As it relates to the 50 feeder option and its deficit, this same responsible board has come to me over the course of this winter with some options on how we can address that and best address that. I can tell the member of this legislature and the farmers of Saskatchewan that we are addressing that, looking at the options as how best we can deal with it and be consistent with the auditors of the world, and be consistent with the legislation that's in place and the regulations that are in place, and at the same time deal with it in a manner that is befitting of our farmer friends out there.

(1200)

And if anyone in this province doubts, and I doubt . . . I think the only member who would in this whole country doubt our commitment to the livestock industry is the member opposite. If anyone doubts our commitment to the livestock industry, I put it to you again: three years ago, could you borrow money through the Agricultural Credit Corporation of Saskatchewan to even build a feedlot in this province? Could you? No. You didn't even acknowledge the feedlot even to that degree. There were no feeder association loan guarantees. There was no livestock investment tax credit. There was no feed and forage listing service. There was no 8 per cent money to buy land. There was no rural natural gas program going on. There was no aggressive Crown land policy. There was no . . . There has never, ever, ever been in the history of this province a better drought program, when drought struck, than the one that was put in place this spring.

MR. CHAIRMAN: — Order. It's the duty of the Chair to maintain relevancy, and I realize that the minister feels these programs are important. However, I am afraid he's repeating his opening address. And I detected a question, and the question was the minister's position on parity pricing. And I think that the minister and the opposition critic could limit themselves to one question and one answer, we could make progress. So the question was, your position on parity pricing.

HON. MR. HEPWORTH: — Thank you, Mr. Chairman, and your point is well taken once again, and I apologize to you for those lengthy remarks. But I was in fact attempting to respond to comments made at the beginning of his long dissertation on beef stabilization. And he, as well, raised a number of issues about Ottawa. However, I will overlook those, and we can perhaps look at them at a one-by-one basis.

And in so far as the parity pricing issue, as I said earlier in the House today. I think it's . . . I am like every other farmer out there. I do want more for my product — \$10 a bushel for my wheat, \$10 a pound for my cattle. But there's a reality that we have to live with in the world. It's consideration, active consideration, even, if you like, Mr. Chairman. There's nothing wrong with that.

Certainly I'm of the view that there's some upside potential on the domestic price of wheat, and I don't know as I can say much more. There are some realities that have to be acknowledged, some implications that have to be studied, researched. And I have no difficulty with that. And I don't know as I can say much more on that point, Mr. Chairman.

MR. ENGEL: — Well, Mr. Minister, the entire Assembly in Ottawa voted unanimously on second reading of a parity Bill. People that represent farmers, and represent farmers right across Canada, agree that the time is come when the disposable income of Canadians should. . . A bigger percentage, a greater percentage of this disposable income should be used to buy products grown in Saskatchewan. Do you agree with that concept?

HON. MR. HEPWORTH: — Mr. Chairman, hon. member, I think what you're referring to is, as well, the article . . . (inaudible interjection) . . . Well, as I understand it, what in fact they have done, and I guess it's no different than the view I just expressed here — it is worthy of some consideration in some detail so that we do understand how it would impact with the realities of the world out there what implications it might have; and I see nothing wrong in what the House of Commons has done in saying, yes, we think there's a principle here that needs to be looked at, and hence we shall refer it to the committee for further consideration. And I think consideration is the word I used, not only 40 seconds ago here, but an hour or so ago in the House earlier today.

MR. ENGEL: — Mr. Minister, this is a very, very important issue. When the two-price system of grain was first discussed, there was a meaningful difference in the two-price system. Way back, there was a time when the two-price system for wheat was first introduced, there was a good spread between what our wheat was selling domestically on the world market in those days, and what the government of the day felt that the producers should get.

Lorne Nystrom, in his concern for the small farmer, and his concern for all of the farmers across — not only his constituents in Saskatchewan, but right across Canada — is saying that as we travel the world over, we come to a place like Saskatchewan and Canada where people are paying less, people are paying less.

And Mr. Chairman, if I'm supposed to talk to a desk over there that's continually has his back turned and not listening, and then guessing at what the question is, we're not going to proceed very fast in this House. I would suggest that you not only get the minister to answer the questions, but to pay attention to the questions. Now with that little piece of advice, I'll continue. I can appreciate you wanting to visit with some of your colleagues and get some advice, but why not talk to your staff after the question's asked?

