

EVENING SITTING

COMMITTEE OF FINANCE

Consolidated Fund Budgetary Expenditure

Agriculture

Ordinary Expenditure — Vote 1

Item 1 (continued)

Mr. Engel: — Mr. Minister, yesterday I started asking you about the Nielsen task force report and you assured the Assembly that . . . When I asked you about the recommendations . . . We were going down the list. On the first one: does the Government of Saskatchewan support the Nielsen report recommendation to have farmers forced to change from a cash basis of accounting to accrual? — and you said, definitely not; you don't support that — and then kind of made the statement that we shouldn't be using agricultural estimates to talk about the Nielsen task force report. Well I want to tell you, Mr. Minister, when you have a blueprint for the future that's put together by the Tory party, for the Tory party in Ottawa, that has some very, very serious implications for farmers — I want to go through about 12 more short, quick questions that really concern me and disturb me — that if they'd be implemented, that would be the end of farmers as I know and the ones I associate with. That's something we couldn't live with in my generation.

I really appreciate your stance as Saskatchewan's spokesman for agriculture, that you don't agree with the accrual basis for accounting, because that to me would spell an increase, that could result in an increase of 50 per cent on our income tax at least, if the farmers won't be able to take care of that aspect. So I appreciated your straight, forthright answer on that.

And I want to now go through some of the other issues. And the second one: do you support other tax changes that the Nielsen task force recommended? And on that list are four more issues as far as changes that that group of Tories that put together that set of recommendations. And they said that, number one, you have to abolish the five- to six-year block averaging that farmers can get involved in; number two, elimination of the flexible livestock inventory accounting, that has been a real advantage to the people in the livestock industry; and then the one that so many people use, and that is the deferral of income on forced destruction of livestock. You know, they can defer the income to a year when they repurchase some or defer it to future years. And the fourth one that concerned me, of that little package of tax increases that Nielsen recommended, or tax changes, is in . . . And I think this is probably the most important one of all for Saskatchewan, and that is the abolishing the right of deferral of income from grain sales. You know, close to the end of the year the farmer adds up how things were this year compared to last year, and sometimes does a deferral to the following year on his sales.

So I'd just like a commitment from you that you have the same opinion as you did as far as the accrual method of calculating their tax. You said you are definitely against that. What is your position as far as these changes and how it would affect the tax picture that farmers have come

to live with and appreciate and understand, that that is their part of the bargain as far as the income tax structure is concerned? So maybe a quick comment on that and we could go on with a few more issues.

Hon. Mr. Devine: — Well, Mr. Speaker, I am in favour of any tax changes that allow farmers to have advantages and to encourage them. With respect to these income tax changes, I find it a little bit strange because the hon. member questioned the income tax changes that I've just introduced — in fact we changed today. And he said that he didn't think these were a really good idea, because they only help those that had income. And now when the Nielsen tax force talks about, we're going to change some income tax, then he's against it. So he's kind of sitting on both sides of the fence.

Why don't you recommend that they cancel all these tax changes and come out with a subsidy for low-income farmers? That would be more consistent with the kinds of thing that you normally do because for the last couple of days in estimates, you have not been in favour of income tax deductions for farmers. And you've said that very clearly. And the member from Quill Lakes said the same, that you are not in favour of it. Now when the Nielsen task force says that they were going to examine them, you're quite concerned. Well I don't think you can have it both ways. Either you're in favour of it or you're not.

I'm not in favour of them because I believe the income tax system should be used to allow farmers to have as much incentive to invest as possible. And that's my position. I have encouraged them to reduce the tax on farm fuel, take the capital gains tax off farm land — the biggest tax change in Saskatchewan's history with respect to the federal government. I'm in favour of those changes and the changes that I have made to allow them to have \$25 a head tax break, or \$3 a head; all those things apply to the very people that I think are important. So I would not be in favour of these kinds of changes. I'm in favour of the kinds that we've had. I'm in favour of the tax breaks that the federal government has already given.

But I haven't spoken on both sides of the issue saying one time that I'm in favour of it and the next time I'm not. So I mean I'd like to know what your position is. Are you in favour of income tax breaks? If you are, then say so. If not, then you're going to have to correct all the things you've been saying for the last two days.

Mr. Engel: — I have a series of questions here that I want to know where you, as our Minister of Agriculture, and you, as our Premier, stand on the Tory policies and the Tory changes that are recommended from Ottawa. And I'm saying that Nielsen's report recommended those changes; and the farmers of Saskatchewan, the people of Saskatchewan, and I as the agriculture critic for our party, want to know where you stand on those issues. You say that you don't support those issues. I'll put a big "no" on beside there saying that those are issues you stand up and will not support. And I appreciate that because farmers are concerned with the present system and the structure that's in place.

Drawing into another argument, I was saying that if the

province is going to spend 450, 500, 200, 300 million; however much money you want to put, \$60 million, whatever price tag you put on it – I'm saying that new money spent in agriculture as far as the livestock industry is concerned, new money you're spending. I have no problem with the position take on that. The money could better be directed to help those stay in business. These are programs that we now have, that we now enjoy, and that are in place. And I'm wondering when your government and your friends in the PC government recommends those be changed. I wanted that answer; you gave me the answer.

Don't worry about trying to defuse the issue. You're great at that. You want to skip around and get away from where you really stand, but the book's been published on where the Tory party stands and the Conservative position – Nielsen's report. And those recommendations are far-reaching.

The next one, the sixth item that I'm concerned about does the Government of Saskatchewan oppose or support the Nielsen recommendation to scrap the prairie grain advance payment program? When the crops are in the bins, and the bins are full and the farmers aren't selling their wheat, and they get a cash advance – where do you stand on the cash advance program? Straight out question, simple as can be. Don't deflect from the answer. Let's deal with this topic right here. Where do you stand on the cash advance program?

Hon. Mr. Devine: — Well, Mr. Chairman, the hon. member asked me not to deflect at all from the answer. I won't deflect if he won't deflect. I guess we can play by the same rules.

I introduced a brand-new cash advance system in the province of Saskatchewan – introduced it based on the principle of cash advance. And you're asking me where I stand on cash advances. When you were in power for 11 years you never introduced anything associated with a cash advance for the livestock industry ... (inaudible interjection) ... No, you didn't. Mr. Chairman, this is the first one ever in Saskatchewan, and the first one in Canada, and we introduced it. And he's asking me where I stand.

The individual a little earlier was all against the universal systems: universality in terms of cash advances; being able to borrow money at low interest rates. Wasn't fair, they said. Zero interest or any interest, at 6 per cent, zero per cent, and they were against it. And now they're asking me my position when I've introduced a brand-new one. I mean it's ... Mr. Speaker, I can only say that I favour the cash advance system; I introduced a new cash advance system; I introduced a farm production loan program at 6 per cent which is universal, based on the same principles. We've got three of the best cash advance systems you'll find any place in Canada or its history, right here in the province of Saskatchewan. So you want to know my position? Just look at the record.

Mr. Engel: — You still haven't told us if you've instructed and used your office to influence the federal government on cancelling the cash advance program. Can Saskatchewan afford to pick up all these programs that

are in place now that the federal Conservatives are recommending that it be removed? And the question is simple: do you favour it or don't you? You should have put a yes or no on this one.

You haven't made a statement public. You have never, since the Nielsen task report has been out, have you made a statement where you stand on that report. And so tonight in agricultural estimates, it's time we try and nail jelly to the wall. And you try and get an answer from somebody that's a cheer-leader.

So you talk about everything else when the Nielsen task report says that every fall when harvest is due, if the farmers have some wheat, we're not going to put up any more bucks. That's what the Nielsen task force report says. And I'm asking you, are you for it or against it? Should I put a yes or no beside that one? The farmers want to know.

You say you support the cash advance system. Tell your friends in Ottawa so they don't change that one, because that's slated for a change according to the Nielsen task force report. And that's going to cost agriculture in Saskatchewan a lot of money. You can defuse the issue. You can talk about everything else but talk about what your brothers in Ottawa are doing and what their recommendations are.

The next one is even worse. Does the Government of Saskatchewan support or oppose the elimination of the federal fuel tax rebate on farm fuel which is recommended in Erik Nielsen's report?

Now you think that's a joke. But you're transferring one dollar after the other back to the province, and you're unloading and unloading programs. And can we afford to pick those up? They're talking about taxing that program. Where do you stand on that one?

Hon. Mr. Devine: — Mr. Chairman, the hon. member is asking again whether this government believes in taking the taxes off gasoline and farm fuel. And all he has to do is look at the election in 1982 and know that that was the number one issue, or the second most important issue to help people all across the province.

Then he looks at the biggest farm fuel rebate in the history of Saskatchewan, which was introduced, and he asks me whether I believe we should take the tax off farm fuel, diesel fuel, gasoline, or anything.

Again I go back and I just ask the hon. member to look at the record. You are, sir, you are what you do. You are what you do.

We have done these things – cash advances, brand-new ones, supported them, taken the tax off diesel fuel, taken the tax off gasoline, convinced the federal government ... Imagine he's asking this question. As an agriculture critic he's asking me whether I favour it. And he's known that I have gone to Ottawa, spoke in this legislature and encouraged the federal government to take the tax off farm fuel. And I've got it off farm fuel for the first time in history. And he asks me, are you in favour of it?

I mean, you must have a little bit more respect for the people of Saskatchewan and this legislature to get into questions and say, am I in favour of a mortgage program for homeowners at 13 and a quarter. Why don't you ask me if I'm in favour of that? For Heaven's sakes, I mean, that's the things that we introduced.

The line of questioning, Mr. Chairman, has nothing to do with the estimates. It's nothing to do with what we're doing. He's asking me questions that I've already endorsed. I've convinced the federal government to do these very things and he says, are you in favour of it? Quite frankly, somebody in public school could be coming up with more important questions and direct questions with respect to agricultural policy.

Of course, my friend, I'm in favour of cash advances. I introduced them here. Of course I'm in favour of fuel rebates and taking the tax off farm fuel. Of course I'm in favour of taking the capital gains tax off farm land. None of those were ever done until I got here. They weren't done. And as a result, people appreciate those things and you can see it here. And he's asking . . . I suppose that if you want to look at all the things that we've done in agriculture, you could ask me and I'll just keep saying, you bet – and that's why I'm here and you're over there.

Mr. Engel: — That's great, because I appreciate you coming clean on this. There's a report that's in the Deputy Prime Minister's hand that your people – your people, your friends, your supporters – your people wrote and tabled that had 13 issues on there that are very unlucky for Tories – and maybe that's why you're so popular.

Maybe that's why you've called an election in April, and June, and last September, or whenever. Maybe that's why you're the longest-sitting Premier in post-war years – the longest time around in one term. You've taken advantage of that. Maybe that's why . . . (inaudible interjection) . . .

(1915)

I'm at question 8; I'm going through to question 13 no matter what you say about these questions because the people want to know where you stand on the Nielsen report. The Nielsen report is a document . . .

Mr. Chairman: — Order, order, order. Order.

An Hon. Member: — What's your point of order?

Mr. Chairman: — I believe the Nielsen report and with all its implications is not directly related to Agriculture estimates.

Mr. Engel: — I disagree with you.

Mr. Chairman: — Well, then I would ask you therefore to move your line of questioning on to Agriculture estimates and off the Nielsen report, unless you can specifically direct, tie in questions to Estimates. Otherwise I'll have to rule your questions out of order.

Mr. Engel: — Mr. Chairman, I intent to ask questions that

relate to Saskatchewan farmers, and the only one that's speaking for Saskatchewan farmers in Ottawa is our Minister of Agriculture and our Premier. We've only got one, and we should have two. We should have a Minister of Agriculture and we should have a Premier.

And I want to tell you that it's important to me and it's important to the farmers of Saskatchewan whether we have an elimination of the federal fuel tax, and whether we have farm improvement loans, and whether we have a recommendation to get rid of the PFRA (Prairie Farm Rehabilitation Administration). Those recommendations are real to farmers of Saskatchewan, and they make up an integral part of the farmers' income. And I intend to ask these questions, and I intend to put on the record where our Premier and our Minister of Agriculture stand on issues that affect farmers. That's what I'm talking about.

That's what I'm talking about, and if you want to switch my light off, switch it off. Go ahead.

Mr. Chairman: — Order. I repeat, once again, my ruling that if your questions are not related to Agriculture estimates, they'll be ruled out of order, number one.

Mr. Engel: — I intend to talk about issues that are related to farming, Mr. Premier, and as far as I'm concerned . . . Do you have a public opinion on PFRA? The Nielsen report said they're going to recommend cancelling the PFRA program – gone; the systems they've done in engineering; the drainage systems. Are you in favour of that one? You can handle a couple at a time.

We haven't heard you raise any objections publicly to the proposal made by your brothers, the PCs in Ottawa. And do you want to denounce here and now that the stabilization fund, the western grains stabilization fund, is a bad idea? We've talked about it today. On a number of times we've discussed the western grains stabilization fund. And I want to know, will we have that abandoned if the federal government has its way, or are you going to stand up and fight for Saskatchewan? That's point number three.

And the fourth one I'm talking about: does the Tory government of Saskatchewan support or oppose the recommendations of the Nielsen report calling for farmers to pay even higher crop insurance premiums? That's an issue that affects us directly; that's an issue that Saskatchewan agriculture depends on to guarantee their income. Are you in favour of doubling the premiums like the Nielsen report says should be done? And I think those are issues that are important to farmers across Saskatchewan. If the chairman is afraid of sensitive political issues and you want to rule them out of order, I'll fight with you on that one.

Mr. Chairman: — Order. Is the member for Assiniboia-Gravelbourg questioning the impartiality of the Chair? Is that what you are questioning . . . (inaudible interjection) . . . Another comment like that and I'll move to the next questioner. I do not appreciate members dragging the Chair into their questions, and that's the second time you've done that since we moved to Agriculture estimates.

Hon. Mr. Devine: — Mr. Chairman, I believe that the entire Assembly believes that the Chairman is impartial. I will address those three things. I want to just add one thing with respect to the whole question of tax reform, and the whole idea of making changes and modifications to reform systems.

I believe that, as the Premier of Manitoba has put many times, we need to examine the entire tax system in Canada, and I endorse that. I believe that we have initiated reforms, and there's more to come, and we should be initiating reforms. Fair enough? I mean, I think we both agree on that.

With respect to making modifications, we have made changes in crop insurance. We have made changes with respect to a disaster mechanism. We have made changes with co-operation with respect to the kind and size of payment of the western grains stabilization program. We have initiated co-operative changes with respect to irrigation studies associated with PFRA, and there may be more to come.

So I mean, can you only live in the past? I mean, when we were looking at making changes, I certainly support what the PFRA has done, but I wouldn't be above seeing us making modifications and changes to make sure we have more research money on water management in PFRA. And I believe that's a good thing to look at and examine, and I think that you could endorse that.

With respect to grain stabilization programs, we argued hard to change that so that we would have more money spent out here, and I believe you think that's a good idea. And with respect to crop insurance premiums, we've redesigned the crop insurance, and we've made some modifications that are generally popular, certainly an awful lot more money.

I wouldn't endorse the doubling of premiums unless I could see corresponding benefits coming to farmers. I wouldn't rule out that we couldn't make modifications to PFRA, the western grain stabilization, or crop insurance, to make them better.

I believe it's unfair — and, you know, I suppose you might want to do it in a partisan sense, politically — making people frightened of a change that we might have on the western grain stabilization program or in crop insurance or others. I mean, that's not what we're about. I believe with co-operation we can make them better — make them better.

And you can be saying, well will you even look at this or will you look at that? I will examine things that will improve the position for farmers. So with respect to PFRA, western grain stabilization, and crop insurance, I'm 100 per cent in favour of it. And I would endorse keeping cash advances.

And if it isn't PFRA, something that is the same or better, I would not rule out something new — unless you would rule out something new. I mean, there's more than just the past; there is the future and doing things better. And I would certainly look at new modifications with respect to

irrigation, with respect to various kinds of economic development packages we could put together. You might not even call it PFRA; you could call it something else. But the same kinds of things to get the job done, I would encourage.

New modifications to western grain stabilization, I wouldn't rule them out. I mean, there's more than just the past. We have to have some vision about what we can do for the future to make sure farmers can live and compete and do the kinds of things that they know they have to, to make sure that they can have a standard of living as well as anybody else in North America. So I would endorse the kinds of changes that we've seen coming down the pike. And I would certainly endorse PFRA, western grain stabilization, and the crop insurance program.

Mr. Engel: — Well, Mr. Premier, the only reason I raise this tonight is because you have . . . Before tonight you have never publicly gone on record opposing the Nielsen task force report.

There is a vision for the future as laid out by the Tory government. The PC government has laid out a vision for the future. Part of that vision spelled out variable freight rates. Part of that vision talked about doubling crop insurance premiums. It talked about the Canadian Wheat Board and its ineffectiveness. And those issues, farmers tell me they want to know where this junior PC government stands compared with their brothers in Ottawa on the vision they have for the future.

The millions and millions of dollars that went into the Nielsen task force report — and I know it was an expensive one — the money that went into that laying out the future vision as the PCs see it, scared me. I'll tell you, Mr. Premier, it worried me because it doesn't pay to farm in Saskatchewan if we don't have a Canadian Wheat Board. And it doesn't pay to plant your grain if there's going to be variable freight rates and they're going to do out my branch line and make me haul 30, 40, or 50 miles further. Those are issues that are affecting farmers.

