

The Assembly met at 2 p.m.

Prayers

ROUTINE PROCEEDINGS

INTRODUCTION OF GUESTS

Ms. Simard: — Mr. Speaker, I would like to introduce to you, and to other members of the Assembly, a young student from Paris, France, whose name is Karine Boneau. Karine is in the young people's exchange program called Nacel, which are students from all over the world, actually, Mr. Speaker, from France, Canada, the United States, Ireland, Germany, Mexico, and Spain, and it's a program that's organized and run by teachers. There's some 15,000 students in this program, and in Saskatchewan we have approximately 40-plus students this summer.

I would like to welcome Karine to the legislature and say a few words to her.

Mademoiselle, nous sommes très heureux de faire votre connaissance, et nous espérons que votre visite ici en Saskatchewan sera très intéressante et mémorable. C'est aussi notre espoir que vous aurez une très bonne expérience dans ce programme de Nacel, et quand vous rentrez en France, que vous garderez de très bons souvenirs de Régina. Alors, bienvenue à Régina, bienvenue en Saskatchewan, et bonne chance. Merci.

Hon. Members: Hear, hear!

Mr. Saxinger: — Thank you, Mr. Speaker. Mr. Speaker, I'd like to introduce to you, and to the members of this Assembly, a fellow from Cudworth who came along with me, Paul Sisetski; he's seated in the Speaker's gallery.

Paul was born with a sickness called cerebral palsy. Up till 10 years ago Paul though he had a severe handicap of his sickness and felt uncomfortable. But 10 years ago the Lions of Cudworth sent him to Norway to a handicapped youth camp, where handicapped people from all over the world met together. When he came back from this camp, he found he got so motivated by some of the other colleagues he met there but had a worse handicap than he did.

I take one, for example, a young fellow from Israel, who was born . . . had polio and was told he never was supposed to walk, but through self-motivation and self-therapy he became a pilot when he was at this youth camp. He motivated Paul so well that when he came back he went to Saskatoon he went to Kelsey, and soon he became a librarian . . . He worked as a librarian in Cudworth for a while, and now he's a fourth-year student of fine arts in Saskatoon, and he's very, very well qualified of doing arts. Yesterday, he sat in here and he was drawing some pictures, and I hope in the future you can see some.

He's got a real fantasy of life. That trip changed his outlook of life. I think it's just a fine example of what people can make out of themselves. Would you please help me welcome Paul Sisetski.

Hon. Members: Hear, hear!

Mr. Lyons: — Thank you very much, Mr. Speaker. I'd like to introduce to you, and through you to others members of the Assembly, a noted Saskatchewan novelist, poet, writer, and playwright, who lives in the city of Regina, and who's just returned from a year's teaching experience in the country, the People's Republic of China. May I introduce to you, Mr. Ken Mitchell.

Hon. Members: Hear, hear!

ORAL QUESTIONS

Bankruptcy of Principal Group

Ms. Smart: — Thank you, Mr. Speaker; my question is to the Premier. Mr. Premier, it was certainly with a sickening sense of déjà vu that Saskatchewan people heard the news, late yesterday, of the bankruptcy of the Principal Group of companies, one of which . . . subsidiary is the Principal Savings & Trust Company, operating here in Saskatchewan.

Only two years ago Saskatchewan people witnessed the collapse of Pioneer Trust, the biggest business failure in our history. And my question to you is this: how many Saskatchewan people have uninsured deposits in Principal Savings & Trust and how much money is at risk as a result of this latest trust company collapse?

Some Hon. Members: Hear, hear!

Hon. Mr. Lane: — Mr. Speaker, the government is attempting to get the information through the people appointed by the Alberta government to maintain the assets and preserve the assets of the trust company as to how many people in Saskatchewan are affected.

Ms. Smart: — Subsidiary. The bankruptcy of the Principal Group of companies is also . . . Subsidiary to the Minister of Finance, I suppose, since the Premier is not answering the questions. The bankruptcy of the Principal Group of companies is also a blow to the thousands of Saskatchewan people who had invested their savings in the two Principal Group subsidiaries which failed in late June. Their last hope for getting their money back was to launch a civil action against the Principal Group of companies.

Now that the parent firm has declared bankruptcy, my question is: what is your government prepared to do to assist these people, many of whom had invested their life savings in these failed companies?

Some Hon. Members: Hear, hear!