The point I was making, Mr. Minister, is that the farmers appreciated a break when they were being able to sell some of their grain, and a percentage of grain at a better price, that was consumed in Canada. That principle needs to be pursued if we want to develop a farm community out there that takes some interest in the family farm, takes some interest in the approach that farming is a way of life, is a business, that I can look after with my own family, is a nice life-style. It's a life-style we want to promote. Do you believe in that kind of life-style? And do you believe that programs should be designed and should be encouraged that will promote that kind of a life-style?

HON. MR. HEPWORTH: — Mr. Chairman, hon. member, yes.

MR. ENGEL: — Well now we're getting places. Now if you believe in that kind of life-style, and if you're convinced that that is a commitment that you, as Minister of Agriculture, will support, then let's start looking at programs that affect the life-style of the ordinary farmer, the average-sized farmer, the farmer that you told me about yesterday that has about 400-and-some hectares of land.

Let's consider those people that are making a living out there, 65,000 farmers. Only 10 per cent of them, only 10 per cent of them are really interested in expanding and saying that big is better: they're going to get a second four-wheel drive tractor; they're going to amass all the land they want, they believe that the price of land should come down so that they can pick up more and more and more and more. I don't believe that programs in agriculture and from the Department of Agriculture should be promoting that kind of life-style.

Do you agree with me that programs that come out of your department shouldn't encourage the gobbling up of the family farms, rather than preserving the family farm way of life?

Let me make the question a little more simple for you, because you look as though you're so distressed that you haven't got an answer for that one. Do you believe that the Department of Agriculture should concentrate their efforts to preserving a nice-sized family unit . . . (inaudible interjection) . . . I'm not talking about limiting farm size. I'm talking about preserving a way of life.

The member for Moosomin is sucking air . . . (inaudible interjection) . . . The member for Moosomin is sucking air again.

AN HON. MEMBER: — I'd rather suck air than what you suck. Now get out.

MR. ENGEL: — I'm asking the Minister of Agriculture a question, Mr. Chairman, and I'll proceed with the question regardless of what the little member from Moosomin is spouting off at the jaws.

MR. CHAIRMAN: — Order, order. We're getting off the topic. The member for Moosomin is not the Minister of Agriculture, and I would suggest that you proceed with your question and stop debating with the member from Moosomin.

MR. ENGEL: — Thank you, Mr. Chairman. It's pretty hard to ignore the amount of noise that's coming from the front corner there. But I will try, and I will refrain from debating with him.

Mr. Minister, the question that I was putting to you is simply this: should programs from the Department of Agriculture encourage and sponsor the family farm unit, or should they be designed to give a special advantage to those people who are in a position to gobble up large amounts of land? I mean, like 20 sections of land or more, and are in that position to expect. Should our programs concentrate on helping the big operator, or should our programs be designed so that the general farmer, the average-sized farm benefits the most from?

HON. MR. HEPWORTH: — First of all, I think, Mr. Chairman, hon. member, in terms of what the Department of Agriculture's programs should do in my view, I suppose one could go on at a great length about what they should, or could, or maybe will do. I'll simply say I view it as twofold, as I said earlier.

On the one hand, we've got to put in place programs that protect the family farm. On the other hand, we've got to put in place programs that enhance production, increase production, help to facilitate the transfer of technology out there, look towards the future and what their needs and wants might be, equip them with the tools for the future. And I know the hon. member wants to ballyhoo about the traditional NDP line of limiting farm size, the land bank, estate farm concept. That is not our view, no.

MR. ENGEL: — Thank you very much, Mr. Minister, because the record indicates those people that you spelled out before that are getting 1,000-and-some dollars in rebates on their feeder program . . . Mr. Minister, when you took office, and I filled my tank with diesel fuel. I saved \$450 compared to what it cost me this way. My tank of diesel fuel on my farm this spring after three years of office, just filling a 1000-gallon tank once, cost me \$450 more than it did the spring of the election three years ago today. I said 1,000-gallon tank, a 1,000-gallon tank, when he came out to

fill my tank cost me \$450 more. Thanks to your programs, and thanks to your initiative, and thanks to your encouraging new contracts and new agreements with the oil companies, we as a farmer are paying \$450 a tank more every time we fill up on fuel.

You can talk till the sky falls in, but that is a fact of life. That is what farmers are telling me. We don't like the Tory's love affair with the oil companies. We don't like the tax you took off the road and gave it to the oil companies, because oil companies are doing very well, but the farmers are paying for it, thank you. The farmers are paying for it.

Mr. Minister, I think that any of the programs you have in place today, any program you have in place today will not compensate even the increase in his fuel price, so he's got \$450, thanks to you, for more fuel, for one tank. That won't farm very much because farmers are telling me across the piece it costs \$1,000 a quarter for fuel. I'd like you to argue that point. Do you agree that the fuel costs in the book you published and the farm costs to operate a farm today . . . do you agree with the general assessment that fuel costs today, 1985, are about \$1,000 a quarter?