And if you publicly denounce this report, then the farmers know they don't need to worry about it; you'll fight for them. Because the farmers of Saskatchewan, over the history . . . And I can take you back and take you through the steps it took to get the Canadian Wheat Board in place. I can show you comparisons of marketing grain in United States . . . (inaudible interjection) . . .

It doesn't pay to have order in here. You can let your colleagues talk and yak away at the same time. You don't need to worry about that, do you? We don't need to have order, even if they're not in their own seats. But if the member from Lloydminster wants to talk, we'll give him a turn. But let's not have two or three people trying to talk at the same time. It doesn't make for order in this Assembly and I think you should exercise your authority you have in the Chair to have other people keep order, as well as the opposition. I think that would be wise on your part.

But the point I'm raising, Mr. Premier, loud and clear, is that if you publicly would have . . . When we asked you the question when the Nielsen report was first tabled and the House was sitting here, and we brought that report in

question period after question period and talked about issues, if you'd have stood up and said: that report does not represent my views; that report is not written with Saskatchewan's best interests in mind; it's written from an Easterner's perspective that doesn't want to spend any more money in Saskatchewan than they have to and they want to get out of programs that are costing some money – if you'd have stood up and done that right away, we wouldn't have had these 13 questions debated here tonight.

But the Tory policy, their hidden agenda . . . You try and accuse others and you try and raise an issue and a flag out across Saskatchewan and say, don't trust those socialists; they've got a hidden agenda. Well I'll tell you, our agenda's up front. We don't have task force reports hiding in the closets, that we're going to recommend. We don't have blueprints for the future like you do – like you do.

Your plan called for, and it's written publicly, and stated that 20 per cent of the farmers can do the farming. Well on that terms you could have branch line abandonment. That's maybe why you support it hiddenly. In your secret heart of hearts, I think is your word; in your innermost conscience, is your words – down deep, you really believe that 20 per cent of the farmers . . . In your heart of hearts, in using your own words, 20 per cent of the farmers could do it. That's your philosophy. That's what you preach.

I can bring you notes from young people that studied agriculture under you, that will say that that's the philosophy – buy bigger equipment, buy more land, get in there and expand because you're going to be the guys that are doing the farming. Twenty per cent of you can do it. That was your philosophy – 12,000 farmers in Saskatchewan is enough.

Well I'll tell you, I don't have that kind of hidden agenda. I'm saying 100,000 farmers would be ideal in Saskatchewan. They could live out in the country, enjoy a life-style, train up your children in the way that they should go, and they would have a fruitful, healthy existence.

But why should we have programs in place that are supported by the Conservative party, that do away with the underlying issues that we believe in, that we worked for? My grand-dad rode a train to Ottawa to initiate the Canadian Wheat Board – fought hard to get it in place. They fought hard to get established the pools and the co-operative system that makes things go.

You fellows with your private enterprise approach and your dog-eat-dog approach to society have a hidden agenda that's destroying this. And out came a book, written by your people, written by your supporters, that denounced the very principles agriculture is based on.

I want to tell you, I'm glad that specifically and individually tonight you stood up in this House and said that you're against those 13 issues. I'm glad you finally stood up and said: I'm not a Tory like the rest of them; don't accuse me of being the same as Erik Nielsen and the Nielsen report; I'm like you guys, I'm along with you on the Canadian Wheat Board and I don't believe in variable

freight rates; I believe in equal rates for equal distance.

You believe that? Well, Nielsen doesn't. Nielsen says crop insurance should be actuarially sound and the premiums should be doubled. And that's what scares farmers because we finally, in my day, working with our government, finally got crop insurance for every farmer in Saskatchewan. When the right-wing governments were around, only a select few on the best land could buy crop insurance. But back in '71 we got a government elected that represented farmers. We went out around the country and we had a committee that got crop insurance out to every farmer no matter where they farmed, be it in Fox Valley or in the best land in the country, but we got crop insurance available for everybody.

Now you guys are saying: we can't afford it; it's too rich, it's too rich; we've got to double the premium. Well, I want to tell you, I'm glad you came out and made it clear that you do not support . . . I can show you press releases that go away back where Blakeney says Devine should reject the report. We never heard any rejections from you, but tonight finally – finally tonight you came on record. The pool officials say farm groups will contest the report, and they ask . . . Different ones from Sask Wheat Pool suggested that you stand up and be counted. Well tonight we finally took some time to get you on the record and we'll be able to say our Premier doesn't agree with the Nielsen task force report. And I'm pleased we accomplished that much.

(1930)

I feel there's another issue in the news that is scaring pork producers across Saskatchewan, and when they watch TV and they watch what's happening, they don't like the kind of friends you made and the kind of deals you made to bring in that kind of business men. When we watched Peter Pocklington on TV the other night, and with his idea of right to work and back to work and no union – an anti-union man – I'm not sure that the financial aspect of the deal was the worst part of the deal, I'm not sure that it was. But can you give us some details of the arrangement your government has with Gainers and Peter Pocklington. What are the specifics of that deal?

Hon. Mr. Devine: — Well, Mr. Speaker, we have \$7,500 in the industrial incentive program, Mr. Chairman, that if you open up a new business and create a new job, that you will receive \$7,500 for every new, permanent job that you create. As well as that, you can get Sedco (Saskatchewan Economic Development Corporation) financing, and the Saskatchewan Economic Development corporation is there for that reason. So you put those packages together. If somebody can create 1,000 brand-new permanent jobs in building a new car manufacturing plant or a processing plant, then it's \$7,500,000, because it's \$7,500 for every new, permanent job created. That now allows us to compete with Manitoba, Ontario, Alberta, or British Columbia in attracting new businesses into Saskatchewan.

So the new packing plant or new bacon plant that comes in here is subject or eligible for the industrial incentive program, plus the Sedco package that allows them to get financing over a long period of time. And we provide that

package to anybody in the province, or those that want to move in and create long-run, permanent, new jobs.

Mr. Engel: — did existing Intercon get the same kind of deal with the expansion they announced, or they're talking about?

Hon. Mr. Devine: — Similar, Mr. Speaker.

Mr. Engel: — You know, it's interesting when I see that the track record of one Peter Pocklington . . . Maclean's in the December 9th issue said about him, and I want to quote a few lines:

Without a steady supply of hogs for his packing company, Pocklington's plans for financial (ruin) renewal are threatened . . .

. . . the recession struck Western Canada in 1982, and Pocklington's empire began to crumble . . . in 1983 . . . his most important companies — Fidelity Trust Co. and Patricia Land Corp., both of Edmonton — were about to fail.

And we have a fellow here that has a track record with pretty well everything he owns has gone under.

. . . since the failure of Patricia Land Corp. and Fidelity Trust in 1983, Pocklington has relied on profits from Gainers to finance his business ventures. At one point he pledged his Oilers hockey team and associated television and promotional rights against bank debts. (Pocklington said): "Sure I'm using profit from Gainers in other businesses. I'm a businessman, and that's what (businesses) do."

I'm wondering, will you not concede that making this kind of deal . . . Maybe I'll wait till I get the Premier's attention, or at least one of his deputies.

Will you concede that the taxpayers of Saskatchewan took an extraordinary risk putting up this kind of loan guarantees and \$10 million in forgivable loans to a guy that had this kind of track record, when farmers that were in the same boots as this — farmers who were in the same boots as this — couldn't borrow the \$25 an acre? They had no worse a track record than old Pocklington did, but Pocklington was given a \$10 million gift, plus the Sedco loans and the whole guarantee — and has a track record of failure.

And yet I've written you letters from four different farmers in my riding, and they all got the same answer back, that you pay back your old debt to farmstart. One, they've written off . . . they made a deal with farmstart back in the '70s — made a deal with farmstart, wrote off the debt; that's finished, you're done. They're still farming. Nine years later they come to you and they want to qualify for a universal program, they're turned down, poor risk. Nine years ago we had to deal with you on that funding.

Here is Pocklington, who this year, the year he comes to you for this big hand-out, has his businesses fail all around him, his empire toppled, and you give him that kind of a deal. Do you consider that good, prudent

business management? Do you consider that, on behalf of your government and as Minister of Agriculture, prudent, just from that one aspect?

When we had a company in Saskatchewan that, two years ago, you wouldn't get involved in, and you let the business close that was doing the same kind of thing here in Regina, put 82 or 85 — and we're talking from memory now, or was it 185 workers? — out of the job, closed it down. And yet you decided it's wise a year and a half later to build a new one for that kind of money, with that kind of public financing. I think that's a financial decision that was based on the inner heart. Your conscience factor overruled your good judgment because of who he was, and here's one that sought the leadership of the Tory party. There can't be another reason in the world why this man got that kind of a loan guarantee, with the kind of track record he showed and what's happened to him in the past.

Hon. Mr. Devine: — Well, Mr. Speaker, I know that the member opposite and his leader have publicly said that they are against the bacon plant in North Battleford. The people of North Battleford know that the building is up. The building is up and there's going to be 200 brand-new jobs. The people in the community of North Battleford are very happy with the fact that there's a brand-new processing plant there that will have 200 people working, and that there's local people involved in building it and constructing it. It's going to be in operation this fall. And you're against it.

And you said that you're against it. You raised it again here that you're against it. The NDP is against processing and manufacturing. They live in the past. This province should be into diversification. And I know and I understand your philosophy, but your philosophy does not allow for diversification and the value-added products. Packing plants leave and shut down when you come into power.

I can go through a whole list of projects that are brand-new, that are being created in processing, manufacturing, value-added, looking for new markets in Japan and the United States and others, that weren't here because you don't endorse that. You would buy them or nationalize them or chase them out. Burns' packing plant in P.A. — very, very similar. Potash mines, you buy; you won't create a new one. Why didn't you just take the money and create something new?

We encourage people from Japan, from the U.S., from other parts of Canada, to come in here and build. And that bacon plant is now up — not finished, but the insides and everything will be finished by this fall. Two hundred new jobs, and you're against it. You're against it because you don't like, obviously as you've pointed out and your colleague from Quill Lakes, that you're a democratic socialist, and you're against free enterprise. And you just went on for some time about Conservative governments support enterprise, and you're against that. Well obviously all the small businesses and all the businesses in this province are free enterprise, so you're philosophically against them.

So we lay it out quite clearly that you, for example, do not

support the paper-mill. That's free enterprise. You don't support the bacon processing plant. We provide industrial incentives to encourage people to process and manufacture here, and to look to the future in terms of making sure this province is not just a province where we mine raw resources and are hewers of wood and drawers of water, but we process them and add value, and put people to work in all those areas.

And you say, well for Heaven's sakes, we don't get enough money out of eastern Canada. If you look at those kinds of things . . . I mean, I know who controls the NDP party in Canada. It's the labour leaders in Ontario. Everybody knows that. I mean, you said, we're worried about eastern Canada. Well there you are.

So, Mr. Speaker, I would say that if you look at the bacon processing plant, you said it's not a good idea that we put the money in. It is. And we encourage people to come in here and process and manufacture. We will, whether it's Supercarts, or paper-mills, or upgraders, or fertilizer plants, or bacon plants.

None of those things take place under an NDP administration. They just don't happen. They do under ours, because the philosophy is, we trust people. We trust people to invest, and we will protect them against high interest rates, and we'll encourage them to run their own business and to create jobs. You don't trust them, the member from Quill Lakes doesn't trust them, he wouldn't even lend them money. He wouldn't even believe in universal cash advance systems.

So when you look at incentives for people that come into the province of Saskatchewan, or those that are here to invest, we provide them and are very proud of them, and they work. And they're very, very, very powerful. So I would suggest that the philosophy is different, and that's fair enough.

We will encourage any packing plant. It could have been Fletchers. You'd have been against Fletchers coming in. It could have been Intercon with a bacon plant. It could have been anybody from the U.S. or Japan. If they wanted to set up a new bacon processing plant here, we would provide them with the kinds of incentives that would let us compete with Alberta, Manitoba, and others. Those incentives never were here before, but they're here now. That's why you see that economic development and it works.

And in summary, it's very important to a community like North Battleford – very important. You may come out against it. That's fair ball. You may say, as you did in 1982, you're going to run on an election that said the Crow rate was the issue. Now you're going to have your little election platforms going to be the Nielsen task force report, which is bureaucrats examining all the tax changes that we have in agriculture and other places, a whole list of them. There are some of them that you may even endorse, but if you want to run on that, if that's going to be your election issue, fair enough.

You tried it on the Crow and you were way off base. You'll try it on the private sector and investment; you'll be way off base. You can try it on tearing down bacon plants and

paper-mills; you'll be way off base.

So I mean, in terms of policy, you want to look at real policy, you can talk about bureaucrats examining policy. We've got NDP policy right here. This is hard-core stuff. This is the NDP executive and this is an expansion of land bank, and the only thing wrong with the land bank system was there wasn't enough land in it. Now that's policy. And on the streets of Saskatchewan all over the place we'll know what the policies are and what the alternatives are.

If you want bacon processing, manufacturing, and value-added, you can have it this way. If you want the land bank and the government to own more land and see it in a resolution as your party's platform, it will be quite clear that's on the other side, and I'd be glad to meet you in any town, any place, on those two issues.

Mr. Engel: — I guess you would. You'd love to keep it to those two issues, Mr. Premier. But take off your rose-tinted glasses. Face the reality of what you did. You're dealing with a guy that's bankrupted Alberta. You're dealing with a guy that tried to break the back of the Alberta hog marketing board. You're dealing with the guy that went around offering premiums to guys that were selling pork to the Alberta hog marketing commission, and he got run out of Alberta. He got run out of Alberta. Now you're dealing with a guy that will come on TV and wants to go back to a feudalistic system of saying, I'll hire who I can, and when he gets enough people hungry, he'll get them for 50 cents an hour. That's the kind of guy you're dealing with.

You close out guys like Olaf Friggstad. You let him go under. I witnessed that. I flew down. He picked me up at the airport and took me to meetings. And I saw what you did to Olaf Friggstad. You wouldn't . . . you connived a deal that the guy had to go under. You wouldn't renew his loans.

And you blatantly, you blatantly denied Sedco loans and contracts to our Saskatchewan people who are honest business men, and you deal with guys like Peter Pocklington. Show me one labour relation problem that Olaf Friggstad had; show me one deal he had where he wasn't paying his wages. But I'll show you a man that expanded his plant, and when the drought hit and his cultivators weren't selling, you pulled the rug out from under him – you pulled the rug from under him. And I'll tell you that people down South remember that, because those that had Friggstad cultivators knew that the guy was making good stuff.

Morris Rodweeder grew up in our time. Don't tell me about business men we don't trust and we can't work with, because I'll show you a Saskatchewan that had more small manufacturers than any other Tory province anywhere – anywhere! They were around and they did well under our administration.

But guys like Peter Pocklington – that's the only kind of guys you bring in. Guys like Weyerhaeuser – you'll give him a pulp-mill for nothing down and don't pay for a thing unless you make some profit. Those are the examples you use.

Push the button, switch it off. I challenge you, because he could talk about everything you wanted. He could talk about our affiliation with unions or whatever and who calls the shots, and you didn't stop him. And I even called you unfair. But the minute I get to a sensitive issue, then you want to switch my light off.

(1945)

Well I'll tell you, Mr. Chairman, that isn't going to work because your little leader was afraid to call an election because he's in trouble. You're dealing with people that are corrupt. You're giving deals that aren't fair. You're making loans – you're making loans to your friends because of political connections. And the Saskatchewan farmers that want to get \$25 an acre, what did you write them? You told them tough luck; you pay your 12-year-old loan – you pay up your 12-year-old loan and we'll give you money to survive. Well I'll tell you, that's why you didn't call an election. That's why, because people know the kind of guy you are. They've got your number. And once people lose confidence in you, in your government, once they know what makes you stand, and once they know how fair it is, they'll never go back.

When a car dealer pulls a fast one on me – when a car dealer pulls a fast one on me, I've never been back at that car dealers. And all Saskatchewan farmers operate like that.

And when you pull a fast one, you can give all the money to Peter Pocklington you want, but it's not going to buy you an election. I'll tell you what, that's not going to buy you an election because people know you're not fair. They know you don't treat everybody the same. You've got one class of operation for the wealthy and your friends, and you've got another when you deal with the ordinary people. And that is, you don't deal with them; you don't deal with them. You say, tough luck, make it on your own, tough luck buster, go see where you borrow your money, we're not going to give it to you. You have two sets of standards: the guy that can borrow \$100,000 and invest it and make his money – it's there, you can have it – but the guy that needs it – the guy that needs it – couldn't get it.

And I'll tell you, that's why I used this example here. That's why I used the example of Peter Pocklington. Here's a guy that the story is out loud and clear. His business has failed – his business has failed – and these are the kind of guys you deal with.

I ought to tell you, Gainers might have difficulty borrowing money to buy a new plant. Indeed Gainers has already used \$42 million of a \$70 million line of credit it has with a Toronto-based Continental Bank of Canada. In announcing the contract with Alberta hog marketing board, which increased by nearly 40 per cent the number of hogs that Fletcher kills each week, he said that the company will add 130 employees on a second shift in order to handle the increased supply of pigs.

And I want to tell you, this guy, this guy was run out of Alberta, and you welcomed him with a \$10 million gift.

That's what you call fair. Well I'll tell you, I'll tell you the people of Saskatchewan are going to decide when you can get up your nerve.

You put those flamingos out to indicate that you're nice and warm on your front lawn, you know. And you know that insulation story with the flamingos – the more money you save in heat, the more flamingos you put out. Well I understand you only had six. The guy in the news ad had his whole lawn full – he didn't only have four or six. But you could hang all the flamingos out front you want; but unless you get up your courage to call the election . . .