Hon. Mr. Lane: — Obviously, Mr. Speaker, the proposed court action by those investors and depositors is quite frankly up in the air. The lawyers have made comments that they are not sure of the legal position because of the bankruptcy of the Principal Group, so I can't comment on what position they are taking. They will have to make their assessment as to what course of action that they will

be taking.

Ms. Smart: — This is a new question, again to the Minister of Finance. One of the leaders of the investors in the failed companies is quoted in the *Sask Report* magazine of August 1987 as saying:

We have lost total confidence in the western provinces to regulate trust companies. We will never put our money in a western Canadian trust company again.

That is certainly a great boost for western diversification and western investment, isn't it? Your government's regulatory negligence has contributed to the losses of these investors. Aren't you aware that they believe they were secure because these companies were licensed by your government to do business in Saskatchewan? You failed to protect Saskatchewan consumers. Why won't you now accept responsibility for these failures, support the investors, and stop running this province only through the law of the jungle?

Some Hon. Members: Hear, hear!

Hon. Mr. Lane: — Only an NDP would take some pleasure in the fact that western financial institutions have financial difficulty. Mr. Speaker, I remind the hon. member that trust companies have gone bankrupt in the province of Ontario, Mr. Speaker, that this is not a phenomenon limited to western Canada, no matter how you wish to colour it.

I suggest to the hon. member that the Government of Saskatchewan is looking at what options that will be of realistic assistance to the depositors and investors. Today the Securities Commission did issue a cease trading order for those Principal Group that are in business in Saskatchewan.

We are advised by the individuals appointed by the province of Alberta to preserve the assets, that Clarkson Gordon now has control of the assets of the Principal Savings & Trust in the province of Saskatchewan.

We've been further advised today, by the Canada Deposit Insurance Corporation, that they will be making an application, probably early next week, under their provisions of deposit insurance, and they have indicated to us that for the depositors up to the insured level, that there may be payments within the next two or three weeks.

Mr. Mitchell: — A question to the Minister of Finance, or whoever is answering for the Minister of Consumer and Corporate Affairs. On July 17 in the legislature, the Minister of Consumer and Corporate Affairs said, and I quote:

At this time my department is also reviewing the status of Principal Trust.

Outside the Assembly she told reporters that the Superintendent of Insurance would review the licence of Principal Trust to see if it was complying with regulations. My question is: what did that review uncover, and why

did it fail to anticipate the total collapse of Principal Trust?

Some Hon. Members: Hear, hear!

Hon. Mr. Lane: — I think the hon. member should be circumspect in which company he is talking about, because the Principal Savings & Trust, to the best of our information would be subject . . . My understanding is that CDIC (Canada Deposit Insurance Corporation) will be making an application for a winding-up order as opposed to any receivership or bankruptcy order.

So I suggest to the hon. member, the advice that we had was that the Principal Savings & Trust was liquid, and that the bankruptcy proceedings apply to the Principal Group, and we do have to be specific when we're dealing with the various subsidiaries of the Principal Group of companies.

Mr. Mitchell: — Supplementary, Mr. Speaker. In reviewing the licence of Principal Trust to do business in Saskatchewan under The Trust and Loan Corporations Act, the government has wide powers to demand full financial information and, in light of that information, has power to do certain things.

My question is: what financial information did the government demand from the trust company when it renewed its licence this year, and when it undertook the special review of its licence that the minister was referring to, and why didn't that information set off alarm bells with the authorities responsible?

Some Hon. Members: Hear, hear!

Hon. Mr. Lane: — Again, Mr. Speaker, and I'm attempting to be precise for the hon. member, that the Principal Savings & Trust Company . . . The government was advised by officials in the federal Superintendent of Insurance office that that company was liquid, and that I gather the best information that we had was that savings and trust company of itself was a liquid and viable company.

Mr. Mitchell: — Supplementary, Mr. Speaker. It seems to be a very complex and a very confusing situation, Mr. Minister, and I noted with interest your quote in today's press to the effect that the government may now have to consider a full public inquiry into the whole story, and I think it's about time that happened. And my question is . . .

Some Hon. Members: Hear, hear!

Mr. Mitchell: — My question is, Mr. Minister, can you confirm that your government will finally agree to a public inquiry which will investigate how the Principal Group's various subsidiaries conducted business in this province; and secondly, how Saskatchewan's regulatory agencies failed to protect the Saskatchewan consumers?