HON. MR. HEPWORTH: — Mr. Chairman, hon. member, no.

MR. ENGEL: — What is the number?

HON. MR. HEPWORTH: — Mr. Chairman, hon. member, I don't have the hard number, but it's considerably less.

MR. ENGEL: — Well, Mr. Minister, when you talked yesterday about farming costs running at about \$90 an acre, what percentage of that would you say is fuel?

You had a number yesterday that said it was costing \$90 an acre to farm. And in Kelvington-Wadena you said it was more than that. Those are your words from *Hansard* yesterday. And if you come up with \$90 an acre, what percentage of that is fuel?

HON. MR. HEPWORTH: — I don't have that number for the hon. member.

MR. ENGEL: — Then how could you be so sure that the fuel costs don't average \$1,000 an acre, \$1,000 a quarter?

HON. MR. HEPWORTH: — Mr. Chairman, I gave that answer not so much based on my expertise or lack of expertise as the Minister of Agriculture, but on my experience as a farmer.

(1215)

MR. ENGEL: — Well I'm not sure where you're farming, or what you're doing, Mr. Minister, but I could bring you my tax records. And I could bring you my tax records. And starting back over the last three years, the tax has progressively increased till where last year \$1,000 an acre didn't pay for the fuel . . . \$1,000 an acre didn't pay for it.

And I consider I run an average-size operation. I'm right in the middle of the road. I'm not a big farmer and I'm not a small farmer. And on the average, Mr. Minister, a nice easy number for you to remember — if I can use part of this time to instruct the Minister of Agriculture, Mr. Chairman — a nice easy number to remember is that it's \$1,000 a quarter.

So if you farm six quarters of land in our area, it's going to cost you \$6,000 for fuel. If you farm 12 quarters of land, it would be about \$12,000. That's a nice easy number to remember.

The point I'm trying to make, Mr. Minister, thanks to your love-in with the oil companies, that's costing us \$450 a tank, just because of your interests and your concern for the oil companies and the people at the oil patch. I think that you have your interests at the wrong place. I think you

have your concentration and your efforts of the whole government . . .

And I think you should put some staff around you that care about agriculture and that care about farming, or else there's guys breathing down your neck that are going to move into your seat even in the next two months, before an election, if it is that long, and are going to say it's time we present a new image in agriculture. It's time we get a minister in there that's concerned about the concerns of farmers and at least knows how much the fuel costs are. If it isn't that much . . .

But, Mr. Minister, would you agree that we should have done something about the price of fuel more than the four cents and a half a litre we're getting from Ottawa? And tell us how soon can farmers expect that your friends will even pay up that measly little amount?

HON. MR. HEPWORTH: — Mr. Chairman, hon. member, soon. And I'll tell you what: when it comes to addressing the issue of fuel costs, farmers in this province waited a long, long time while the Broadbent-Trudeau coalition was in Ottawa, and they never ever took the taxes off. The Broadbent-Trudeau coalition wouldn't even listen to Saskatchewan farmers. You called for it; I called for it; they called for it; and today we have it. And that's going to put \$30 million in Saskatchewan farmers' pockets. That's the kind of commitment. Tories have to reducing energy costs.

You ask, where do I farm? I farm in your constituency, not that far from where you farm. And I want to tell the hon. member, I don't like the way you represent me in your constituency. You talk about your average-size operation. Well I want to tell the hon. member and the members of this House. I don't have an average airplane on my farm. So don't give me the line about what your view of an average farm is.

The number one input cost in this province today and last year and the year before, albeit that all inputs are too high, has been interest rates. You go around the country and you hear interest rates, interest rates, interest rates. Chemicals is probably the second big one out there.

And you can come back in with your hocus-pocus numbers and talk about your \$89 fuel rebates that you had in place — that you put in and took out, I might add . . . (inaudible interjection) . . . Twice, the hon. member from Rosthern tells me. And it never ever came close the \$30 million in savings that our farmers are going to enjoy because of the removal of the federal taxes — never ever ever.

In your best year, I think you maybe paid out 10 or \$11 million in rebates, which, I might add, is about a third of what this government is going to pay out in interest rebates in this fiscal year. Now you go and ask me which farmer, which one they prefer out there. You go and ask them. If I take the latest statistics that we have access to, and I take the total numbers of dollars farmers spent on fuel, and I divide it by the total number of acres in this province, I come out with \$6.25 per acre, in so far as energy costs.