And you won't know if the people like our programs better than they like yours. We're not going to find out. We're not going to find out till you screw up enough courage to call an election. Then we'll know whether the people say, we like a Premier that deals with Peter Pocklington or we like a Premier that deals with all farmers the same, and treats all farmers the same.

And I want to tell you, people are anxious in my area to tell you who they believe. They're anxious to tell you if they like a government that is fair, picks people to deal with not according to their track record . . . The farmer, if he's got a bad track record, is out of luck. But Peter Pocklington has a track record where all the companies he's ever owned before have gone broke, and everything's mortgaged to the hilt. That's the kind of guy you can give 40 million bucks to. Well I'll tell you, that's the measure of a man. You measure a man by what he does and who he deals with. That's how you tell whether he's fair or not. And I don't believe that some of the things you've done indicate that you're fair.

So the arrangements with Peter Pocklington are as vague as ever. You can't tell us the specific deal you've got and how much money. You don't want us to know. You don't want us to know the kind of contract he got. So we'll move on to another issue.

I asked the chairman of your special committee on farm input costs how much that committee cost to run around the country. And he didn't know. He didn't know how much it cost to bring in a guy that run forest products. And he chaired a committee; he didn't know how much that was either. But he told me, wait till agricultural estimates and they'll tell you.

So we're wondering, what did those 13 meetings . . . And you should have had one more because it was an unlucky series of meetings for the farmers, because nothing has come out of them yet. But what did those 13 meetings that you held around the province, by your farm input cost committee, what did that cost in the newspaper ads, the advertising, and the travel expense, and so on, the arrangements that you made?

Can you give me a little breakdown about that little PR venture? I think that's what you called it in the House here. I could get *Hansard* out and detail the exact line you said. But you said that part of their work is to find out what it cost but the other part is to inform farmers of what programs we have available and do a little PR. So what did that PR committee cost you?

Hon. Mr. Devine: — Was \$127,883, which includes everything — rent of facilities, travel costs, advertising, the words, for 13 meetings held throughout Saskatchewan in February and March.

Mr. Engel: — Thank you. Some of the recommendations that came forward from that committee — what changes have you made and what new initiatives are you prepared to offer because of the recommendations from that committee?

Hon. Mr. Devine: — Well the report of the cabinet committee is at the printers right now, and it'll be out as soon as we get it bound. And at that time, all the details of the recommendations and our response to the recommendations will be there.

So in just general terms, I can say that the major concerns in the farm input hearings were for lower costs in terms of fuel prices, chemicals, interest rates, and so forth. And that's where we focused on, and as you know, farmers suggested several things that might be possible. We've summarized them all. We have a list of their major recommendations and list of things that the committee recommends that the government does. And they'll be out as soon as it's published.

Mr. Engel: — One of the areas that show that farmers are facing some pretty serious stress-related problems is that there is a dramatic increase in the number of farmers and farm family members using the services of the psychiatric services branch of the Department of Health, and regional mental health services. And that frustrates me.

I raised that some time ago in the House, on some figures that were stress-related. And when I hear reports of how far north grasshoppers are found around — and we have a good crop coming on like you already agreed to — and the possible threat of having these little grasshoppers eat up our crops is a mental stress that farmers are facing, is an indication that farmers are under more stress than they've been for a long time, and operating in very, very serious conditions. Nervous breakdowns, suicide, family violence, excessive use of alcohol, are some of the results of . . . And like your member indicates that the two sitting there — we're going to get a picture on them right now — they're pulling their hair out in distress, you know.

But it's a serious problem, and I felt that somewhere along the line we should be making a recommendation re input costs and farm chemical costs. And I honestly think that tonight we should discuss this whole grasshopper situation and what could be accomplished if the farmers would get their grasshopper spray for half price.

I think you have a responsibility. It's not a normal-style pest. It's something that moves and moves. They'll get so far, they'll lay their eggs, they'll hatch and they'll move further. And it's an attack. There's a front line where we need to take these grasshoppers on head-on. I know a lot of older people around are saying that it's going to take an act of God or some act of nature that's going to stop the grasshoppers in their tracks.

But I believe that you have a serious responsibility to help

farmers defray their chemical costs. In the light of what the price of grain is going to be, they're using up all their resources. I talked to one farmer last night. On his 12 quarters of land he has already spent \$1,000 a quarter fighting off grasshoppers, and he's had about 170 acres to reseed — about the same amount as we've done on our own farm.

It think it's a serious problem, and it's one that I'm sure was raised with the farm input cost committee, that the price of chemicals is something that the farmers . . . Grasshoppers are different than other chemical. I think people right across Saskatchewan understand grasshoppers. It's a different problem than wheat midge or some of the other issues because of the way they . . . If you don't control them here, they'll be there; and if you don't control them there, they'll be there.

What impressed me last Thursday night when I was up in my colleague's home town, his wife told me that her garden up there was eaten by grasshoppers last year. Now that means we're losing the fight, if they spread that far north to Buffalo Narrows. They can get around, these grasshoppers can, and there's a lot of land between. I just couldn't believe they'd even be up there.

But I think we have a responsibility as a province to have all the taxpayers share the expense of fighting grasshoppers, not just the farmer on the front line. The farmer on the front line shouldn't have to fight it alone. So I think that you, in consultation with your officials, should come up with a similar program to what Alberta has and pay half the costs of fighting grasshoppers.

Hon. Mr. Devine: — Well, Mr. Chairman, the hon. member can't really comment very accurately with respect to the farm input committee hearings. Because when the committee hearings were in his jurisdiction and his riding, or when the committee was in the Shaunavon riding and Assiniboia-Gravelbourg riding, neither one of the members even bothered to show up. They didn't even care to join farmers and come to the meetings and express their views. After it's all over, they can talk about the farm input committee, the cabinet committee, and nobody was there. The NDP didn't show up.

I mean, the agriculture critic stands in this legislature and talks about all the concerns that he has, and we have farm input committee hearings and the agriculture critic for the NDP is nowhere to be found. He doesn't show up — right in his own home town. Not even there.

An Hon. Member: — He doesn't care.

Hon. Mr. Devine: — I don't believe that he does care. I mean, he can talk. I don't remember any of the programs or packages to help people fight grasshoppers in 1961 or 1975 or when the drought was here. Talk is pretty cheap, Mr. Chairman. He can go on and talk about all the concerns that he has, all the things that should be done with respect to drought and grasshoppers, and if you look at their own record, they never did a thing.

I mean, I didn't recall when they had a chance in the last 11 years that they were here, to punch a bunch of money into protecting people against drought and grasshoppers.

And we had drought and we had grasshoppers. In 1961 they ate most of southern Saskatchewan along the east side. Not one thing from his party. Nothing. Zero. Not a thing.

And he can stand in here today and say, well, Mr. Premier, you need three more billion dollars. And we've come in with billions. And he'll say, I think that you should pay for this and pay for that and pay for this and pay for that.

And obviously he isn't even concerned enough to go to the committee hearings with his neighbours that showed up. Wasn't even there. Nor was the member from Shaunavon. Never even showed up. They're pretty quick in this House to ask for \$100 an acre. We've heard them do that. And on 4,000 acres, we know what that's worth to a very large farmer who happens to be the MLA from Assiniboia-Gravelbourg or from Shaunavon.

Do you think that's fair? I mean, you complain and complain and complain because we have 6 per cent money to farmers all over the place and it's unfair, like a cash advance. And guess who asks for \$100 an acre on a 4,000 acre farm? The very members that stand up and say, oh, we're for the little guy. We're for the little guy. If you're for the little guy, why don't you carve up your farm, 4,000 acres, and spread it out a little bit? Why don't you give a little bit to a neighbour and a little bit to a neighbour and a little bit to a neighbour.

I mean, they come out on both sides of it. They don't stick up for farmers. They didn't when they were in power. They don't now. And all they can do is sit there and whine a little bit, whine a little bit.

Talk is cheap, Mr. Chairman. It's very cheap. They never put the money into agriculture. They never delivered. They don't even show up at the hearings. They're against any kind of help that's universal. But as soon as they can get help for their big farmers, farmers that have 4,000 acres like Assiniboia-Gravelbourg, the MLA, farmers like the salt-water sheik from Shaunavon who has 4,000 acres, they'll take \$100 an acre. Boy, they'd just love to have it. And they'll use it. And it amounts to a small fortune – half a million dollars per farmer for these little wee tiny NDP farmers.

Well, Mr. Chairman, they made a straw man in 1982 and said, oh, they were going to protect farmers. Do you know what? Farmers don't believe you. You've had your chance. Farmers all over Saskatchewan don't believe you.

When the CCF decided to join with organized labour leaders and create an NDP party, they left the CCF alone and they left the farmers out. The PC Party has replaced the CCF all over rural Saskatchewan and you know it. Every seat but four was there, and it's because of people just like you who will farm 4,000 acres and get down on your knees and beg for \$100 an acre, half a million dollars to a guy just like you, and at the same time you didn't do a thing for farmers when you had a chance.

(2000)

You talk out of both sides of your mouth, and talk is cheap. You can talk in this legislature as long as you like. People don't believe you. I'll tell you what they believe. They believe the truth. Your policy, where you can have 4,000 acres yourself and you want the rest of them to farm for the government. It's right in your recent NDP resolutions. That's the kind of thing you want.

Some Hon. Members: Hear, hear!

Mr. Engel: — A cheer for the little cheer-leader. Great. The Premier is giving too much loose talk. You know, if everything you tell me is exaggerated four-fold or five-fold, like the size of my farm, that's great. The records will show how much land I farm, and I don't need to tell you; you'll find out for yourself. But you've exaggerated by 400 per cent – 400 per cent exaggerated. But I want to tell you, Mr. Premier, I can go to Assiniboia without a police guard.

I was at Swift Current and the Mounties had to come and protect you when the farmers were begging to meet you. The farmers were begging to talk to you. One thousand farmers stood on a playing field at a school yard, 20 feet away from you, and you ducked out the back door. I would call that . . .

You know what Tommy Douglas says about you . . . (inaudible interjection) . . . Tommy Douglas, the one you say you take his place. Tommy Douglas said about you, the only time you open your mouth is to change feet. The only time a politician like you . . . you put your foot in your mouth, because you said I didn't go to a political meeting to influence farmers. You were going to do a little propaganda story.

I didn't want to get involved in that Tory meeting with the 25 farmers, but 1,000 farmers wanted to meet you and you refused to attend. You refused to show up when you were right there, when farmers were facing their most severe drought ever, and you got out under police escort.

Mr. Chairman: — Order, order. Order, please. Order, please. Order.

Mr. Koskie: — Well on a point of order, Mr. Chairman. I mean, this has gone about far enough. They are the most arrogant bunch of government members – there's 53 of them. And I'll tell you we are going to deal with estimates. And surely you could get your people here, that are not even in their seats, to keep their mouths shut and allow the member to address the Premier with questions. What is your duty if it's not to keep order in this Chamber?

Mr. Chairman: — Order. The point of order, as is it phrased, is not well taken. I believe that members from both sides of the House have been particularly raucous and therefore I would ask members from both sides of the House to please tone down and allow the debate to continue.

Mr. Koskie: — I challenge that ruling. Our members were sitting here not saying a word, Mr. Chairman, and here you sent over some of the goon squad, and I'll tell you I'm not going to stand for it. Point of order. I'll tell you, you'll

have to bring some dignity back into this House, Mr. Chairman. I mean, we're dealing with estimates in Agriculture, and certainly the member from Assiniboia-Gravelbourg can have . . .

Mr. Chairman: — Order, order, order. Order. Would the member please sit down. Would the member please sit down. As I have said earlier both sides of the House have been guilty tonight of causing disorder. I do not want to point to any particular members, but some who complain the loudest sometimes holler the loudest. So I would simply like to ask all hon. members to please tone down and allow the debate to continue in an orderly manner.

Mr. Engel: — There's a couple of members sitting in the seats of the third party that are making a lot of noise. One of them is the member for Moosomin, and the other member is from Lloydminster, and I cannot . . .

Mr. Chairman: — Order. Could we please have order. Could we please have order. I'm afraid that I must ask the members who are not in their seats to please be quiet because I have stood on my feet two times to rule on this, and I ask you to be quiet.

Mr. Engel: — The Tory members are getting very loud trying to defend you, Mr. Premier. When you need a police guard to leave a meeting and won't attend a public meeting with 1,000 farmers, that is very serious news. And if you want to emulate Tommy Douglas, try . . . and I've given you this advice personally before. You know, don't accuse members.

We were at the opening function and you accused my colleague from Shaunavon for heckling you and he never said a word when that goon squad was doing the hollering behind us. And I think that that kind of action isn't going to get you anywhere, Mr. Premier.

When you go to a place in a town and are 20 feet away from 1,000 farmers that want to see you, and you could take 30 seconds off, or a minute and a half, or two or five minutes, and address that crowd and listen to their concerns — and you duck out the back door, that doesn't show to me very much courage. You could have brought your police guard with you to the meeting.

And you stand up in this House and you accuse me for not attending a Tory meeting, a Tory meeting that was made up of a bunch of political hacks that got \$130,000 of taxpayers' money to travel around the province to do, in your own words, some PR — to do some PR. A member was sitting on that committee that had his way paid to Venezuela by a chemical company and he was going to write a report on how to reduce chemical prices. People like that . . . And you wanted me to go to that meeting, after you set an example at Swift Current and refused to attend a meeting.

I went to meetings in Bengough that weren't in my riding. I was in Climax. I went over to Kayville, I was in Swift Current. I was in Ponteix. I was at a lot of meetings in my own riding. I met with more than 6,000 farmers last summer, listening to their concerns, and every one of those farmers that came to those meetings said, look, if we're going to survive and we've got a drought, we need

\$100 a seeded acre. That's what the farmers were telling us. If we get \$100 a seeded acre, put a ceiling on, put 200 acres on it or 300 acres, or 400, whatever you want, but give us enough money to survive as far as a special drought assistance program.

You laughed and scoffed at it. You met with your oil executives in the class-room in the school. Right outside your window, down there on the playing field — you know, 20 rods away — were the thousand farmers gathered together. And you used the excuse and said that was a politically motivated meeting, and wouldn't attend. And you wanted me to attend a meeting with six of your turkeys. I was supposed to go to that meeting.

Well, I'll tell you, I travelled around the country with the fire prevention committee; I was on the committee. But if you would have had the guts as a Premier to say, I'll put an NDP member on that committee and I'll let a parliamentary committee go out and do a hearing, I'd have gone along. I'd have gone along to every one of those meetings. But you didn't want an NDPer on that committee because you knew when I went along on the fire prevention committee — one to six — that I held my own at every meeting. And so you said, we're not going to put an NDPer on that committee. We'll put all Tory members on and we'll do PR — we'll get out and we'll do a little PR operation. Well that PR operation cost the taxpayers \$130,000 and didn't gain you one vote. It didn't gain you any support at all.

So, Mr. Premier, the kinds of decision you make and the kinds of decisions you take are decisions that are based on politically motivated decisions. You mentioned yesterday that loans and interest rates . . . And you tried to blame the NDP for the high interest rates. Well inflation has come down and the loan interest rates normally at banks are down. Why don't you encourage the Saskatchewan credit corporation, Farm Credit Corporation loans to give us the loans at the same rate — inflation plus 2 or 3 — and have the farmers pay their fair share? Why would you still let the Saskatchewan credit corporation and your brother, the Farm Credit Corporation in Ottawa, gouge farmers to the tune of 12, 13, and 14 per cent interest rates on their farm loans?

Why don't you have the guts to stand up like Bill Uruski, the Minister of Agriculture in Manitoba, and say, we're going to take these guys on and we're going to lower all the farmers' interest rates — not just the 6 per cent on \$25 an acre, but the ones that hurt, the ones that hurt. Why don't you stand up and get your buddies in Ottawa to stand up and take the banks on and bring the interest rate down? And I'd say a good margin is 3 per cent — inflation plus 3 — so you've got zero or 1 per cent inflation and 4 per cent loans. Anything above that is usury.

I believe in that philosophy. That's what should work. And that's what was in place when there was 20 per cent. Inflation was 18 per cent — 19 per cent inflation rates. So the interest rates are 2 or 3 per cent higher. The farmers had that additional income. There was no crying, and there was no thousand people showing up looking for Blakeney in Swift Current during those days. There was nobody around then. But they were around looking for you, and you ducked. You ducked.

And you want to accuse me and Lingenfelter of not going to a meeting like that. Well I'll tell you, we're not afraid to meet with farmers. I met with 6,000 this summer, and I have very few farmers that discouraged me. They were very anxious to meet. And they said that, we've got to get rid of those Tories. Tory times are tough times, is what the farmers were telling us across southern Saskatchewan.

This year we've got a threat of grasshoppers. They're coming on. Farmers have sprayed two and three times. I've asked you that you should consider making a contribution towards half of the spray costs because that's unique to that part of Saskatchewan. The guys that have grasshoppers have a different problem than any other farmer. And I think that the chairman should try and control these Tories that are doing all the shouting.

I think that that's one issue you've got to get involved in, and that is to help control grasshoppers. And we can do that by matching what the farmers spend. And he'll get out and spray them, . If he needs to spray six times, he'll spray six.

I wish you'd have been right when I asked you that question last week and said they're all going to hatch at once. Because at my farm that didn't happen. At my farm that didn't happen. They're still hatching. And land that was flooded – had a foot of water on it all spring – when it finally drained off and dried and was dry enough to seed, that's where the grasshoppers were the worst. And so the moisture and the snow didn't affect the grasshoppers.