Some Hon. Members: Hear, hear!

Hon. Mr. Lane: — I think it is premature to indicate, as I answered earlier, with regard to any losses with depositors in Principal Savings & Trust . . . As I indicated

earlier, Mr. Speaker, the CDIC, the Canada Deposit Insurance Corporation, has indicated to us today that they expect to receive an order within the . . . or will be making an application for an order within the next few days, and that they should be perhaps making payments to the insured amount within the next two or three weeks.

So it's obviously too early to determine losses or the extent of the number of losses and the amount of losses, if any. To suggest to the hon. member, when we have advice from Canada Deposit Insurance company that the Principal Savings & Trust is a liquid company, I think we're entitled to . . . I'm sorry, the Superintendent of Insurance, we're entitled to rely on that.

Finally, Mr. Speaker, we should put the question of an inquiry in its proper context. An inquiry could not obviously go beyond the power . . . the borders of the province of Saskatchewan, and the hon. member nods his head in recognition of that fact. That probably will do little to assist any depositors or investors.

The government is looking at all options at this time to take the most realistic and effective action, Mr. Speaker, to do what we can to assist Saskatchewan investors and depositors, but I very carefully said "realistic and effective action."

Excess Space in Government Offices

Mr. Solomon: — Thank you, Mr. Speaker. My question is to the minister responsible for the property management corporation. Yesterday you confirmed that you are paying a rent of \$12,000 a month for a full floor of office space in Regina where only three people are working. That's \$144,000 a year, or \$48,000 per employee.

Mr. Minister, how much excess space does your government currently have under lease, and how much is this excess space costing taxpayers each month?

Some Hon. Members: Hear, hear!

Hon. Mr. Taylor: — Mr. Speaker, I answered yesterday, and I'll repeat it again, that certainly we had the fifth floor of the Credit Union Central leased - had been leased since 1976 for housing of the Department of Co-ops. We have down-sized government, and therefore we will have excess space. There are three people there because they run the computers, and as soon as the computers can be set up to move to another area, it'll be completely vacated at that point in time.

We're in discussions with Credit Union Central. They may take over the space, and we will be out of the lease. And if we're not, we will probably move another area of government into that space.

Now as to know how much space this government has at this point in time, and how much is vacant, there'll be estimates of my department coming up, and I'd be glad to answer those questions. I don't think it is realistic of the members opposite that where we have leases all around this province, and in the city of Regina, that one could be required to know exactly at any date how much vacant space there is. It's interesting, Mr. Speaker . . .

Mr. Speaker: — Order, please. I think the minister has answered the question.

Mr. Solomon: — Mr. Speaker, a supplementary question to the same minister. I asked you a straightforward question, and I think the people of Saskatchewan deserve a straightforward answer.

Some Hon. Members: Hear, hear!

Mr. Solomon: — Are taxpayers in Saskatchewan paying \$100,000 a month for excess space; are they paying half a million dollars a month; or are they paying \$1 million a month, Mr. Minister? What is it?

Some Hon. Members: Hear, hear!

Hon. Mr. Taylor: — Mr. Speaker, it seems evident from the questions of the members opposite that they are not in favour of down-sizing government; that we should direct government by the amount of space we have. Obviously his rationale seems to be, his rationale - if you have empty space, hire more people to fill the space because that's what you direct government. I don't happen to agree with that, nor does this side of the House. And we will down-size and become more efficient, and if we do that, there will be excess space. That's only logical.

Now as to the amount that exists today, I can tell you we have instituted a property management corporation - something that you never did. And I do not know today how much excess space there is in the province of Saskatchewan. But as I told you previously, when it comes to my estimates, I would be more than glad to discuss each and every property with you in that forum. But to ask that question today of how much excess space does this government have in this province, I think is ridiculous.

Mr. Solomon: — Mr. Speaker, the minister refuses to answer a straightforward question.

I have a new question for the minister. When the creation of the property management corporation was announced in the March 1986 budget, the Minister of Finance said, and I quote:

For the first time in the history of Saskatchewan, government managers will be held accountable for the efficient use of space.

That's right in the budget speech, page 17 to be exact. Minister, are you still trying to tell Saskatchewan taxpayers that you have no idea how much they are shelling out each month for empty or underutilized government office space? And if you don't know the answer, how are you going to hold these managers accountable?