MR. ENGEL: — Mr. Minister, we've aired both our views on that one, and I think if we take . . . (inaudible interjection) . . . Some people will let the farmers be the judge if they appreciate . . . Call an election on the energy one. Call an election on the energy on the energy one. I'm prepared to go on that one.

Mr. Minister, you talk about this foundation, this four big pillars of our budget. The agricultural foundation . . . I'll wait till the minister is through visiting with the member from Morse. I don't want to repeat my question.

Mr. Minister, your point of those four points that you were carrying was on an agricultural fund of what you called a substantial amount of money, and that the farmers are going to contribute about \$20 million to if they want to participate in it. How is that fund going to affect farm life? As I travel around the country and looked at the signs that were up and this project, the farm land

project, here is a farm land project, farmlab project . . . How much of that \$200 million do you expect to stay into those kind of programs where the university has a share and the government has a share and the farmers have a share? Is that fund going to be channelled through that same kind of a program, or are you putting up new stuff? What's happening there?

HON. MR. HEPWORTH: — Mr. Chairman, hon. member, I think now we're starting to get into the meat of the estimates, and I think that's a course we should pursue. I think as well you'll be very happy to hear that in fact the moneys allocated through the Agriculture Department Fund, for example, for on-farm demonstrations, should see about a 10-fold increase, and in fact we'll have co-operators out there, but more importantly we'll just have a whole pile of innovators out there looking at new productivity techniques and new technologies. It's going to be a very exciting time for Saskatchewan farmers, and we look forward to a decade and more of this kind of thing.

MR. ENGEL: — Mr. Chairman, did the minister answer that question? You talk about hip and hoop-la and cheering and excitement that's going on. How come on a road I travel frequently there were about four farmlab signs up, and this Monday morning I didn't see them. What happened? Are those people backing out of the programs, or what's taking place?

HON. MR. HEPWORTH: — There'll be, as I said, the on-farm demonstration projects. The signs themselves were merely markets. The on-farm demonstration projects we expect to see a 10-fold increase, albeit the name farmlab has disappeared, and certainly I think by every measure the \$25 million commitment, of which you put up very little as it turned out during your term of office, has been usurped. It's been caught up in this tidal wave that we've come up with, a \$200 million fund, that could pale by comparison.

The kinds of increases we're looking at are 1,000 per cent increases, and albeit the name will change, I suspect you'll see some new signs pop up in the not too distant future. But getting the projects under way is more important to us than painting signs, quite frankly.

MR. ENGEL: — Why was it so imperative that these signs came down? It was obvious. It was obvious. Was there some direction went out or did the farmers get mad at the program that they pulled their signs out. What happened? Would you explain? You sound . . . I'm quite surprised. I didn't realize there was a change in name. What happened there?

HON. MR. HEPWORTH: — Well as you will know, it was a five-year program and this is the last year. It was coming to an end, quite frankly, and it was our view that we needed to get a commitment in there that had some meaning and relevance. And a \$25 million commitment, albeit that it was welcome at the time, certainly pales in comparison to a \$200 million fund.

Projects that were ongoing, because some of them tend to be one and two and maybe even five-year projects, we've given the commitment, for example, to the university, that those will continue. And in fact, the mechanism, how we're going to interface with producers out there, is being set in place now.

MR. ENGEL: — You seem to fail to explain why the farmers got so mad and went out there even in the mud. I saw tracks out that they left ruts with their little four-wheel drives to get out there to get this sign down. Why? Was there some sense of urgency, or was there some hatred involved? Why did these signs come down so suddenly?

It was nice to drive along and say, here's a farmlab project: there's a farmlab project. If you'd go back to your farm at all, you'd pass three of them between your place and — between leaving Moose Jaw and getting to your farm — of these signs that were there, and they're there no more.

I was just wondering what happened. Why did those farmers get so aggravated with the program that they'd go out and haul down their signs?

HON. MR. HEPWORTH: — Well I find, as well, Mr. — Madam Chairman, I'm sorry. I don't know how long I've been misusing the term, Madam Chairman. Madam Chairman, I too, I have to admit, I too, as I've travelled about the country, and I'm sure the members of the caucus here too, have found that the number one issue facing Saskatchewan farmers is: where's the sign gone?

It is a big issue in rural Saskatchewan, I have to admit. And I want to tell you right now I'm going to give you the commitment this afternoon. I'm going to check into where did the signs go.

MR. ENGEL: — Well, Mr. Minister, you won't have to wait that long. I would like to refer you to a second page of a directive that was sent out.

AN HON. MEMBER: — Who signed it?