The best land has them, and everybody's spraying one, two, three, and four times. And I think it's a good idea you'd get involved in matching. So I wish you would give us your reasons why you think you don't need to get involved in helping control grasshoppers.

Hon. Mr. Devine: — Mr. Chairman, somebody just said, what kind of an agricultural critic do we have in the legislature? Let me just make a couple of comments.

With respect to agricultural policy, I would have to ask the member opposite: isn't it true, isn't it true that in 1982 the NDP lost every rural seat but four? That's a fact. That's a fact. You lost all rural seats – you lost all rural seats but four, and the two northern seats. You lost them all. Now that's a fact.

Why, if you had all the answers and you had spent all the money and you helped people with grasshoppers and interest rates, would you lose every rural seat but four? Why? Why did you lose? Why did you lose all those seats if you had all the answers with respect to the kinds of things that should be done in agriculture? I ask the member opposite: why did you lose? You lost every single one of them but four. You lost.

Do you know why you lost? It's because when interest rates were 22 per cent – were 22 per cent – and farmers were crying out, you did just like they do in Manitoba. This is the Agriculture minister in Manitoba a few weeks ago.

(2015)

The Manitoba government turned down a request from the National Farmers Union for an \$80 million aid package to help struggling farmers put the crop in. That \$80 million won't do when it comes to the grain industry and they recognize \$80 million is not enough. Uruski said he agrees that many farmers are in trouble, but it's up to the federal government, not the provincial government, to keep the farmers in business. That's the NDP answer.

Well, that's exactly the answer they got here in 1982, and you lost every seat but four. Every seat but four you lost. And now, and now the NDP again – and we can show it all over – they say the grain industry is a federal responsibility. How do you like that? When the grain farmer's in trouble, the NDP says, no, you're a federal farmer. You're a federal farmer.

When the NDP are in power in Saskatchewan, and there's 22 per cent interest rates, they say, no you're a federal farmer. We won't help you.

Well do you know what? The PCs in 1982 won every rural seat but four. And in 1984 they picked up seats here in Saskatchewan because of your attitude.

Because talk is cheap. You call a cabinet committee, a Government of Saskatchewan . . . You have no respect. I mean no respect at all for this Assembly or for cabinet ministers at all. For two of them . . . (inaudible interjection) . . . Well their member from Regina North East yells out, for cabinet ministers that are of this persuasion, he has no respect. For PC cabinet ministers, he says, he has not respect.

Well, Mr. Chairman, I hope that everybody in Saskatchewan can listen. They don't have respect for duly elected cabinet ministers. They don't. And you know what the leader of the NDP has been going – He's got the same attitude as the member from Regina North East. Do you know what they say about the 1982 election when they lost all the seats but four? He said, the people made a mistake. That's the attitude. The people made a mistake. You lost every seat in the province but eight, and you look at the people and you say, the people made a mistake.

And you have no respect for cabinet ministers because they're not the cabinet minister that happen to be with your political party. And you just . . . And it's in Hanford tonight. You called cabinet ministers turkeys, and you're proud of it, and you smirk and you laugh. You have no respect for this legislature.

Well you better not be laughing, because people who are duly elected by the people, elected people in this Assembly that form Executive Council or cabinet ministers, deserve the respect of all people in the province because they were duly elected. And the people are not wrong in a democratic system. When they elect a government, they are always right.

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — So in 1982 your farm policy had

never been any clearer, never been any clearer. And you've asked me with respect to the cabinet committee, what it recommended, and I said, you don't even have the courtesy to show up to the cabinet committee.

Mr. Chairman: — Why is the member on his feet?

An Hon. Member: — Point of order.

Mr. Chairman: — Point of order.

Mr. Koskie: — I've been asking for some order in the House here so that we can conduct the estimates and so that we can listen to what the Premier is saying. And I wonder whether the members behind the bar have a right to speak.

Mr. Chairman: — The point of order is well taken. Hon. members, regardless of where they're sitting, should not be interrupting the speaker.

Hon. Mr. Devine: — Thank you, Mr. Chairman. I would just point out that any cabinet committee, if it's duly elected and holds public hearings with respect to drought, or grasshoppers, or forestry, or the environment, deserves the respect of at least the members of this House — absolutely. And it shouldn't be called turkeys, and they shouldn't be called anything else. I mean they're elected. These are public official. In a democratic system . . . You may like the Soviet system where they're not elected, but under our system, they're elected and they deserve respect.

So you can't put down the committee. As a partisan committee, it's duly elected, and cabinet ministers represent everybody in the province. And you know better. And as critic in agriculture, I mean it's just too bad the Leader of the Opposition doesn't have a little bit more to choose from, but unfortunately he didn't after the last election because of his agricultural policy. So he's stuck with that kind of attitude in agriculture.

With respect to the Swift Current meeting, I met that day with several groups, including the Saskatchewan Wheat Pool, and said, I would seek your views. And when I go from place to place, they can come in and we have a good discussions. It's a little difficult to carry on a conversation with several hundred people, so I said, I will meet with your leadership and I'll listen to everything. I said at the same time the Saskatchewan Wheat Pool came in, made their recommendations and I talked to them, and I said so on the radio afterwards. And the people of Swift Current were embarrassed by you, and the member from Shaunavon, and the former member from Morse, Mr. Gross. They were ashamed of what you did, putting yourself on national television as a bunch of left-wing eccentric individuals.

And they were not all farmers, and you know that. I recognized some of the faces there, and they weren't farmers, not the farmers that I grew up besides and I know. They were an embarrassment, an embarrassment. And it's the whole reason that you've lost the respect of agriculture and rural people. You took the old CCF party, and put it to bed with a bunch of union goons and you called it the NDP. And you will never, ever, ever

again have the respect of rural Saskatchewan as a result of that. When you'll have to show up by hundreds and try to put the boots to an elected cabinet minister or a premier — and that's your strategy — your respect goes way down.

And I can say, Mr. Chairman, I invited any number of groups to come and see me, and I've visited with them all over the province of Saskatchewan. And when the member opposite can't show up at public hearings, but he can run around and organize hundreds and hundreds of people that he's talking about, with respect to not even having the courtesy to come in and sit down and talk about it — wouldn't even come in the room. And I invited them in. No, no, they wouldn't come in. I invited them and I make it very, very clear. I said, I will listen to any group. I did before I went here and while I was there, and the wheat pool came right in and responded very naturally and normally.

Well I just point out, Mr. Chairman, the hon. member should apologize, apologize to his colleagues in the legislature for calling elected people in this Assembly turkeys. He should apologize, Mr. Chairman, to the people of Saskatchewan for showing no respect for duly elected officials, cabinet ministers, or others that could hold public hearings on behalf of the people of Saskatchewan with a duly elected government. I don't believe . . .

Mr. Chairman: — Order. Order, please.

Hon. Mr. Devine: — I think he might have been talking without really thinking about it, but I would suggest that if he doesn't have respect for this Assembly and those that are elected here, he doesn't have respect of the process. And what he is, is typically indicative of his leader who said the reason that they lost in 1982 is that the people were wrong. Well, Mr. Speaker, the people are never wrong. The people are never wrong in a democratic system when they elect people, and they deserve the respect. And those elected members from all political parties deserve the respect. And your attitude with respect to the people being wrong and not trusting them, Mr. Speaker, Mr. Chairman, is exactly the reason that you got into trouble with respect to all kinds of people in rural Saskatchewan, and why you'll stay in trouble all over rural Saskatchewan.

Mr. Engel: — Mr. Chairman, I sat here tonight and I listened to somebody that wants to emulate Tommy Douglas — someone that calls himself a Tommy Douglas. I've heard Tommy Douglas more times than I've heard our person that I have to call our Premier. I'm embarrassed; I'm embarrassed that this is being televised tonight, Mr. Premier, for the sake of that office. When somebody stand up and has somebody come to a meeting, and if they don't present the position that you think is your position, you call him a union goon . . . That's your word for farmers that were in distress.

You said you saw them out there. You looked out the window and you looked and gazed out across the multitude of farmers that were there — 1,000 of them. And I looked at them, and I don't know who you're talking about as a union goon. I don't know if you're

talking about the guy in black home-made pants and a beard and a black hat. Was the man from the Hutterite colony a union goon? Is that who you're calling union goons? Are the farmers that gather together . . . and some implement dealers were there, some implement dealers came along with them, even some from Gravelbourg. Are they the ones that are the union goons? Just because they don't agree with you, they're a union goon? Is that how you intend to be a premier statesman like Tommy Douglas was? Can you imagine Tommy Douglas standing in this sacred Assembly, talking like you did tonight? Can you imagine that?

I'll tell you what, Mr. Premier. That's why you're afraid to call an election. Tommy Douglas never went beyond four years ever – never. But when he was cornered, and when people didn't agree with him, and when the doctors didn't like what he was doing, he sat down and listened to them, and he figured out a way of bringing the people together.

And he's a statesman that will go down in history as someone that implemented change in Saskatchewan, someone that brought about programs that give the average underdog, after living in Saskatchewan for 55 years under Tory . . . five years of Tory government and the rest of the time conservative government – somebody that was around not 55 but 40 years – after 40 years he came on the scene and he gave farmers a chance. He gave the working people a chance. He gave sick people a chance. But he never called anybody a goon, not a resident of Saskatchewan.

You're our Premier. I'm ashamed of you – I'm ashamed of you. I talk to you in the hall, and I respect your office, and I thought you were a pretty nice guy. But when you're in a corner, and when you're backed into a corner, Mr. Premier, I don't know if you need psychiatric help or not but I'd recommend it. I'd recommend it to you because this is serious . . .

Mr. Chairman: — Order, order. Order. I believe I should ask the hon. member to withdraw that and apologize . . . (inaudible interjection) . . .

An Hon. Member: — Why?

Mr. Chairman: — I don't believe that the hon. member is showing another hon. member respect when he's implying that he has some mental problems and that he should go and be examined. I would ask the hon. member, for the sake of orderly conduct, to please apologize for that remark.

Mr. Engel: — Mr. Chairman, if I said that our Premier should get some advice, I apologize. I apologize. But when somebody that holds the highest office in Saskatchewan calls my neighbours union goons – union goons – he gets himself a police guard and creates a confrontation and you say that that's great – I'm telling you to restore respect and to show and determine whether there's some respect.

This man should resign and call an election. His term is up – he's gone beyond his term, he's gone beyond his term – and let the people of Saskatchewan decide where

he's gone. And anybody that would do that to my friends who are suffering, who can't make ends meet, and they see the kind of deals you did with the oil companies and all, I think it's time – I think it's time we have a review.

If the Premier thinks it's disrespectful when I said I wouldn't go to a political organized meeting that he himself in this House said was going to be one that would be a public relations operation, and I'm going to instruct my cabinet and the back-benchers that are going along to do a public relations job and inform the people of all the good programs we have for agriculture. Well he went around and at his \$130,000 little operation still didn't convince the people of Saskatchewan to support him. The polls still didn't look good. He was still afraid to call an election. And then he says the farmers that gathered together are union goons.

And he had time to look out the windows and, he said, come on in and I'll see you one or two at a time. And the guy got up on the platform and took the mike and said to the people that were standing out there – and farmers are generally a well-natured lot – and he said to them, the chairman that was chairing the meeting – and I don't even know his name; I don't remember who it was – but he said into the mike, he said, should I and two or three go in and meet the Premier?

And they hollered a resounding no. We want to hear the Premier ourselves; we came to Swift Current from Gravelbourg and from Cabri and from Ponteix and Shaunavon and Assiniboia and around; we came in to hear the Premier, from Vanguard and wherever there was a drought; we came in, we want to hear the Premier.

But he said, they're union goons. They're organized by the NDP because I happen to have been invited to show up; I was invited to come and be there. Hazen Argue was another one of these guys that must have been a union goon; he, the senator, was there. And different ones were there to meet with the people, but the Tories couldn't show. The Tories wouldn't show – the Tories wouldn't show. And I think that it's an indication of why we haven't got an election today. The agricultural . . . (inaudible interjection) . . .

(2030)

I don't like competing with . . . And I wouldn't call people that cackle like chickens or turkeys anything else but that, but the hon. members sitting here, that are trying to compete and are trying to chide from their seats – and even some of the cabinet ministers – are making it very, very difficult.

Your role is one that makes me wonder if you're neutral and treat us all the same because my colleagues are quiet. They're all supportive of what we're doing here together, and I think that a number of them have some questions. I know the members from the North had some areas they wanted to discuss, and the members from Quill Lakes and Pelly. So I think I'll give them a chance to ask the Premier some questions before we go into some of these other details.

Hon. Mr. Devine: — Mr. Chairman, I just . . . An

interesting response that my colleague, hon. member from Assiniboia-Gravelbourg, who said that he would not attend the hearings, the public hearings, and he didn't like them, and he said that they were politically motivated. So we're just finished saying that, right here on television.

And in the *Leader-Post* it says here:

MLA Allen Engel (NDP – Assiniboia-Gravelbourg) says he welcomes a government decision to hold public hearings on rising agricultural costs, (and he hoped) the government (would) not use the hearings to avoid taking action.

Well, if you welcomed the hearings and you thought that they were a reasonable idea, and then you stand up and say, well you wouldn't go – tonight – because you didn't think that they were, I mean, obviously you're just making noise. You're just making noise.

You're in the legislature; it's the Premier's estimates in Agriculture; and you have to show the people that you can say something. so you'll say one thing one week and one thing the next – that first you think it's a great idea – then you stand up and say that it isn't. Well, it's a reasonable idea; then you stand up and you call them all a bunch of turkeys. Well, I mean, Mr. Chairman, if we want to get into Agriculture estimates – Agriculture estimates – on where we are spending money, what our budget looks like, all the kinds of things that are important, rather than calling cabinet ministers turkeys, I think it would be reasonable. The public expect you and I to carry on intelligent conversation.

So if we can get down to it and get discussing it rather . . . I mean we have different philosophical views, and that's quite clear, but if we can get into the nuts and bolts of the programs and so forth, I think it would be fair to the public and we wouldn't waste the taxpayers' time. We could get right into it. So I would entertain questions on northern agriculture, or southern agriculture, or Agriculture estimates of anything.

Mr. Engel: — Just one comment, Mr. Chairman. When it was first announced there would be a committee of legislative members looking at farm input costs, I welcomed it. And I'm glad you read the whole article, but when we asked you a question in the House about it before the committee went out on the road, and you gave us the answer that this is going to be a little PR operation – the committee is going to go out and it's going to talk to farmers about the agriculture programs we have available. You'll remember that. You remember saying that. You remember saying that. It's in *Hansard*; we'll dig out the record because I asked you the question specifically: what is the role of this committee and what are they going to do and who's on it.

You listened and told us who's on it after I did that little story with the *Leader-Post*. You told me who was on it and what their role was going to be, and that's quite another story. Once you advertised that committee as the one that's going to be an information meeting, that then

becomes a political meeting, and then you're using taxpayers' money to try and further, and try and boost and shore-up your sagging fortunes. That's what you were trying to do with that committee. You were trying to shore-up the Tory sagging fortunes.

And I wouldn't waste my time going there, and in fact when they were in Assiniboia, I wasn't even in the country. I was out of the country at the time, but I didn't miss that one intentionally; I've taken in meetings locally. I've taken meetings locally. But I was at Lloydminster, and I didn't bother going; they were right there when I was there. We had our own meeting and met with farmers.

And as far as the people in Swift Current being ashamed, that's your story. Call an election and we'll decide.

Here's an example. This member's an example of what happened when you called a by-election in Regina North East. And I'm sure when you call an election, I would be very concerned if I were the member from Swift Current because John Penner did very well because of that farm meeting in Swift Current, even though the farmers came there, because the people in Swift Current felt the plight of farmers and know how severe it was. And they don't like . . .

And after tonight we'll circulate *Hansard* to those farmers that were there. We'll let them know what you think of them. I'll let them know that you called them goons, in fact, you said worse than that, you said they're union goons. And I want to tell you that the farmers will appreciate that coming from their Premier. They'll appreciate that.

I'll tell you, those kind of insults prove what I said about you before. They prove that we have a Premier that lacks a little statesmanship qualities, lacks a few of those qualities – somebody that comes on the defensive, that doesn't want to get into Agriculture estimates, but wants to talk politics, always turns every question around and turns it back and says, this is what NDP are, and try make up stories and try and pick out little things out of the air, and pick a feather out of their hair, and try make up a story what we would do. Well I'll tell you, we can go beyond that because the people know over the years what we do and what we can accomplish. And I'm proud of our record. I'm proud of our record.

Mr. Lusney: — Thank you, Mr. Chairman. Mr. Chairman, in my whole tenure . . .

Mr. Chairman: — Order, order. I'd like to ask the member from Regina North to please allow the member from Pelly to begin his line of questioning.

An Hon. Member: — I was just talking to one of the members.

Mr. Chairman: — . . . (inaudible) . . . who you were talking to. Please refrain from interrupting the speaker.

Mr. Lusney: — Mr. Chairman, I have never in my tenure in this legislature witnesses what went on in this House today. I can tell you, we see a Premier of Saskatchewan and also the Minister of Agriculture, during his estimates,

that got into a little bit of trouble. And what happens? He gets some of his tough guys from his side of the House to come over on our side and make it as hard for us as possible to conduct these estimates.

Now, Mr. Minister and Mr. Chairman, they wouldn't even sit in their own seats. They would sit in the WCC seats. And they think that somehow that's going to distract me. Well, Mr. Chairman . . .

Mr. Chairman: — Order, please. Order, please. Once more I must ask hon. members to please tone down the noise.