Some Hon. Members: Hear, hear!

Hon. Mr. Taylor: — Well it shows, Mr. Chairman, the complete misunderstanding of the member opposite. Certainly we have been in a down-sizing mode in government. There have been early retirements.

Everybody in Saskatchewan knows this - a number of people. There has been a deletion of people by attrition. And in each case, that creates excess space. It's an ongoing situation.

And I think, as I listen to the members opposite, once again I must repeat that I believe their idea of running a government is to lease this much space and fill it up. I don't agree with that. I agree that you should provide the service the most efficient way, and in doing that, that may mean that you have excess space. You either stay with the leases you have, or you negotiate out of those leases. And that's what we're exactly doing.

Some Hon. Members: Hear, hear!

Cuts in Social Assistance

Mr. Hagel: — Thank you very much, Mr. Speaker. My question is to the Minister of Social Services, Mr. Speaker, and it deals with the unfair double standard practised by this government in dealing with people in need, the poor of Saskatchewan.

It seems, Mr. Speaker, that the government, not only does it not know how much it's wasting on unused rental of government office space, it doesn't even seem to care. But when it comes to dealing with the poor of Saskatchewan, Mr. Speaker, it seems that the words we hear repeatedly are restraint, restraint, restraint.

And my question to you, Mr. Minister, is this: in light of the waste and extravagance that's going on elsewhere in your government, how do you justify yet further cuts to the poor people of Saskatchewan, those who are living on assistance? How do you justify that in the name of restraint?

Some Hon. Members: Hear, hear!

Hon. Mr. Schmidt: — Mr. Speaker, I'm not sure exactly what the question was. There was some reference to office space. I know that my department would like to consolidate into more convenient locations, and possibly that will be a factor of the result of space that's now available.

But with respect to the poor, we have a very adequate welfare system in Saskatchewan. Next to Alberta, it pays the highest rates. And I have a problem. I live on the eastern side of Saskatchewan, and I'm getting some instances of people moving from Manitoba into Saskatchewan and are going on welfare because we pay higher rates.

So it's quite a problem. We try to help people as much as we can, but we wouldn't want to be taken advantage of by people from other provinces.

Mr. Hagel: — A further question to the minister, Mr. Speaker. And I would ask that he listen to the question carefully . . .

Mr. Speaker: — Order. Order, please. Order. Order. Order, please. There seem to be two question periods going on at the same time. Let's allow the member from

Moose Jaw North to ask the question.

Mr. Hagel: — Mr. Speaker, I would ask the minister to listen carefully to the question so he can provide this House an intelligible answer.

Some Hon. Members: Hear, hear!

Mr. Hagel: — Mr. Minister, you and I both know that effective August 1 you were planning a series of cuts to those who are living on assistance, a series of cuts which can only be described as vicious. One of those decision, Mr. Minister, is to cut, to eliminate completely - to use your word, "terminate" - transportation allowances for people on social assistance, allowances equivalent to bus passes so that people can go to job interviews and to training programs.

If you want people to work their way off of welfare, Mr. Minister, why are you throwing up these additional road-blocks? And if your justification is restraint, why don't you do something about the \$12,000 a month of wasted rental office space before you cut the \$25 a month for transportation allowance, so people can go to work and earn a good training?

Some Hon. Members: Hear, hear!

Hon. Mr. Schmidt: — Mr. Speaker, today is August 10. And the member opposite is referring to August 1. So either he's talking about hypothetical things or history that didn't happen. We're not certain exactly.

But I have indicated earlier that . . .

Mr. Speaker: — Order. Order. Order, please. Order! Order. The minister from Melville.

Order, please. The member from Regina Rosemont is getting a little bit too active in his seat, and I would ask him to please restrain himself.

Hon. Mr. Schmidt: — Mr. Speaker, there's a discrepancy in the transportation allowance as it's now paid. The welfare system is very complicated. We're trying to simplify it and consolidate the payments into one payment based on need. But people in rural Saskatchewan are not paid a transportation allowance, nor have they been paid a transportation allowance, under the former government or under this government. It seems that people in cities are paid a transportation allowance. It seems to me that the people in rural Saskatchewan have a longer way to transport themselves than the people in urban Saskatchewan. And so while it may be possible to walk to look for a job in Regina, it is not in rural Saskatchewan. We're going to try to balance off the discrepancies in the system and equalize the system to make it simpler.