MR. ENGEL: — I'm not going to tell you who signed it. But it says here that:

Program changes: Ag Development Fund, \$200 million over a farm year. Point 1 to 3: The name farmlab is no more. A new name will be chosen. Farmlab signs must be taken down right away (underlined) by April 19th.

Now why would a government send out a direction that the farmlab signs have got to come down even before we get a new one? You know, is this some banker's nightmare before the budget comes down, or what would April 19th have in relationship?

Now I can assure you, Mr. Minister, some people waited till April 22nd. There's a few didn't make it down by April 19th. But what happened, Mr. Minister? Why would a directive be dated on April 12th saying: April 19th is the deadline, boys. Get that sign down. Don't have any more connection, don't have any more relationship with that old NDP program because this time we're coming out with a new program.

Now, Mr. Minister . . . Mr. Minister, who are you trying to kid? Who are you trying to fool?

HON. MR. HEPWORTH: — Well, Madam Chairman, the sign-caper mystery has been solved by my hon. colleague, and I thank him for that. I guess the reason why the directive was sent out — as I recall the budget came down on April the 10th — the date of that was April the 12th. There's no blue-book entry relative to farmlab any more. It is a \$200 million, not a \$25 million fund.

And we agree whole-heartedly with on-farm demonstration, so whole-heartedly not only do we agree, but the farmers out there endorse it, but we've decided to put in place about 1,000 per cent increase. And I think that's what the farmers are interested in, and much more so than whether a sign is up or it isn't up. But I'm sure you'll like the new signs, however, whatever they look like.

MR. ENGEL: — Madam Chairperson, the next directive says that the plans for the 1985 — and then they put the little bracket in their farmlab — the plans for the 1985 — and now we just got a bracket there so we can't say it out loud any more — farmlab — projects are to go ahead as approved. Oh, the plans are to go ahead as approved. What are you going to call them?

HON. MR. HEPWORTH: — To my understanding, at this very moment in time, "agriculture development fund projects."

MR. ENGEL: — Will there be signs put up to indicate this?

HON. MR. HEPWORTH: — Because this is a very big issue, yes.

MR. ENGEL: — What's the farmers, what's the . . . How much is this going to cost the farmer? What's a farmer's share of the cost of changing the colour of the sign?

HON. MR. HEPWORTH: — Madam Chairman, the hon. member has caught me, he's caught me red-handed, zero.

MR. ENGEL: — You're taking out of this fund that the feds are putting up so much money, the province is putting up so much money, and the farmers are putting up 20 million — you're taking the money out of that fund — or where are you getting the money to pay for the change of signs?

(1230)

HON. MR. HEPWORTH: — No, it will not come out of that fund. And I think, or I should say I would suspect, that because we have a number of lonely farmers out there who are innovative and exhibit a third degree of ingenuity, I wouldn't be surprised — you may find this hard to believe — but I wouldn't be surprised to find that they might just paint on top of them. I know that you'll find that hard to believe, but I think that might be a possibility in some cases.

MR. ENGEL: — Well that might be a nice way to get somebody that's been in a farmlab project for the last four or three years, and he's got a final year, and he had to get out there in the mud and haul his sign out. And now he's got to take it and repaint it to your Tory colours and your Tory specifications.

One little directive that I found quite shocking, and it spells out their lands branch appraisers are — and what do you suppose those next two words are? No more. They're gone. Lands branch appraisers are no more. Could you explain to me what the new policy directive is and why would this come out as a good change? Some farmers are quite concerned, because . . . I'm going to have some questions later on in the program regarding appraisal fee and how you determine that.

Did these people leave the province, or did they disappear? Did they change their name or what? Are they painting a new sign on their name or their people? Or are you calling them something else, or is it really true that there are no more lands branch appraisers?

HON. MR. HEPWORTH: — The job of lands branch appraiser is no more. My understanding is that those agrologists, which I believe they all are or are of that kind of capacity, those agrologists will be used wherever within the department. What more can I say?

MR. ENGEL: — I have a couple of other issues and another directive has come as far as from your deputy minister's concern. Does the deputy minister receive a special allowance? I maybe will rephrase this question and slide back to where your Premier was defending the travel allowance for the Minister of Highways travelling back and forth to the constituency and the advantage of being able to reside at his own residence. Have you made some special arrangements for your deputy minister to accommodate his residence?

HON. MR. HEPWORTH: — The special consideration that my deputy has, given the nature of his job, is a private phone line to his residence.

MR. ENGEL: — How long has that phone line been installed? Do you know when he received that telephone?

HON. MR. HEPWORTH: — Roughly within a month or two of being appointed. I'm trying to be serious. Sorry, Madam Chairman.