Mr. Lusney: — Mr. Chairman, somehow they think that this is going to distract me. Well it certainly will not, Mr. Chairman. It certainly will not. They can holler and they can say everything they like. It won't bother me one bit. But I am surely disappointed at the kind of Premier we have and the way he handles his members in this House. He has no control over them whatsoever, no control over them whatsoever. They do whatever they like. There is no decorum in here. And if he gets in trouble or any of the ministers get in trouble, they send someone over here to give us a hard time.

Well, Mr. Chairman, they can continue to do that. They can continue to do that. We are going to keep on the estimates, and we are going to try to do the business of the people of Saskatchewan, the people that are paying their wages here. And we are going to keep up with those estimates, trying to find out and get information that will inform the people of what's happening.

I know this government doesn't want to give out information — everybody knows that — and they do everything that they can to try and avoid giving information. The Premier today talked about everything he could think of. He talks about union goons and farmers, calling them union goons, and doing everything he could.

Well, Mr. Chairman, I suppose given the kind of government we have, that's really not surprising. I'm not totally surprised. And it doesn't bother me that much. I'm not totally surprised. And it doesn't bother me that much. The people are the ones that are eventually going to decide what they think this government has done or what they haven't done.

The Premier, the Minister of Agriculture, today says that we are against free enterprise. Well I suppose one can say somehow free enterprise certainly is involved in agriculture. But I can tell you we had as much, if not more, free enterprise operating in this province prior to '82 as we have today. And they were all doing not too badly. And I know a lot of those farm implement dealers, farm machinery manufacturers, the small ones, that are out of business today. Those were the free enterprise people. They were doing well, and they were doing a good job in this province.

But this Premier and this Minister of Agriculture thinks that the only kind of free enterprise that's good is the Peter Pocklington type of free enterprise, the Weyerhaeuser type of free enterprise. Those are the only good ones that you should be bringing in. The small business

entrepreneur is not important. He isn't that important to them. If they go broke, well, that's tough. They just couldn't survive, and they should get out of the business.

But when you get to Peter Pocklington and a bacon plant, well there's \$10 million grant. There's another 20 million in loan. You get the Weyerhaeusers, the same thing. There's all kind of money for the rich multinationals, the multimillionaires. And to them that's a joke.

But you get a small-business man that's in trouble — and I know a lot of them; there are some in my constituency that are finding it difficult — they can't come to this government and get a \$10 million grant.

The farmers are in trouble. And what's the Premier say? Well, look at all the good things I've done. I gave them \$25 an acre. I gave them \$25 an acre. And that was supposed to pay for their . . . At least when he brought it in, that was supposed to pay for their seeding operation this spring; pay the input costs.

And he says all of this now. We've got grasshopper problems in the South again, but there is no additional assistance. He didn't ask the federal government for some assistance. He says, well, I gave them \$25 an acre. There's a billion dollars out there. Well, Mr. Chairman, this Premier didn't give them \$25 an acre. He gave them a loan that they're going to have to pay back. He gave them another debt on to of what they already have that they have to pay back.

What they actually got — what they actually got, Mr. Chairman, was maybe \$1 an acre in the variation of the interest that they are going to save. That's all they got. And that's not very much when every farmer takes a look at what he really got that he'll be able to keep. And it's just a differential in the interest because the rest he has to pay back. So he got a loan. Instead of getting it from the bank, he got it from the government this time, with a little lower interest rate. And he's going to have to pay it back.

He maybe got a dollar, a dollar and a half an acre out of the deal. That's what this government really gave him. And yet they brag about the billion dollars that they've given to the farmers. Well it's not very much that they really got, Mr. Premier.

What they need right now . . . And they're finding it very difficult, because that \$25 . . . And like I said, it's a loan; it's not a gift that you gave them. And you shouldn't even tell them that it is, because it certainly isn't.

If you're going to tell the farmers that you gave them a billion dollars, then you should be telling them also that they don't have to pay any of that back. Then I would say you gave them a billion dollars. But you didn't. You didn't give them that billion dollars. You just gave them a billion-dollar debt, and you gave them a small amount of the interest differential that they won't have to pay back. That's all that they got out of it.

In the northern part of this province, the cost of fertilizer amounts to \$25 an acre to most farmers. You've got chemicals that you have to put in there; you've got fuel. That \$25 loan was just another operating loan like they

would have had from the bank. But a lot of them are in trouble where they couldn't get it from the banks any more.

So what did the banks say? We can't afford to carry the farmers. We can't risk it. Let the government carry it. And the farmers can pay us off. And we'll be doing fine. And let the taxpayer put up the money now.

So, Mr. Minister, who did you really bail out with that program of yours? Did you bail out the farmer? No. You bailed out the banks again. They were the ones that were crying. That's who you bailed out with that billion dollars. And now the farmer's going to have to worry about how he's going to pay the taxpayer of this province back, because that's what he's going to have to do. He's going to have to pay the taxpayers of Saskatchewan back, with interest.

Mr. Minister, we certainly, in this side of the House, are not against free enterprise. We're not against free enterprise. Free enterprise has always survived and they've done well in this province. And I was in business at one time too and I never was hurt by the NDP. They didn't take my business away and they didn't say that I shouldn't operate as a private business man. There's a lot of them out there in Saskatchewan, Mr. Premier, and there always has been and there always will be.

(2045)

And there's a lot of farmers in Saskatchewan too. They are free enterprise people. Farmers are free enterprise people. They are running a business and they're trying to run it the best they could. But they are finding it difficult because there isn't a government in Canada or in this province that's really willing to stand up for the farmer. You should be out there – not saying to the farmer, here's another loan; it will maybe keep you going for a year and then you'll have to go broke anyway. You should be saying that it's time the farmer got a proper and a decent price for the product that he produces.

We said to you not too long ago that the farmer should be having a deficiency payment because the Americans have decided that they're going to give their farmers a deficiency payment, and our farmers cannot afford to compete with the American government. And, Mr. Minister, you disagreed with us. You were against a deficiency payment for farmers. You were against it a few weeks ago. Every member in this House was against it.

But now you found that the farmers realize that they can't survive with more loans. They need to get a decent price for the product that they produce. And now you're saying, yes, we should have a deficiency payment because other provinces have realized that that's what's needed. So you're going to go along with them. And it's time that you did. It's a little late, but you've decided to go along with the rest of the provinces. And you're not asking for a total deficiency payment. You want only part of it.

Well, Mr. Premier, as the Leader of the Opposition mentioned earlier today, you're asking for only a part of what the farmers really need. We've lost in our initial payment price, come August, what you're asking for in

the deficiency payment.

So where does that put the farmer of Saskatchewan? That puts him right back where he was in '85. That's where it puts him. And he needs a little more than that because he can't continue to compete with the American government or the European governments. Against any of those governments the farmer cannot compete at \$3 or \$4 a bushel grain.

But, Mr. Minister, you continue to brag about all the money you put into agriculture. But yet the farmer does not see any of that. It's nothing more than a lot of words on your part, and a lot of promises. And farmers are still going bankrupt.

An Hon. Member: — All on public relations. Millions of dollars spent in public relations.

Mr. Lusney: — Mr. Minister, as my colleague says, your government operates more on public relations than it does on concrete programs or promises. Nothing but public relations. Thousands and thousands of dollars being spent.

And I guess I shouldn't say thousands. That's million because there's department in this government who spend 1 and 2 and \$3 million on communications. That is the kind of money you spend on PR. And you're trying to tell the people that the PR is somehow going to make them survive.

Well, Mr. Minister, PR is not what's going to make the farmers survive. You're hoping that it's going to make you survive through another election. But what the farmer needs today is some concrete action.

Mr. Minister, you said you spent \$128,000 to send some of your colleagues, some of your back-benchers and a couple of ministers, out on a farm input cost committee to find out what farmers are really complaining about, and what they think their problems are.

Well, Mr. Minister, you didn't have to spend \$128,000 to send some of your colleagues out on a committee. All you had to do was listen to what farmers were saying, right directly to you. Listen to what we were saying.

Farmers knew what the problem was four years ago. The input costs were the problem. You were told that over and over again. You didn't need a committee to tell you that the input costs were a problem.

What the farmers needed was some help in input costs. They wanted someone to take a look at why chemical costs were so high. They wanted someone to take a look why fertilizer is so high; why a person has to spend \$25 an acre on fertilizer when you've got \$3-a-bushel wheat.

Why do you have to pay 250-some dollars for a pail of Hoe-Grass to spray your crop, at \$3-a-bushel wheat? This is what the farmers were asking you to look at, Mr. Premier. They didn't need another committee out there. They knew what the problem was, and you knew what the problem was. You just didn't want to deal with it.

What you wanted to do was stall it long enough so you can get by another election, where you wouldn't have to take any action on it because if you did, if you took action on chemical prices, you would have to take action against the chemical companies. And those are your friends. Those are the ones that you're more interested in protecting, not the farmer.

And, Mr. Minister, if you want farmers on your side, and you want them to elect you again, it's not going to be with committees and with promises and no action. Nor will that advertising that you're putting out going to elect you. The advertising is not going to elect you either. But the farmers are wondering how long they're going to be able to survive with more loans, and nobody really fighting to try and make them survive. We don't need less farmers in this province, the way you have suggested when you were an economist or a professor at the University of Saskatchewan. What we need is more farmers, not less farmers.

And I think if you went into rural Saskatchewan and talked to even the bankers out there – and I've talked to some of them – they are saying, the small communities in Saskatchewan need more farmers, not less farmers. If the small towns are going to survive, is some of those banks are going to survive, and if the implement dealers and the small-business men are going to survive, we need more people living in rural Saskatchewan.

But you are saying we need less. And I don't think the farmers understand exactly why you're saying that. They don't think that we need less farmers out there. We should be trying to keep more farmers on the farm, and we should be trying to get more farmers into farming, but not to get less farmers into agriculture. That has been the policy of the conservative government for many years now. It's just that they haven't been able to convince the farmers and to convince the business people in the small towns that what we need is less farmers. You haven't been able to convince them to do that. But you're certainly working on it. You've been working on it for the last 15 years.

And governments, both federal and provincial, continue to do that. And it started working a few years ago. Farmers believed some of what you were telling them. And they tried to get bigger, and they figured somehow that 's going to make them survive. Well a lot of them learned that that' s not true. They found out that when they tried to get big, a lot of them went bankrupt. And I think it's going to be a lot more difficult today to convince farmers that they should get big. And what you should be doing is telling them how they can survive at the size that they're at right now. That's what you should be saying to them, not telling them to get bigger, and not telling the smaller farmers to get off the land if they can't afford the high price of chemicals or fertilizers, or the high price of land, or the high price of equipment. Don't tell them that because everything is so high that they have to get out of it. You should be looking at how we can bring down those input costs and keep all of those farmers on the land.

Mr. Minister, some of your colleagues are saying, what do you think that committee was all about? Well, Mr. Minister, I didn't go to that committee and I wasn't part of

that committee. But I know all of that without having gone to that committee. It took your members, sitting on a \$128,000 committee, to learn what the problems in agriculture are. Well, I'll tell you, you people have some expensive tastes when it comes to learning what people need or what the problems are that farmers are facing. You needed a \$128,000 committee to go and see what the problems are. There isn't anyone on this side of the House that doesn't know what the problems are. It's just a matter of dealing with them, Mr. Minister.

And the former minister . . . No, pardon me. It's not the former minister of Agriculture. It almost sounded like him. It's the member for Saskatoon. And he says, you've got all the answers. Well, Mr. Minister, I don't think that everybody has all the answers, or anybody has all the answers. But I think if we work together with the farmers, with the business people, with the farm organizations, we could come up with some of the solutions. But you don't believe in listening to the farm organizations, or sitting down with all of those people involved and coming up with a solution to the problems.

You put out committee after committee, study after study. You waste hundreds of thousands of dollars, and not for the benefit of the farmers but for the benefit of those people that sit on those committees. That's the only ones that really benefited on that committee.

You're saying that you're going to be bringing down a report some time. Well they went on that committee early this spring, and they spent all that money listening to the problems of the farmers. But are the farmers going to see any benefits from that this year? Those farmers, the taxpayers of this province, the farmers, the business men, the workers – they're paying the taxes for those committees. They are paying those taxes. But are the farmers going to see any benefits from that? Not in this year they won't, and by next year there will be an election.

An Hon. Member: — Maybe. I wouldn't assume that.

Mr. Lusney: — As some members say, maybe; we won't assume it. Well, I think they're certainly right. We can't assume that there will be an election this year. But it's going to be a while before you come out with some positive steps to try and help the farmers.

They certainly won't benefit this year any more. Because they haven't seen the fertilizer go down, nor the chemicals going down. You haven't come up with any programs to assist that.

And you'll say that \$25 is supposed to do all that. Well, Mr. Minister, I've never taken a loan from the bank or from a government or anybody else, that really brought down the cost of any of my inputs.

An Hon. Member: — Did you ever pay one off?

Mr. Lusney: — Well one of the members, the member for Moosomin, sits there and he says, did you ever pay one off?

Well, Mr. Minister, I've done a lot of things in my life. I've

been in business and I've been in agriculture and I don't think I have any creditors after me. Never have, and I don't think I will. But I'm not so sure about the member for Moosomin. And I won't bother asking whether he has paid any off or not. I'm really not interested.

Mr. Minister, do you have in your policy or in your program anything in there that would limit farm size, or would increase farm size? Are you looking at or contemplating what you suggested at one time before, and that's to eliminate a certain percentage of the farmers? And that would mean the small ones. And that would probably mean that you are looking at larger and larger farms.

Mr. Minister, what really is your policy? Because I don't think anybody at this point knows what your policy really is. At one time you said that you wanted to get rid of a lot of farmers, you wanted to get rid of a lot of farmers. Now you're the Premier of this province and we don't hear you saying that you want to get rid of the farmers any more. But what you are doing is coming up with a loan, like you did this year, and you're saying to the farmers that don't really need the loan: you can get it quite easily, no problem, just fill out the form; no security required, nothing.

But yet you're saying to the farmers that have some debts, that are in trouble, the ones that need something to help them survive, you're saying to them: look, you owe the bank money, or you owe the government some money; you can't get it; so that means you are going to have to go under. Sorry, we can't help you. That's it; you're finished. So that means some of these farmers are gone.

(2100)

Is this the direction that you're heading in, Mr. Minister, where you want to eliminate all the small farmers and any of those that are in trouble without providing that assistance to them. Because those farmers didn't get the help this year. They were refused it because they owed money. They didn't get lower chemical prices; they didn't get lower fertilizer prices. Those farmers are not likely to survive.

One can only assume, Mr. Minister, that what you are saying is that you're still convinced of your former statement years ago, when you were the economist and a professor at the university, that we need to eliminate a good portion of the farmers of Saskatchewan and we should be going to large farms only . . . (inaudible interjection) . . .

Now, Mr. Minister, the member from Moosomin sure is trying to get my goat, but I'll tell you, he can't. There's no way he can do it. He says if I was in another country and said that, that they would put a sword through me.

Well, Mr. Minister, I know that that is the way that this government thinks and the members of this House think. I know that is the way they would like to govern. That's the way they'd like to govern, and we've seen a very good example of that this evening when we saw what they tried to do when we were giving the Minister of Agriculture a hard time, the Premier of this province. They sent those

guys that would normally carry swords in other countries over to this side to try and do something to us. Well, Mr. Minister, we're not afraid of swords here.

Mr. Chairman: — Let's have order, please, because we're getting off the track again. I'd like the member to stick to the Agriculture estimates and members on both sides of the House to keep it down, and let's continue with that, okay.

Mr. Lusney: — Very well, Mr. Chairman, I'll get back to Agriculture estimates and not refer to what some of the members opposite are saying. But we know how they think and how they operate. They've showed us that quite well. We know how they think and what they think of farmers. They've made that quite clear. They've made that very clear, Mr. Chairman.

Mr. Minister, as I said before — and I asked you a question and I should have given you the opportunity to answer that, until the member for Moosomin interrupted.

Mr. Minister, is it still your belief that what we need in this country is larger, more efficient farmers, as you called them — you called the larger ones more efficient. Is that still your belief that this is what's required in this province, rather than more of the smaller farmers in rural Saskatchewan that could keep the towns going, pay the taxes, keep the implement companies going, keep the banks going, and we would have a stronger economy in total? Which one do you really believe is to the advantage of this province—the large farmer or more of the smaller ones?

Hon. Mr. Devine: — Well, Mr. Chairman, it seems like each member that gets up asks the same question, and so I'll have to go over the same answer each time they get up. If they'd listen to each other when they ask the question and listen to the response, they wouldn't have to go through the same thing again.

I'll point out that when we look at the results of the agricultural programs in the late 1970s and early 1980s, they resulted in us, in the province of Saskatchewan, losing 9,600 farmers, and the population in agriculture declined. And that's why the NDP was totally rejected in rural Saskatchewan in 1982 and they lost every seat but four — every one but four — and they lost it because they wouldn't help people that had high interest rate payments, 22 per cent, and they lost it because they wouldn't have any tax breaks on farm fuel or anything else.

And as a result, we see their programs that they're rekindling here tonight and yesterday — the land bank, which they say, there's only one problem with the land bank, it didn't have enough land — and this is the new NDP policy. And I believe it's important just to remind the hon. member that this is his solution and the reason that the NDP lost the election and are so unpopular in rural Saskatchewan today.