The private phone line was installed within a month or two of him being appointed, and it's approximately six feet underground.

MR. ENGEL: — Approximately. This doesn't sound very funny to me. Within 60 other what . . .

HON. MR. HEPWORTH: — Approximately six feet underground is what I was trying to say, I'm sorry.

MR. ENGEL: — Well, Mr. Minister, that isn't a very big joke, because I believe that the deputy minister of agriculture's residence is the south-east quarter of section 22, township 16, range 19, west of the 2nd. Is that right?

HON. MR. HEPWORTH: — Madam Chairman, hon. member, yes.

MR. ENGEL: — And could you give me the location of that land in relationship to the city of Regina or from Sask Tel's office? About how far away it is?

HON. MR. HEPWORTH: — Madam Chairman, hon. member, six miles south-east.

MR. ENGEL: — Have you got a cost involved of supplying him with that centrex number?

HON. MR. HEPWORTH: — Madam Chairman, hon. member, I don't have that number. My understanding, Madam Chairman, is that we are examining the estimates for the year '85-86. That probably would have been an appropriate question in the first year under review by the committee.

If you want, I will endeavour to get the number for you. I think it's a bit petulant to raise it at this point in time, however. An I think it also makes a lot of sense — I think it also makes a lot of sense when you have a deputy, who is dealing as a deputy minister in a government, that he should have some privacy on the phone lines. He often may be talking about matters that necessarily wouldn't make much sense in individual private interests to be talked about over a public phone line.

MR. ENGEL: — The member for Rosthern was saying the government paid for my private line. I had a private line before I was in government, Madam.

AN HON. MEMBER: — You claimed it when you got re-elected.

MR. ENGEL: — I didn't claim the expense. I didn't get one dollar out of any government to install my private line. I pay a rate. I'm not arguing that.

I'll tell you why I raised this issue. I got a Regina phone book out, a 1984 director, my Regina book, and I was trying to call the deputy minister of agriculture at his residence, and I dialled 757-1137. And there's another number right there, 566-9024. And 566 sounds like a centrex number, and I just thought I'd raise this number because this is the first time that it came to my attention. I was trying to get a hold of the deputy minister of agriculture to see if he was available or not. And if you think that that's fine to dig a six-mile ditch and all, if you want to give us that number, we wouldn't mind. We wouldn't mind knowing what it costs.

The president of the United States, Richard Nixon, decided to put a little White House down in his part of California, and that worked okay. And maybe if you feel that some of those expenses are reasonable, if you want to share them with us — it's not under the year under review, but if you want to share them with us — fine. If you don't want to share them with them, we will estimate what it could cost.

There's another area of concern that I had, and it's a letter dated March 20, 1985, signed by your

deputy minister. And I'd like to know just what the Department of Agriculture is talking about when he talks about senior management familiarizing themselves with a concept. Would you explain to me what quality circles are, please.

HON. MR. HEPWORTH: — This will come as quite a surprise to the NDP mentality, but quality circles are a management tool in, wherein you have participatory management. You don't have a dictator dictating down to the people that work with them, but rather you involve the people in management, participatory management, and that's what quality circles refers to. It's a modern, very fruitful kind of new technology as it relates to office management, if you like.

MR. KOSKIE: — That's a part of the explanation. Yesterday when you talked about your Bill, that you were remodelling your old Edsel, you talked about removing some red tape. But most of the point I raise . . . The only reason I raised that letter is that most farmers and most people dealing with government think that quality circles have been in place a long time — a long, long time.

And I think that you folks have double-crossed the farmers of Saskatchewan, because the farmers elected you and are supporting you because they felt you were going to cut that quality circle a little bit, but you have improved on it. You have developed an expertise in a quality circle that has anybody phoning your department, or requesting some information, or trying to get some help . . .

And I know because I've tried making calls. I've even tried phoning your deputy minister at night. I sincerely have. And I want to tell you that I don't like quality circles. I don't like getting the run-around.

Now the expert at a quality circle performer is the minister himself. The expert performer in a quality circle. He has a job second to none in Saskatchewan, as far as performing on behalf of farmers.

And you've developed a quality circle approach where everything that's brought up, you turn it and twist it. You try and turn and twist. You go around circles. A farmer wants to approach you about this problem with the beef stabilization plan; he gets the run-around. He's put down the line on that quality circle from none number to the next — one number to the next.

Some farmers have indicated as many as 8 and 10 long distance calls they've made, trying to get at a problem. They don't like this quality circle approach. Mr. Minister, in the position you're in, I'd suggest giving it a different name. I'd suggest giving it a different name because it's another name for getting the run-around. It's another name for having a lot of red tape in place.

Farmers are telling me, in this budget or whatever area we're determining, in whatever part of the estimates we're getting into, that it's a quality circle. It's a first class run-around. It's a first class drive at passing the buck and avoiding it.

And I've listened to your performance today, and it's going to be interesting reading material because that's exactly what you've been doing. We asked you two and three supplements in question period, and we've asked since. That's a quality performance. You think you're giving us a run-around.

But, Mr. Minister, the true facts are people want to get to the bottom of the question. If somebody comes along with a problem and trouble, they don't want a quality circle; they want quality performance. They don't want a run-around.

Now I'd like to share with you just a few comments by farm leaders and what they're saying about your budget, and the effect it's going to have on farmers. I think that this budget is a typical example of a government that it believes in the quality circle approach. We could talk

around circles. We can talk around any kind of program.

The farmers were getting used to an operation where they were doing some experimentation. They were doing some testing. They were doing some improvements. But no, from their quality circle on down, they got the message: pull that sign up. Pull the sign up. We're going to continue your program. We're going to follow through with the amount of money and the commitments that were made in your budget. But take down the sign. The quality circle is giving them the run-around, Mr. Minister, and they're into happy with it.

What are farm leaders saying? Just let me read a couple. Garf Stevenson, first vice-president of the Saskatchewan Wheat Pool, said:

No evidence of programs to handle this long-and short-term economic problem. Programs to deal with high interest programs, low crop prices, and low or no profits are necessary if farmers are going to survive.

That's the point I was trying to make. That's the point I've been trying to make all morning. Why didn't you get in . . . And we've got one opportunity on low commodity prices to look at the Prairie price of things. They won't always give me the quality circle.

Norm McFarlane, provincial co-ordinator from the NFU, said:

There isn't a lot in the budget to help farmers. The loss of the tax rebate on the home quarter section will hit farmers hard.

Using his own south-west Saskatchewan farm as an example, McFarlane said he will pay \$618 more in school and property taxes on only 800 acres of land.

"This is a fairly major regressive step for farmers. With the tough financial situation, a lot of farmers who don't even earn enough money to pay income tax will be paying more school and property taxes," he said. "Money should have been in the budget to offset rising grain freight rates. The cost of moving grain by rail to port will cost Saskatchewan farmers \$30 million more this year than it would have had the Crow rate been retained."

(1245)

Thirty million dollars out of the pockets of farmers, he said, with Crow rate. One more comment I want to make about a stock producer.

Jim Mann from Hodgeville: (he said) the tax rebate represented a significant amount of money, more than \$500 to him and while Mann was reluctant to criticize any commitment for more agricultural research, he said there are more pressing problems. In the long term, it's good to see that kind of thing (the Agricultural Development fund), but right now we should be looking after financial problems that are out there. The money going to the development fund would be better spent reducing interest rates and farm operating loans.

And I suppose that's the question I'd like to ask the minister: why, when you implemented your emergency loan program, this "put you your crop in" program, why couldn't you give the farmer the same break as the guy that can afford to buy more land? Why wouldn't that interest rate be locked in at 8 per cent, the same way as you are giving farmers money that are expanding? The need to expand is there. The need for a young farmer to get in and grow and produce a sufficient amount of grain that he can live on is there, and I agree with that.

But I'm saying the fellow that is already there is already farming 800 acres — why couldn't you

give him the same kind of break and give him the money for 8 per cent? Why wouldn't you decide on those kind of programs? And don't give me a quality circle kind of an answer.

HON. MR. HEPWORTH: — Madam Chairman, hon. member, I think the fact that we were able to get it to prime plus a half is a substantial improvement over what we had, and I'm proud of the fact that we were able to negotiate that kind of deal.

MR. ENGEL: — The reason we've stood in this House and supported even a half a per cent was hoping that it will encompass some. You broadened the terms; I appreciate it.

But the other area in the budget that you let the farmers down on: you refused to fight for the small farmer, and I tried to get you to establish that those people were important. You refused to fight for the fellow — the ordinary section and a half farmer in Saskatchewan. Tell me what you've done for the . . . (inaudible interjection) . . . The minister will have a chance to talk once I'm through asking the question. You don't need to bother heckling.

Tell me what you've got for a section and one-half farmer, Mr. Minister, that lost to replace . . . tell me what you've got for a section and one-half farmer that lost 600-plus dollars?

McFarlane said in his case it was . . . A man said he lost \$500. McFarlane said his was 618. I argue that those two taxes in my case . . . What have you got for a farmer who lost that \$650, an ordinary six-quarter section farmer? What has he got from you that's sitting there trying to operate, that liked that \$650 cheque?