The former minister of Agriculture for the NDP, Mr. Edgar Kaeding, president of the Saltcoats NDP's solution, and his members, resolved that the NDP government institute a land transfer mechanism whereby a beginning farmer

could obtain a land base by means of a long-term guaranteed lease. Kaeding said the resolution stems from a problem with the old land bank program set up by the NDP when they were in power. He said it was an excellent program, except not enough land was available for distribution and that the land had to be leased for five years before it could be purchased.

So the NDP's solution in the 1970s and 1980s was not protection; it was the land bank. And now a new resolution by the NDP and former minister of Agriculture says, the land bank is great, only it needs to have more land, which means the government would have to buy more land. Now that's the solution and I'm glad it's clear, because you lost every rural seat in Saskatchewan in a general election because the land bank was the issue and people rejected it. But you philosophically believe that that's the thing to do and you've got a new resolution on the books.

The second thing is that you have had resolutions in the NDP party saying that you will limit farm size – limit farm size. So we've got two very important strategies in the NDP platform. One is to limit farm size, and you're on record that you want to limit the size of the farm so if somebody wants to buy another quarter, if he's got a section or a section and a half, no, you're going to limit farm size; keep them all to a quarter section. And the land bank policy. So now the government will own the land, or if you want to expand, you can't, because the NDP would make sure that they're going to limit farm size.

Now that's your solution. Well, as a result of that, you lost the favour of rural Saskatchewan, and you're still promoting those same policies because you believe in them. In your philosophical heart, that's the case.

Well then the hon. member goes on to say – and I think this is important – the hon. member goes on to say that he believes in free enterprise. He calls himself a socialist and now he believes in free enterprise. Well he can't have it both ways . . . (inaudible interjection) . . .

Well, Mr. Chairman, there's the classic answer from the NDP today. They have no direction; they have no policy. And he says, he's a socialist and he believes in free enterprise and that's called democratic socialism. So it's free enterprise and social. Well you can't have both. I mean, I can get you a textbook definition or a dictionary and describe free enterprise and describe socialism; and the member from Pelly says, well he believes in both.

Well, Mr. Chairman, I want to read you – because the Leader of the Opposition says that every year at the NDP convention he has a renewed mandate to live up to the Regina Manifesto of 1933, which describes the party platform. Well here's what those that say that they're in favour of free enterprise believe. This is the Bible, if you will, the manifesto behind the NDP and democratic socialism. It says, and I quote:

We aim to replace the . . . capitalist system . . . by a social order from which the domination . . . exploitation of one class by another (class) will be eliminated, in which economic planning will supersede . . . private enterprise and competition . . .

And he says he believes in private enterprise – and the very foundation of his party and his resolutions every year saying that, we will design a system that will eradicate capitalism and free enterprise and competition. No wonder the NDP has . . . people wonder where it's doing. They say that they support the Regina Manifesto and that's their roots; and the very roots say they got to eradicate capitalism, competition, and free enterprise.

And it goes on to say, Mr. Chairman – this is an interesting comment about the philosophy:

No (socialist democratic) government will rest content until it has eradicated capitalism and put into operation the full program of socialized planning . . .

Well, Mr. Chairman, the member opposite is a little embarrassed because none of the free enterprisers are going to support him. And he says now that he's both a free enterpriser and a socialist. And the leader of the NDP party goes back and says he has a renewed mandate to live up to the Regina Manifesto, every year; and the Regina Manifesto says quite clearly that the objective is to eradicate free enterprise and competition and capitalism, and replace it with complete social planning. Well, Mr. Chairman, you can't have it both ways.

The NDP didn't know what they were doing in 1982. They don't know what they're doing today. They have no plan for agriculture. All they can do is say, me too, me too, me too, when we initiate programs.

Well I guess I can point out – and the hon. member raised the point with respect to farms. I'll repeat, because the member from Assiniboia-Gravelbourg asked the same question; the member from Quill Lakes raised the same question; and the member from Pelly raised the same question. But they don't listen to each other, and they don't listen to the response – 99.62 per cent of all the applications for the \$25 an acre has been allocated and received. Less than one-half of 1 per cent – 0.38 per cent of the applications didn't receive it; 99.62 per cent of all the people in Saskatchewan that applied for it received the money.

Who got left out? I mean, nobody got left out. And I'll say it to every member that asks the question . . . (inaudible interjection) . . . You haven't asked yet . . . Well the member from Athabasca says he hasn't asked. Well I'll provide him with the same information.

Similarly with respect to bankruptcies. The province of Manitoba has a 50 per cent rate of bankruptcies over Saskatchewan's – 50 per cent more. They didn't have the drought and the grasshoppers, and under an NDP socialist, Regina Manifesto, government that wants to institute land bank, limit farm size; has a bankruptcy rate that is 50 per cent higher than the province of Saskatchewan, and we've been through the difficult times.

So in terms of assistance, 99.62 per cent of the people who applied for it received it. Our bankruptcy rate is

essentially a fraction of what it is in Manitoba.

And concrete programs. The member from Quill Lakes asked what programs have we initiated. What programs have we initiated that put money into people's pockets? He says we didn't do anything; it's just talk. Well I had to outline them for the member from Assiniboia-Gravelbourg and from Quill Lakes, so I'll do it the same for the member from Pelly. He didn't want to listen but we'll provide it.

We've got a livestock cash advance which provides zero per cent interest rates. We've got a livestock tax credit, 1986 which provides cash in the pocket because of tax breaks. We've got a feeder association loan guarantee which provides money directly into farmers' pockets. We've got a feeder-to-finish market insurance for the first time in Saskatchewan — direct cash; the cow-calf-to-finish market insurance program. We have agricultural credit loan programs — 8 per cent money for 15 years which is cash in people's pockets.

We have changes to the Crown land agricultural sales policy which means now, Mr. Chairman, we sell land to farmers rather than the government buying it for land bank — exactly the opposite — and we've set records during some difficult times, record in land sales to farmers.

Cattle movement assistance for 1984-1985; the prairie livestock drought assistance program; the livestock drought assistance program.

And then we have direct assistance — the farmers oil royalty refund which now allows farmers to pick up farm fuel at 20-some cents a litre; the farm purchase program at 8 per cent money; counselling assistance programs for farmers; The Farm Security Act that you didn't initiate and we brought in; natural gas distribution system that cuts the cost for farmers, directly in their pocket; individual line service for rural Saskatchewan people all over the province; burying power lines to make it more safe and more efficient; irrigation assistance in 1984-85; the production loan program — \$1 billion out, at \$25 an acre, at 6 per cent money; grasshopper control — R.M.s receiving \$8.5 million; special disaster assistance; crop insurance adjustments.

And those are the things that we've done recently and that doesn't mention a brand-new agricultural college in the neighbourhood of 79 to \$80 million.

Now you put those packages together, Mr. Chairman, and for the member from Pelly who didn't listen when I went through it before, I'll outline the benefits.

If you're an average farmer with a section and a half, and you have 500 acres of pastures and 125 head of cattle, these are the benefits you could receive. This is cash in your pocket — net cash. And if anybody wants . . . I'll have to do it every night, if you can't listen to it the first time.

The prairie livestock drought assistance was \$48 a head, which is \$6,000; at \$60 a cow, it was 7,500. Moving cattle was \$1,000; the cash advance was \$3,562. The

production loan program was another \$1,500. The oil royalty refund was \$650. The cow-calf-to-finish was \$6,231. The farm purchase program was \$6,000. The loan program was \$8,000. The livestock tax investment credit, \$2,000. And the natural gas program saved him \$2,325.

That's a net benefit for the average-sized farmer in Saskatchewan of \$41,718 — \$41,718 just in this last year for an average person to receive the kinds of programs we put forward. And you didn't even come up with a dime when interest rates were 22 per cent. And you have the audacity to stand in this House and say: what am I going to do for agriculture?

(2115)

On top of that, Mr. Chairman, we'll go back and we'll look at the response that we received from the federal government. Taking the tax off farm fuel; higher priced domestic wheat; freight rates frozen; elevator tariffs. Those first two are worth \$250 million. A large western grains stabilization package; 6 per cent money with the Farm Credit Corporation; new bankruptcy legislation; drought payments; flood payments; removal of capital gains tax, \$50 million; action on beef imports; the crop insurance payment of \$640 million — that in itself is a combination of \$1.1 billion.

And the deficiency payment of \$1 billion, and approximately 7 to \$800 million with respect to the western grains stabilization program, you're talking \$2.50 to \$3 a bushel increases with respect to programs that have been initiated the last 18 months.

Mr. Chairman, I have been through these programs with every single, solitary member of the NDP that asked the same question. I go back and say politically, philosophically, they're in favour of the land bank and limiting farm size. That's what they do. If you want the list of programs, Mr. Chairman, I'll list the programs from now until the 1st of September. I'll list them, and these are the things that put cash in peoples' pockets. On average, \$41,000 a farmer — on average — if you were in these programs and took advantage of them.

Well, Mr. Chairman, when we put those kinds of programs forward, concrete programs, and the NDP obviously didn't have any ideas in 1982, and have no new ideas now, I can only say, Mr. Chairman, I can repeat the programs. I can list them. If they want to get into the political philosophy, I can go through the entire Regina Manifesto that outlines their feelings on free enterprise and competition, and I'd be glad to do it. If they want to . . .

Mr. Chairman: — Order, please. Order, order.

Mr. Engel: — Mr. Chairman, I was listening with interest to the Premier talking about the Regina Manifesto, and I'm glad you went through some of these details, and you were talking about how the socialist philosophy was to eradicate free enterprise. Well, you get back to about that same time period, Mr. Chairman, and your forerunners, the former Anderson government, and the PC government was in place Mr. Premier. And I think I'd far

sooner take the history and the roots of our party that date back to the Regina Manifesto, than the roots that date back to your party. I kind of think I much, much prefer the roots that our party grew out of than compared to what the first Anderson government did.

Let me give you one example, Mr. Premier. I know very well a gentlemen here in the city now – he's living in Regina – the Anderson government paid him 50 cents a tire for gathering up used tires. And guess what they used them for, Mr. Premier? That's where your roots came from he got paid so much a pole for putting up posters for the KKK. This is story he told me. Then they gathered together and they took these tires and they'd burn a cross. That's where your roots come from, MR. Premier. That's the former Conservative Party that . . . that's history that you guys should know. That is history you guys should know.

When he wrote his Grade 12 exams . . . And I'll tell you what his name is, it's Emil Lautermilch – 75-year-old gentlemen here in the city. When he wrote his Grade 12 exams in Gravelbourg, do you know what they did? Do you know what they did, Mr. Chairman? He went to the convent and the nuns were disrobed and the crosses were taken down, amongst the former PC Party.

Your Premier talked about the Regina Manifesto and our roots. I want to give you a little history on your roots and on the roots of your party. And I want to tell you, I'm not proud of the history of the Ku Klux Klan in Woodrow and where they burnt the crosses. I'm not proud of that history, but I know the details of it. And I know how the Conservatives operated then. I know how they instilled fear into the hearts of farmers then, and I know the threats they made then.

Mr. Chairman: — Order. I believe that the speaker should get back on the topic of the estimates . . . (inaudible interjection) . . . I believe that the speaker should get back on estimates, and we will certainly make more progress if we do that.

Mr. Engel: — I want to respond very explicitly to the Premier's statement about the Regina Manifesto and reading expressly into the record that we were going to eradicate free enterprise. Well, I want to tell you, I'm proud of the Regina Manifesto and the roots of our party.

Are you proud – are you proud of the KKKs? Are you proud of your forefathers and your party that took the crosses down in the Catholic church, in the Catholic schools? Are you proud of that?

You talked about the Regina Manifesto . . .

Mr. Chairman: — Order. Order. Order. I believe once again, as I said before, that I would ask the speaker to get on to the topic of estimates and I believe we will make more progress in the House if we talk about estimates and Agriculture, which is what we're here for tonight.

Mr. Engel: — Well, I kind of think that the public that's listening tonight will know how fair the rule is, and if you want us to have one set of rules for us, and another set for the Premier when he answers the questions, I'm

wondering if you would comment on the Premier commenting on the Regina Manifesto. I would please like to know if that was in order.

I listened in our office down the hall; I listened to him talk about the Regina Manifesto. I walked in here; I sat in here for five more minutes, which is 15 minutes, when he went on and on about the Regina Manifesto. Can I have two minutes to respond? That's the question to the Chair?

Mr. Chairman: — I don't intend to get into a debate on that particular topic. My interest is that the debate on the estimates of Agriculture proceed tonight, and I believe that that is what I am trying to accomplish in the Chair here tonight. Therefore, once more, I ask the member from Assiniboia-Gravelbourg to please carry on with estimates of Agriculture.

Mr. Engel: — Farmers, farmers in Woodrow, farmers in Woodrow in – I'll abide by your ruling – but farmers in Woodrow in 1930 – it was during the Anderson government – were paid 50 cents a tire for collecting tires for the KKK to burn crosses. That's your history, and I am abiding by the ruling as to the agricultural estimates. In those days things were tough, and some guys, because they got paid 50 cents, gathered up old tires to burn crosses.

Today, things aren't quite that tough, but I want to tell you, Mr. Premier, if you want to get out and flout falsehoods and stories, I can read from Dale Eisler's report in the Leader-Post, and different stories that the media have taken a stance on how much of it we can believe. You talk about how many acres I and the member from Shaunavon farm. Those were exaggerated by 400 per cent . Four hundred per cent exaggeration, and the people are supposed to believe you when we get into the details of the estimates.

Mr. Premier, if you have one set of rules for you, that abide by what you can talk, and another set for the opposition, I think that that is very, very interesting, and we have opened up the debate tonight on the political history of our various parties, and he's challenging me. He's challenging me to stand up and say what that was all about. Well, I want to say, I'm proud of our roots. I'm proud of where we took this country, and where we started on the depressed condition of farmers.

But I'm not very proud what the Tories did, what the Tories did when they burned crosses in front of my neighbours. I'm not proud of that. I'm not proud of the fact that when my uncle and my forefathers went to write their exams during those days and the nuns were disrobed and the crosses were taken out. But that's your history, and those are your roots, and that's as far as I'll carry that one.

But I think that you are trying very hard to look for an issue and to seek to evade the issue that is really at stake, the issues that are really at stake in this, the issue is that . . . you want to know what the issue is? Well let me tell you what the issue is. We should have had an election this spring, and we would then have had the people of Saskatchewan deciding whether they want more of these kinds of policies or not.

You're stretching every rule of the book trying to govern when you haven't got a mandate to do so. You're trying to implement programs, yet you haven't got a mandate. You appoint committees, you appoint committees after the time has expired to do another study. You studied and dithered all through your term of office, and I want to tell you, the farm community is more depressed now than it ever was.

I will concede to my colleagues who have some questions that they want to deal with specifically on some farm in the North. Are you ready on that one?

Mr. Thompson: — Thank you, Mr. Chairman. I only have a couple of questions, Mr. Minister, and it's regarding the irrigation system that you were going to put into the government far at Ile-a-la-Crosse. I wonder if you could just give us an update on that irrigation program on your government farm.

Hon. Mr. Devine: — Mr. Chairman, I don't have specifics on that irrigation program. We will be glad to dig it up for you and provide it. Or if you could give me just a little bit more detail on what specifically you're after, maybe it will help us identify it. The costs of the pulps, or what? What are you looking for?

Mr. Thompson: — It was an irrigation project on the government farm that was going in in Ile-a-la-Crosse. I see they had the equipment moved in there, I believe, last summer or the summer before. And I just wanted to find out where that system was at this time, and I wanted to find out how much money was involved in that project. If you don't have that information, if you want to provide me with that information in writing, then that would be fine.

Hon. Mr. Devine: — I would be glad to provide the information. I don't have it with me, but we'll get it and we'll send it across.

Mr. Thompson: — Your officials are aware of the project, are they not?

Hon. Mr. Devine: — They're not aware of the details that they would need to give you an accurate response. So rather than give you something less than the total picture, we'll go back and dig it up, and we'll find out exactly what it is.

Mr. Engel: — Just a couple of specific issues on the farmers' taxing that I think you're overlooking. You're trying to add up all the programs and saying that the wheat is going to be worth so much if you put it all into it, but how should the farmers consider the scrapping the property improvement grants, for example? You know, \$675 a farmer, small-business men, and the renters, and so on. You know, you took \$80 million out of rural Saskatchewan with that program.

Your flat tax costs \$100 million, you know. There's a \$180 million there on the negative side of the ledger that I think . . . What do you feel, should the farmer borrow that additional money too? Is it 6 per cent or what? You know, why keep hitting farmers with those kind of deals that, again, expressly relate to . . .

A farmer that lost \$675 and farms a section of land is hit pretty hard on his taxes. Half his taxes, you've taken away on him, and that he's made to pay twice as much because he doesn't get that property improvement grant. The farmer with 4,000 acres, \$600 is peanuts, you know; it's 10 per cent. So your programs were geared and designed expressly . . .

On that one with the property improvement grant, I think the only way you can direct any universal program, that everybody gets it, but to direct a program that affects the small farmers, it's got to be in a form of a rebate so you can give him more in case he'd have a scale property tax.

I'd like to see a property tax saying that on the first section it's maybe 20 mills and after the next quarter 40, and the next quarter 50, and so on. That would maybe do it, to help the guy out and to stabilize and give him a chance on his farm. I can't see why you can't understand that kind of concept on delivering programs to farmers to encourage more people into farming. I really wonder why you wouldn't consider that.

(2130)

Hon. Mr. Devine: — Well, Mr. Chairman, the hon. member said \$660. I mean, he's double counting because the year before we took the home quarter tax we paid. That's the first time that that was ever done to help farmers. You never do that. And we did it in a short-term period . . . (inaudible interjection) . . . No, but you didn't. No, you didn't. Mr. Chairman, it's on average, it's about \$330 is what your property improvement grant would be worth for farmers, and there's a limit on that — okay? — \$330.

Now there are many things that we have done that would more than compensate the fact that there is \$330 per farm — or say average \$300 per farm — that is not there. I mean just the rural gas distribution system alone, and the cost savings on energy, is more than that alone. The package that I just read to the member from Pelly is \$41,718 per farmer, and on average, when you take the summary of the agriculture booklet that the member from Athabasca is looking at, it's \$36,000 per farmer, and you're asking about a rebate mechanism that was \$330.

Now many people have said to us, we want to see interest rate protection, cash in our pockets, and the various kinds of things that can reduce the farm costs like fuel, like interest rates, like chemicals, natural gas, individual line service, and all of these things. I mean just the public utilities programs are \$1.5 billion in rural gas, telephone line provision, individual line service, and burying power lines — major projects. So we have said we will reduce the grants. And the rebate mechanism, where we hire lots of people, you would collect your taxes and then you're rebated and collected and rebated — which is rather a poor way to administer money — and say we will give it to you directly. And our programs, directly, on average is \$36,000 a farmer.

So in the comparison people are telling me around the province they don't like the grants. They don't like grants

and rebates. If you can give me the cash right up front and show me what's going on, if you can cut my costs so I know that fuel is going to be lower, if I can cut the chemical prices or the fertilizer, or if I can get my energy cheaper, like in a rural gas — they said that makes more sense. Don't get into a whole bunch of hiring many, many people to have grants and rebates and sending cheques back and forth to each other. So when we looked at the kinds of programs that we've initiated, they are those that go directly into the farmers' pocket and obviously make a difference.

Now with respect to the flat tax, flat tax is to make sure that people, who don't pay any income tax at all, pay their fair share. And we got 90-some per cent of all the people that didn't pay any tax at all, now pay their fair share, and the reduction level, we get them all so that we can make sure that we can have everybody contributing to the tax system. And I believe you think that's fair and so do I. So the flat tax is to get those people that didn't pay, and there are thousands of people and thousands in Canada that didn't pay any tax at all, but in Saskatchewan the wealthy, that dodged all the tax, now have to pay some tax, and that's why we initiated the 1 per cent flat tax. At the same time we took 1 per cent off the income tax.

Mr. Engel: — The Premier is giving too much words. You should shorten your answers a little bit, please. Why didn't you apply this same principle to your fuel tax as you said to the property tax?

You know, you talked about us and questioned the opposition before because we have one set of standards for one thing and another for another, and you accused us of that. But what do you do in the fuel tax? You say to the farmer, get a rebate, collect a rebate. Now if you give everybody the same amount of rebate, I'd say you're half fair, but here you develop a fuel tax rebate program, and you say to the little farmer, tough luck, the first half of the fuel you use isn't going to qualify for a rebate. You use half your fuel up, pay the full price, and then on the second half you get a rebate. You know, you made a deductible instead of giving the small farmer a break, and giving him a little more rebate than the guy that can afford to buy a million gallons at a time, you say to the guy, the first 1,500 litres don't qualify. You've got to save your bills till you get beyond that point, and then when you've got a big bill, we'll give you some rebates. You know, you talk about two standards. I'm just trying to emphasize a program and the point that all your programs are geared for the wealthy.

Even the fuel rebate is a better advantage for the guy that uses thousands of gallons because the first 1,500 litres is peanuts, but some farmers that farm three-quarters of land don't get a rebate on the first half of the fuel they use. That's not fair. Not fair at all.

And in one point he says, oh we can't give you the property tax. We can't give you the property tax because guys don't like applying for a rebate. They don't like applying for a rebate on their property tax, and yet you do it on the fuel.

Why didn't you do like we suggested and take 32 cents off at the pump, right at the bulk station. Why didn't you take

it off right at the source? Why does a farmer have to pay for it and then afterwards he gets a rebate? You know, you're double talk. You've got one story — you've got one story for the opposition and another set of rules for yourself, just like we operate in this House.

If our member say something and get off track, oh boy, we've got to get to order. You can talk about anything under the sun and get away with it, and the same thing with your program. You can have any kind of standard that suits your fancy and it's great. We don't like rebates for property tax, but we like them for fuel. In fuel we don't give rebates to the little farmer. Because the farmer only has a small market garden, uses 1,500 litres a year, he doesn't get a rebate, and he's the one that needs it the worst. He's the one that needs it the worst.

So, Mr. Premier, the point is loud and clear and well understood by farmers, that you've got a different set of friends out there that carry the big purses, and they're the ones that get through to you and they're the ones that tell you, don't bother with an \$80 million property improvement grant. That \$80 million is wasted. You don't need to spend that on property improvement grants. Don't give them the \$80 million; don't give the farmers the \$675 on their home quarter rebate.

You know, I really got worried. When I heard through the rumour mill that you're taking off the property improvement grant, I started getting worried and I thought, oh, oh, they're going to really beat us because they're not only going to take off tax on the home quarter; they're going to take off tax on the home quarter; they're going to take all the school tax off it and transfer the property tax, you know, away from property to pay education. And I thought, well now there they've got one that they're really out-socializing the socialists. And what do they do? They took them both off. I couldn't believe it. I didn't think you'd be that dumb. That was a bigger mistake than your car tax. It was a bigger one because the farmers are madder about that. You decided to repeal the used vehicle tax. You decided to take that off. You're not getting it back to the farmers.

But I want to tell you, you did more harm, by taking off your PIG (property improvement grant) grants and scrapping those property improvement grants. You did more harm scrapping those than you did with your used vehicles tax, because those taxes had a way, those rebates had a way of making their way into farm hearts.

And I'm glad you agree with me. You give me the signal that you said, yes, I'm right, that the NDP with that commitment are turning the tide around. They're turning it around with the small farmer saying, we can't afford these Tories and their deficit any longer.

Mr. Minister, would you send over the amount of trips you took around the province and outside of the province, and the value of those trips, and who flew with you, and how much your staff did. The flying expense of your major people. Send us that over.

And I'd like to know, I'd like to know the price of these little booklets. You know, you did some pretty fancy literature out in the country with your mug shot on the lot of them. And a lot of that stuff's going out, and every time

they look at this they say, gee, I wish that guy would have called an election. But the more stuff you send out, the more times they say, hey, this guy's the guy that should have called the election. That's the guy that should have called the . . . You should have had the courage.

One of your relatives told me the other night that it's just a matter of ego—if he just wouldn't be quite so proud he might have called it. And I think he's right. I wish you would up and call it.

But send us the information over on that, and then the other . . . The other piece of information that I think is worthwhile, is what was the total . . . (inaudible interjection) . . . Yes, that's a good one. What's the total advertising costs for the Department of Agriculture? Did you hear that question? The advertising costs in total for the Department of Agriculture.

You must have those numbers because we've been asking them of all the other departments. If we can get those information's I think we're pretty well ready to go line by line.

Hon. Mr. Devine: — Well, Mr. Chairman, I certainly will provide all of that information that the hon. member wants with . . . just as quickly as we can dig it up. The cost of producing the small information booklet on the programs was \$21,500, or about 20 cents each. So the cost of producing and distributing 105,000 copies of the Saskatchewan agricultural assistance brochure was \$21,500, or about 20 cents apiece.

As I quoted in the legislature before, the editor of the *Reader's Digest* says:

I want to thank you for the information on the booklet about agriculture. I've read many government documents in condensed and uncondensed, and I find this one impressive in respect of the information that it gives and of the way the information is organized.

And this is Alexander Farrell who is the editor of *Reader's Digest*.

So if people in the publishing business can call it generally pretty fair and one of the best he's seen, I think it's reasonable. And farmers like it because they can look up any of the programs that they want.

But I'll get you the information on that. And I'll get you the information with respect to my travel in Saskatchewan and the places that I've gone and the meetings I attend, and outside as well.

Mr. Engel: — I have one more quick question that . . . the next MLA for Rosthern wanted some information.

He's quite concerned about the deep cuts in staffing and funding for the dairy herd improvement and the provincial rate of production programs. This apparently is a big issue in his area and I was wondering if you could tell me . . . I've got Estimates here for '84-85, '85-86, and '86-87, and I see you're slashing the amounts there. And is there a reason why you're cutting back on the deep cuts

in staffing and funding for the dairy herd improvement program and the provincial rate of production programs?

Hon. Mr. Devine: — Mr. Chairman, we are amalgamating the programs with the federal government and ROP (rate of production) programs, and we're putting together what we believe will be a better package. So it's a combination of moves with the federal government and ourselves to do an even better job.

Mr. Engel: — Well I can't see how you can do a better job with less people. There's some concern in the Rosthern constituency and Edgar Epp raised this with me, that he feels that the cuts in staffing . . . There's enough problem with milk quotas and dairy herd improvement programs already, that that area couldn't afford any more cuts in staffing there. Can you just give me a quicker summary that I could send to him on what your federal . . . the combination of that program is going to be about?

Hon. Mr. Devine: — It's the industry itself that wants to take over the whole program. And the head of the organizations have been recommending that we move this way in co-operation with the federal government and with ROP testing and everything else — that we put together a better package under more control of the industry. And it's at their request that they were doing this.

So the suggestions are coming in saying, we can do a lot better job; let the industry control it more. And they're initiating these moves and are in support of them. So I can give you the names and addresses of individuals who have suggested that we make the moves in this direction.

Mr. Yew: — Thank you, Mr. Speaker. Mr. Minister, I want to raise a few points here, before we get into estimates in more detail, with regards to the farming units in Cumberland House, Green Lake and Ile-a-la-Crosse. My understanding, when those farms were set up, Mr. Minister, was to provide training to local community folk in those four communities so that they could gradually learn the ropes in terms of being farmers, getting to know more about agriculture, etc.

The farming units in question have now been in the records approximately since 1940. To this point in time, Mr. Minister, there's some confusion in the minds of many of the people at the community level. For one thing, the training in some areas has been provided; some jobs have been provided. But the question of getting local people involved into mixed farming on their own, that hasn't come about. The farming units in question are still under government control, Mr. Minister.

(2145)

And to this point in time, I was talking to a good number of people in Cumberland House who did try their hand at mixed farming, raising hogs, cattle, and some poultry, and did manage to get their hands into some capital to buy some machinery. But all in all, with the way the economy is going, they've had to fold up. They've ended up paying huge debts with regards to the assets they had, debts to Revenue Canada for things that they ought not to have been charged for. And I want to know, Mr. Minister: what is the policy today with regards to those farms in

question?

Hon. Mr. Devine: — Mr. Chairman, the operation of the northern farms is continuing. We are still using virtually all local people. We may have one or two that are not, from time to time. In 1985-86 the budget was \$1.419 million; '86-87 the budget is \$1.739 million — an increase of \$319,000 for northern farms operations, up 22.5 per cent. And all of that is directed at involving local people and in training and in introducing and improving agriculture and doing something for local people to get into agriculture in that area.

So in terms of the money, in terms of the commitment, in terms of the enthusiasm for the operation of northern farms, it's there. So there's no question about the commitment and we're quite prepared to see that we can do as much as possible, or more.

Mr. Yew: — Thank you, Mr. Minister. In terms of the current policy of your administration with regards to those farms, what is the objective now? The objective, as I understand . . . Further objectives that I understood were to provide food to the communities in the northern administration district, particularly the communities that have those training farms, like Green Lake, Cumberland House, as an example.

Can they get, you know, any fee for poultry or hogs from those farms whenever they need? That was one of the . . . I can't put it into the right perspective in terms of my English. You know, they were supposed to provide food for the communities directly affected at a lower rate than those provided for in the South. I wonder, Mr. Minister, if you can indicate to me, you know, what is the policy with that respect and what is your future plans for those farms.

And the next question I want to ask: is the Central farm in Green Lake and the Silver farm in Green Lake, the Cumberland House farm in Green Lake — are they in the red or are they making money?

Hon. Mr. Devine: — The farms haven't broke even on a cash-flow basis, particularly with respect to the development of the livestock industry, but it's getting better. And there we see significant improvement. And with respect to the products that are produced, they are sold on the market, the local market, for the entire public to consume. So it's marketed the way that any other farm does, to get the cash.

And the cash flow relates to your second question: are they making some money? Well obviously if they market the goods on the market, then they can measure whether they're doing it efficiently, effectively, and learn and improve so that indeed, we can be in the black in terms of operating the farms on a commercial basis.

Mr. Yew: — Just as an example, Mr. Minister. You know, you had quite a few concerns expressed to me by well over a dozen elderly people in Cumberland House that had worked those farms for a good number of years. When a new manager came in, a whole flock of new people got hired. The people I'm referring to, like Solomon Goulet, for example, has sons that work in that farm, or worked with him in his endeavours trying to get

himself involved in agriculture and in mixed farming, etc. What happened is that rather than allowing the sons of those people that worked there for years and years, new people were brought in. I wonder if that could be checked into, because those young people would like to follow in their fathers' footsteps and get more knowledge and get more involved in agriculture.

Hon. Mr. Devine: — Mr. Chairman, as the hon. member should know, the whole organization is unionized. And you can't bring in new people. And the union membership does not go from father to son, and father and son down the line. So there is no change that can be allowed with new management. It's organized; it's locked in. And that's the way it is. So you can't transfer it from employee down to his son or daughter or somebody else, under the union rules. So it's a union shop and they set the pace.

Mr. Yew: — Approximately three to four years ago, seminars were held, Mr. Minister, to decide the fate of those farms, whether sections ought to be turned over to people interested in farming. I wonder, Mr. Minister, what your policy is in terms of the future: in terms, you know, turning over sections of land and assisting the local people with livestock, perhaps hogs, poultry, etc. and working capital. Have you got any plans in that respect?

Hon. Mr. Devine: — Yes, sir, Mr. Chairman, I would like to see all of that land in private hands; homesteads developed so that people could purchase the land as reasonable as possible and start farms, livestock operations, and various combinations of things. I do not consider it as a state farm. I certainly don't consider it as something that would not be for sale. I won't throw it into an area called land bank or anything else. I would like to see it turned over to the private sector. And when we can see viable operations develop there with the various kinds of technology and varieties and new kinds of techniques — animals and breeds and what not — by all means, I would like to see it go to the individuals there, essentially a homestead system, and start it so the private sector owns it.

Mr. Yew: — Just one final supplementary, Mr. Minister. I get very worried when you start talking about the private sector. When you talk about the private sector, the only thing that comes to mind is the capitalist people like Peter Pocklington, the Weyerhaeusers. I will agree with you, if the private sector you referred to are the people at the community level of Cumberland House, Green Lake, and Ile-a-la-Crosse. Give them the option, give them the opportunity to develop those farms, but don't sell those farms to people from Washington, D.C., or Alberta. I caution you that, Mr. Minister.

One final comment: those farms, the people at the community level, the local government bodies of the various interest groups, regard those farms as an asset. They are an asset to those communities.

Hon. Mr. Devine: — Well, Mr. Chairman, the private sector means that individual families, private families, can own land — own land. And homesteading is exactly what we did when we started this. It was all started before you ever even heard the word CCF or there was socialism

in Canada.

The homestead Act was set up so private people, families in the area, could own the farm, own the land. That's what it means. I mean, perhaps if people would do their homework with respect to philosophy and understanding definitions, the private sector means family businesses. That's what it means. That's where I support the private sector. If you'd do your homework and say you support families, local families, local farmers owning property and land, as opposed to the government owning the land, maybe you wouldn't be sitting on that side of the House — you'd be sitting over here.

I mean, private property and free enterprise is family operations, private operations. So yes, I support local people, your local neighbours, privately owning homesteads — families, free enterprise, private families owning the farm and owning the land. That's precisely the way we started Saskatchewan, and I like to see all northern Saskatchewan have the same opportunity.

Mr. Yew: — One final comment, Mr. Minister. In terms of the private sector, you know, I stated my position. You know, I'm deadly afraid of Washington or the States coming in buying land and owning land, and having nothing but signs that say, "No trespassing." We've got signs over there that say . . . In the North, where my friends and my family used to trap, used to hunt, there's nothing but "No trespassing" signs or game preserve signs, or what have you.

And the reason I'm raising that question with regards to your philosophy, Mr. Minister, today, to this very point in time in your fifth year of office I still read notes . . . I still read papers that state, "Northern Saskatchewan still treated poorly".

That is a letter written by a councillor.

And here again I have another letter that was written by the mayor of Ile-a-la-Crosse, which, in part, said:

The minister responsible for northern and native affairs and the rest of his cowardly government will never be able to recognize the conditions of northern people, especially northern native people.

What they will recognize, however, is the need for more rape and exploitation of northern resources with out any proper restitution to us.

You know, that's written from a mayor. That was made public. It was a public letter.

Then I get headlines claiming, "Welfare claimed killing Buffalo Narrows natives". All kinds of real bad publicity since you took office, Mr. Minister.

Now, I'm very, very concerned about the high unemployment, the high welfare dependency rates in the North. Your government . . . The minister back there, initially that was responsible for northern affairs, said, well, we'll have an economic development strategy; we'll put it in place.

But to this point in time we still have high unemployment, high welfare dependency rates, and high incarceration of native people. I just basically wanted to point that out.

Hon. Mr. Devine: — That's fair enough, Mr. Chairman.

Across northern Canada, NDP, PC, Social Credit, Liberal — it doesn't matter what administration you have, in the northern communities you have higher unemployment: the same as Manitoba, same as here. And it's more difficult. It's a combination of things like we're doing: tourism, wild rice, mining, economic development, the whole question, and it's a balance.