In the town of Gravelbourg, 1,000 farmers in that trading community are contributing. In fall, when that rebate comes out and they get that cheque, they have almost \$500,000 — a half a million dollars — to spend on Main Street when they get those cheques. That \$500,000 is gone.

What have you got in place with those six-quarter farmers that haven't expanded, haven't got your Farm Purchase Plan loan? They're sitting there, they're my age group of farmer that are just sitting there, minding his own business, trying to survive, trying to get enough out of his six quarters of land to feed his family, maybe he's got one son in university. What have you got for that farmer in this budget? What did you get as a trade-off from the Minister of Finance saying, we're trying \$650 or \$750 away from them, depending on how valuable his home quarter was. But we're taking that \$700 away from him. What are you giving him in place? What have you got for the average guy? Just what did you trade off?

HON. MR. HEPWORTH: — I think, Madam Chairman, what we have come to in this estimate debate, and I thought we were going to go through it line by line point, but if you want to . . . And I appreciate the opportunity get into a debate because what we have seen you espouse just this last five minutes is the classic socialist psyche. That's the classic mentality.

You refer to Norm McFarlane and the NFU policy, and that's the classic NDP line. If the NFU like it, if the Nadine Hunts of the world like it, if the Larry Browns of the world like, that's NDP policy. Land bank, state government farms, that's the usual land bank, NDP mentality.

And you can keep espousing that, and my friend across the way, you will stay in that chair a good long time, or at least until the next election, because you're going to be replaced because the people of this province clearly and loudly said, given a choice between the NDP agricultural policies, which are non-existent, and the Progressive Conservative policies, which are clear and sound, they voted overwhelmingly in favour of the new member for Thunder Creek. That's what the people wanted.

You were right. You were right. Your leader was right when he said, jobs and agriculture are at issue in this election. And that's who they returned, is Tories, because they like the Tory policies for jobs, and they like the Tory policies for agriculture.

And in so far as what have we done to replace this purported \$1,000 that you say we've taken out of their pockets, well I'll tell you what we've done for them. We've put funds in place worth \$1.5 billion, funds that will educate their families, funds that will provide health care for their families, funds that will provide jobs in the short term, jobs in the long term, funds that will deal with the problems that we face on an everyday basis with agriculture, but, more importantly, a fund that will allow us to deal with the new realities, the new world in agriculture, put a new face on agriculture.

Agriculture's at a crossroads, and it's time that you recognize that. It's time that you recognize that agriculture, global agriculture, is undergoing some fundamental structural changes. And you can talk until you're red in the face, you can dissolve yourself in emotion, but the \$300 grant is not going to save the family farm today.

We're talking about a family farm enterprise that needs \$80,000 for operating capital, not \$15,000 like we talked about yesterday. We're talking about a family farm that needs to see its energy costs cut by 50 per cent, not \$89. We're talking about a family farm that's got to know what the markets are tomorrow, so they can produce the right products today.

We've got to put in place options like HY320 for our farmers, in fact, if there is a market there. That move alone, some economists estimate, could put 120 to \$240 million in the pockets of Saskatchewan farmers. That's the kind of thing they're talking about.

Farmers out there are saying to us, what have you got in mind for the future? We know we've got some difficulties today, but if somebody doesn't address the future, none of us will have one.

As I said in my speech, and to refer to what the Sask Wheat Pool had to say . . . as I said in my speech to the Sask Wheat Pool delegates in November, and I took it from the Bible, Proverbs:

“Where there is no vision, the people perish.” People are looking for some vision and leadership today, and we are going to give it to you. We believe in the future with an agenda. We believe that we must look at what the future foods are in the world. What are the future fuels? What are the future markets? What are the future technologies?

That is what they want. They said it's time to cut out all this grant hocus-pocus, collecting it here, giving it back there. Our property tax is an issue because of the pressure of the education component. So we took the money, and we put it into education.

And if you'd have campaigned in Thunder Creek like I did, and sat on the back of the half-ton trucks with the young farm families, what were they asking me? Were they saying, where is my gas rebate? What they were saying is, what about education for my kids? What about the new technologies? What about my fertilizer costs? What about . . . (inaudible interjection) . . . I'm going to sit down very shortly. But you can continue to espouse socialist dogma, the land bank, limiting farm size, stay hooked in with Nadine Hunt and the NFU as long as you want, and you'll get farther back in the benches to the point where you'll be dissolved in your own emotion.

The committee reported progress.

The Assembly adjourned at 12:57 p.m.