So we are making progress as all Canadians are making progress. And we're concerned about it, and we're working as hard as we can and we will continue to direct our efforts to help people in farming, in tourism, in mining, in economic development and tourism. Any kind of package that will — forestry — a combination. A new technical school for example in Prince Albert is designed to train people with respect to all the possibilities in northern Saskatchewan, and that's going to be very important. So we have made some significant moves. There are still serious problems, I agree with you and we will stick with it and do everything possible. Any ideas we get from other jurisdictions or other places in Canada that have similar problems, we'll work together to work them out.

Mr. Koskie: — Mr. Premier, I, at one time, wrote to you in respect to a particular group in the agricultural field, and that is in respect to the vegetable growers who had considerable difficulty last year with a considerable amount of frost affecting their production. In examining the \$25 an acre that is paid out to the grain producer, that can be a fairly substantial amount, depending upon the acres. But if you take the vegetable growers, it's intensive and a very small amount of land is in production; however, the overhead and the capital expenditure is very, very significant. And I know as a fact that you had indicated in answering my request to take a look at this, that the deputy minister was in fact meeting with the vegetable growers. My information indicated that you were looking at — partly on my representation and the representation of the vegetable growers — you were looking at \$250 an acre to help those vegetable growers. And I was wondering if the Premier could give a report as to the disposition of that and whether you have in fact put in place a program for the vegetable growers?

(2200)

I may say just in adding, Mr. Premier, that in addition to that, in Manitoba they do have it covered apparently by crop insurance, and I know that representations have been made to your government to include vegetable crops under crop insurance. And so on those two aspects I would like to have you give an update please.

Hon. Mr. Devine: — Mr. Chairman, the item with respect to providing assistance to potato growers that suffered some frost damage, and particularly before they recognized it was in the field and they harvested it and put it in the bins and they find out, is before treasury

board. We're looking at a package that is \$250 an acre at a fixed rate of interest – 6 per cent money, because the \$25 an acre is at 6 per cent money. The potato farmer obviously has higher costs per acre, and they may range from \$800 to \$1,200 an acre, compared to dry land grain farming. So we believe that it's something reasonable.

And yes, we would like to get them into crop insurance so that we could have a system that is understood and automatic for all agricultural producers that they can count on. They pay their premiums, it's actuarially sound, and all the rest of it. So hopefully we can get them into crop insurance for next year.

Mr. Koskie: — Well, I appreciate the progress that's being made. I do hope that treasury board will in fact make an early decision because there are a number of vegetable growers that certainly need some assistance because of the consequences of early frost and a great loss of their crop.

There's one other area that I want to ask you, and certainly in respect particularly to farmers. In respect to farmers, Mr. Premier, we're really quite offended by the fact that you had a tax on used vehicles. And you indicated after the Regina North East by-election you came to the realization that it was basically a very unfair tax. And you indicated at that time that it would be charged no further on used vehicles – that you would drop this unfair tax.

I have found that a large number of people that really had to pay it were the farmers, the hard-pressed farmers. Because in our country the weather was considerably damp last year and a lot of grain had to be dried, and so a lot of farmers got stuck with 6 or 7, 4800 on the used vehicle tax – on second-hand vehicles, trucks, and they were rather perturbed at the way in which you did it. They wondered where you were – they wondered where you were when the tax was imposed. I mean you had to, as Premier, realize that the tax was being imposed. And if you could realize that it was unfair six months after you imposed it, they're wondering why you weren't able to understand that this tax was basically unfair when you put it into effect.

So what they basically are asking is that in view of the farming economy and how tightly the economics is for the farmers, many of them have written to you for reconsideration of the fact of whether or not you would, in fact, refund them this here unfair tax that you depleted from them. And I would really think in respect to the farmers it was particularly a burden of 600 or \$700, and therefore I ask you on behalf of those and the many, many that wrote to me, and I know wrote to you, because many of the letters were copied to you. I ask you whether, in view of the decree of your own making that it was unfair tax, would you consider rebating any of this money to the farmers who were required to pay it as a result of buying trucks?

Hon. Mr. Devine: — Well, Mr. Chairman, I appreciate the hon. member's question. We had a tax for a short while on used vehicles and we took it off. And we were satisfied ourselves that it was an unpopular tax, and as a result we moved as quickly as we could and we removed

it.

There was some benefit, obviously, as the hon. member knows, some benefit to the people that bought new vehicles and new trucks. They got significant benefit. I'm sure the hon. member wouldn't want us to take back that benefit when they traded in their used vehicles.

So I can say we looked at the tax; we had it on for a few months and we took it off. As he knows – and I'll raise this because it leads to the next statement – every other province in Canada has a sales tax on used vehicles that has a sales tax at all. Okay.

Now the reason I raised that to the hon. member is that when his leader, the Leader of the Opposition, was asked about his succession duties and gift tax, when he was asked about that, if the hon. member will recall, he said – and I'll give him the quotes from the radio show – he says, well we put succession duties and this death tax on because every other province had it on too. Well that was his response about a month ago when he was talking about it. And he never gave back 10 cents and it was \$28 million collected. Now his excuse was, well every other province had it. Well, I looked at other provinces that had taxes on vehicles, and I aid, well, we could be consistent, and so forth. But in Saskatchewan it was not right, and I stopped. And obviously the seven years of succession duties was not right, and finally it was stopped.

So we can saw it off. You had one on and you took it off because people said it was unfair. The excuse that your leader used is that every other province had it. Well, that may not wash. So we took it off and you took it off. You never paid a cent back; we never paid a cent back. Many taxes have been changed over time. Very few, when you make modifications, are given back because once you get into that, as you know, in succession duties and other things that you're into a whole pay-back schedule that is extremely complicated and confounded.

Mr. Koskie: — One final submission here, Mr. Premier. My colleague from Pelly asked you specifically what your sort of overall objective in respect to agriculture in Saskatchewan is, that is, your objective as to whether you are intending to put in place specific programs which will maintain the family farm, rather than the continuation of the increase in size.

There's no doubt about it that more and more older farmers are going out, and I now some younger farmers are taking place. But there's no doubt, I don't think, that there has been an increasing consolidation and an increase in the size of farms. This will have a very dramatic effect upon rural Saskatchewan if it continues because, as you know, it would decrease the base and the operation of many of the smaller communities.

I ask you this question in all sincerity because I think the people of Saskatchewan really want to know. I have a statement here that you, yourself, and I quote it made. And it says;

Realizing that most of our food is produced by less than 20 per cent of the farmers, society may not wish to support higher food prices or producer

security so that the non-productive 80 per cent of the farm population can live in the country at a profit.

Now that's a statement that you made in . . . by Dr. Devine, Agricultural Economics Professor, winter of 1977, the edition of the Saskatchewan Business Review. There was a clear statement by yourself indicating that 80 per cent of the farmers in this province were not economic – that they were being supported.

I wonder what your position is? Do you have an overall economic strategy, or will you allow further and further consolidation of farms? Or do you have a concern that the number of farms will eventually be decreased very substantially? And are you, in fact, in agreement with the statement that you made when you were economic professor at the University of Saskatchewan?

Hon. Mr. Devine: — Well, Mr. Chairman, my objective, as I'm sure the hon. member knows, with all the livestock programs, and the new emphasis on livestock and diversification, is to allow as many people into agriculture as possible. And I will say that the objective is to maintain a viable rural Saskatchewan with as many farms as possible, and to encourage operations that have livestock, that have grain, that have mixed, that have the combinations, to diversify and strengthen.

I would just point out to the hon. member, and it's . . . The consolidation rate under the NDP's administration was twice as fast and as rapid as under our administration – twice as fast. And the purchase of land and the size and the growth of land, it increased . . . for example, from 1976 to 1981, the size of a farm increased by 64 acres – 64 acres. In '81 to '85 it was half that – 32.

So the consolidation process and the growth and the size of farms, and in the loss of farms, was much more rapid during any four years of the NDP administration than it has been from '81 to '85.

Now what I'm saying, Mr. Chairman, is our programs, our programs have been extremely important in diversifying agriculture, and allow them to be strengthening and to keep people in rural Saskatchewan. For example, the 8 per cent money versus the programs that were there before, which obviously was that the government should own the land and so forth. So my objective – he wants an overall objective – my overall objective, my hon. friend, is to see as many viable agricultural units as possible in livestock, in grain, in combinations thereof that we can have in the province of Saskatchewan. And I believe you'll see it trending down, and to your administration it was trending up. It's now trending down so that there's definitely a levelling off in farm size, and you're going to see more and more agricultural units doing very well in their neighbourhood of a section to a section and a half of land because of a combination of livestock and grain and processing and so forth.

Mr. Koskie: — Well I really think, Mr. Premier, it's getting late, and you seem to be having difficulty in sorting out your facts. So I won't carry on much longer, but let it be recorded that you said it. You said this statement: realizing that most of our food is produced by less than 20

per cent of the farmers, society may not wish to support higher food prices or producer security, so that the non-productive 80 per cent of farm population can live in the country at a profit. Conclusively, you indicated that 80 per cent of our farmers were non-productive.

I want to indicate the lack of logic to your statement. You start comparing statistics. I'll tell you that the Tory record in this province doesn't have very much of a record. They're only around once every 50 years, as you know, 1929-35, and then they were extinct. And then 50 years later they resurfaced. So it's rather difficult in this province to really have much comparison.

But the other thing I would point out, Mr. Premier, that during the last, from '80 to the present, I don't think that agriculture has had a worse time. It's as bad nearly as the Great Depression. I mean that's every indication of the statistics and the research. I read you the statistics, and obviously during the period when there's a basic depression in agriculture, and that's the condition that the Farm Credit Corporation indicates, and that's the position that other research has done . . . (inaudible interjection) . . .

And we've the member from Lloydminster chirping again. He doesn't enter into the debate, but he wants to chirp. And if he wants to get on the floor and speak, then fine, he can do it. But otherwise, Mr. Chairman, if you would appreciate, I'll get on with the discussion if you want to keep that minister – member rather, not minister – member from Cut Knife - Lloydminster quiet. He's not in his own seat. He never has been this evening. He has continuously tried to disrupt the proceedings. And I'm sure that we would have been finished had the minister of Cut Knife-Lloyd and some of the other members would not have been so rude during the course of these proceedings.

(2215)

I want to say, Mr. Premier, that certainly the economic condition in agriculture is not particularly great at this time because of the decrease in the price of commodities and the ever increase in the cost of input to the farmer. And of course they're competing in the world market against the United States, which has brought in an agricultural Bill to certainly assist the farmers to about an equivalent of \$6 a bushel wheat. And the European market has done the same. And we have not moved rapidly to protect our farmers here.

So all I want to say, Mr. Minister, Mr. Premier, is that certainly you can't compare during the '82 to '86 whether there is much consolidation of farms, because they aren't buying. What the farmers are doing now is trying to exist, to continue. During the '70s, I'm telling you, there was great prosperity in the farming community. There's no doubt about it. There was very, very much. And it's very very difficult to, in a time of great prosperity when there's a huge amount of money infusion into agriculture as was in the '70s, to really have much effect on the direction that farming will go and the consolidation.

And so I want to point out that your figures do not make a lot of sense. As indeed some of your previous comments

that you ranted and raved this evening. But I again say that I take it since you haven't denied the authorship of this here statement, nor the contents of that statement, that you stand by it. And accordingly the agricultural people can take a look at it and will publish this statement and say that that represents the Tory party's position in so far as agriculture is concerned.

Item 1 agreed.

Item 2 to 5 inclusive agreed to.

Item 6

Mr. Engel: — Mr. Minister, regarding item 6. You campaigned and you talked with much fanfare, and you've been chiding us tonight about words. Well, I think in this item, under the item, as far as the irrigation branch, some words are in order.

I listened with interest to an economist on a broadcast this past week, talking about the value of getting involved in irrigation, and what it does for Saskatchewan and how much it costs and what the returns are.

And do you feel that you're changing your thrust because of the lack of really beefing it up and getting involved? I would have expected, I would have expected more than, more than that out of an — at least 10 per cent increase in a year would have indicated that you keep up with increased costs, let alone levelled off. The power rates went up more than that to the farmers. I think this doesn't reflect on what farmers are spending on irrigation, but it sure reflects on how much you're putting into it in grants. Are the applications coming in? And what is the reason why there is so little growth in irrigation when you expected so much from it?

Hon. Mr. Devine: — Well, Mr. Chairman, that subvote that the hon. member is talking about is just for extension people. So I mean, that's . . . Our overall budget in agriculture is up 100 per cent from last year to this year . . . (inaudible interjection) . . . Well just let me finish. Last year over this year . . . this year over last year, the budget in agriculture is up over 100 per cent.

With respect to irrigation-specific programs, it's up in the neighbourhood of almost 50 per cent. If you turn to page 24, item number 2, it was \$5 million last year; it's up to \$7.2 million this year — so, 100 per cent increase in the overall expenditures in Agriculture in our budget, and about a 50 per cent increase with respect to irrigation programs.

And third, that does not include an ERDA (Economic and Regional Development Agreement) agreement that was signed by the federal minister and myself worth several hundred million dollars on long-run irrigation projects and development for the province of Saskatchewan.

Mr. Engel: — I sent one specific question over to you that I didn't want to mention the individual's name, but he was asking me about it this week. Are you planning on granting these people along the Wood River some water rights, now that you've decided not to build a dam there for SPC? Is there a reason why their applications are being

held up as far as getting water? Have you a specific reason there because his application has been in a long time? He was assured that it would be approved and he bought both a line-type irrigation and a pivot. And he's expecting about \$15,000 — I remembered that number — in grants for his pivot, and nothing has been forthcoming.

Is there some reason for that delay, or is it being stalled? Or will you consider that the year he purchased it in, that that's the year — that's how much the grant was available — will he still get that when the water rights come through, or where is he at? Because things are fairly tight back on the farm, and they wouldn't have minded doing some irrigation, and you've even discouraged him along that line.

I believe he didn't get paid. I believe he didn't get paid on his line irrigation. Is that what you call it? The straight line — wheel roll — that's the word I'm looking for. Thank you.

But he didn't get paid his grant on his wheel roll either, but it was much smaller, lesser — less involved than the one that he's really concerned about. So if I could put that plug in for him to you directly, I wish you would look into that one and drop me a note back.

Item 6 agreed to.

Items 7 to 17 inclusive agreed to.

Item 18

Mr. Engel: — Those staff members were transferred to Consumer and Commercial Affairs in that, and Agriculture Implements Board is now going to operate out of that area.

If a farmer has a problem related to warranty on — that he used to deal with the Agricultural Implements Board — does that now have to go through the Department of Consumer Affairs, or is the Department of Agriculture still going to have people that get involved in how much parts they should have on hand and the kind of warranty and that type of thing they should be getting on their equipment? Where do they go for that? And has that been advertised?

Hon. Mr. Devine: — Mr. Chairman, the whole unit was transferred intact to Consumer Affairs, so that's where they go to get their problems resolved.

Item 18 agreed to.

Items 19 to 31 inclusive agreed to.

Vote 1 agreed to.

Consolidated Fund Budgetary Expenditure Agriculture Capital Expenditure — Vote 2

Items 1 to 3 inclusive agreed to.

Vote 2 agreed to.

**Consolidated Fund Budgetary Expenditure
Agriculture
Agriculture Development fund – Vote 61**

Items 1 to 4 inclusive agreed to.

Vote 61 agreed to.

**Consolidated Fund Loans, Advances and Investments
Agriculture
Vote 146**

Item 1 – Statutory.

Vote 146 agreed to.

**Supplementary Estimates 1986
Consolidated Fund Budgetary Expenditure
Agriculture
Ordinary Expenditure — Vote 1**

Items 1 to 9 inclusive agreed to.

Vote 1 agreed to.

**Saskatchewan Heritage Fund Budgetary Expenditure
Agricultural Division
Agriculture
Ordinary Expenditure – Vote 50**

Items 1 to 4 inclusive agreed to.

Vote 50 agreed to.

**Saskatchewan Heritage Fund Loans, Advances and
Investments
Agricultural Division
Agriculture – Vote 62**

Items 1 and 2 agreed to.

Vote 62 agreed to.

Hon. Mr. Devine: — I would just like to say that I appreciate the Chair's co-operation and the members of the staff of the legislature, and certainly my officials who have had the information available to all members of the House. They have worked hard to prepare for the estimates, and I just want to say publicly that I appreciate their effort, and the budget in Agriculture was significant, and is significant, and the work of these officials has helped. So I just want to express my appreciation to them.

Mr. Engel: — Mr. Chairman, I'm sorry that some of the debate that the Premier instigated deteriorated to the level it did. I don't think I can remember being in the House where we had farmers called "union goons", and getting involved in mud-slinging and name-calling like you instigated.

(2230)

Mr. Premier, if you want to follow and emulate Tommy Douglas, you're going to have to clean up your act a little bit and, I'd say, before you switch feet, you do a little more serious thinking.

To the staff, I would say that they've done an excellent job, and it was interesting working with them, and I appreciate the information. I'm looking forward to the other information that you promised me.

**Consolidated Fund Loans, Advances and Investments
Agricultural Credit Corporation of Saskatchewan
Vote 147**

Item 1 agreed to.

Vote 147 agreed to.

Mr. Chairman: — That then does conclude the estimates for this evening. And I believe the estimates were very interesting and informative, and I thank all members for participating.

The committee reported progress.

The Assembly adjourned at 10:35 p.m.