Mr. Hagel: — Mr. Speaker, another question to the same minister. For your information it . . .

Mr. Speaker: — Order, please. Order, please. Order, please. Is the member asking a new question or a supplementary? New question.

Mr. Hagel: — For your information, Mr. Minister, today is August 11, and I would ask you to move into the present with those of us on this side of the House, would you please.

Some Hon. Members: Hear, hear!

Mr. Hagel: — You know that another of your Draconian cuts that you're intending to put in place, Mr. Minister, deals with the fall education allowance. This is an allowance to help poor families purchase books and other school supplies for their children.

And I ask, Mr. Minister, why would you choose to cut back in the name of restraint, on the children of this province? Why would you cut back the \$25 a month education allowance that would apply to a kindergarten child who lives in the family that is poor and living on social assistance - all of this in the name of restraint.

And I ask you, Mr. Minister, why does your government not cut back on the literally hundreds of thousands of dollars your government is wasting every month in the interests of restraint, instead of making those cut-backs on the children of this province? Will you justify for me, Mr. Minister, and for the people of Saskatchewan, how that is just and fair? Will you tell me that?

Some Hon. Members: Hear, hear!

Hon. Mr. Schmidt: — Mr. Speaker, I'm pleased that the member opposite asked that question, and I hope that the members opposite will listen closely to the answer, because I have with me a draft press release that we are going to issue in a day or two, but now that he has asked the question, I'm answer it in the House. And I'll try not to read it, but I'll try to answer the question.

First of all, with respect to educational allowances, we will be standardizing the educational allowance for students in Saskatchewan whose parents happen to be on welfare, or the students that are supported by the state, and there are approximately 18,000 children in this province that are SAP (Saskatchewan assistance plan) recipients through their families.

There will be a standardized rate paid in September with their cheque that comes out in September, as the fall cost of starting school, a few extra books - not many have to be bought in this province, but there are a few notebooks, gym equipment, things of that nature - and the children that are welfare recipients will be receiving a standard allowance, the same for everyone in Saskatchewan. No longer will there be any decision made by workers as to what the costs are in Regina, or what they are in Melville, or what they are in small town Saskatchewan.

A standard rate, which we believe is fair compared to what other people are spending in September to buy books and things, is \$100 for high school students, \$60 for elementary school students, and \$25 for kindergarten children. And I can speak from experience - my son is starting kindergarten this fall, and I believe that \$25 will be enough to buy his supplies. And I expect that these rates, standard across the province, should be fair, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Hagel: — Supplementary, Mr. Speaker, to the same minister. Mr. Minister, by your own words there are literally thousands of children in this family living in poverty in families dependent upon social assistance. I ask you again to justify for this Assembly and to the people of Saskatchewan, fair-minded people of Saskatchewan, how you justify cut-backs to those who . . . the poorest of the province, when you won't cut back on the waste of government space, the hundreds of thousands of dollars of empty government space in this province. Will you justify that for the people of Saskatchewan?

Some Hon. Members: Hear, hear!

Hon. Mr. Schmidt: — Mr. Speaker, there is more information with regard to changes in the welfare system. And yes, it is true there are 18,000 children in this province who receive assistance from the taxpayers and from us as parents, from all of us. And we think it's fair to standardize their rates so that they have a standard amount this fall. It makes it very simple for the administration.

In addition, contrary to the leaks that you may have heard about that may or may not be accurate, in this case we are making a further change in that we are increasing the training allowance. This is for adults on social services who are in training. And this year we have budgeted for 2,500 welfare clients to receive training through the Saskatchewan skill development program. And they will have an increase of \$20 per month . . . or from \$20 per month to \$30 a month as a special training allowance to help them travel to their training and yet receive this training.

INTRODUCTION OF BILLS

Bill No. 30 - An Act to amend The Land Titles Act

Hon. Mr. Andrew: — Mr. Speaker, I move first reading of a Bill to amend The Land Titles Act.

Motion agreed to and the Bill ordered to be read a second time at the next sitting.

Bill No. 31 - An Act to amend The Local Government Election Act

Hon. Mr. Klein: — Mr. Speaker, I move first reading of a Bill to amend The Local Government Election Act.

Motion agreed to and the Bill ordered to be read a second time at the next sitting.

ORDERS OF THE DAY

MOTION UNDER RULE 16

Failure of Provincial Government to Influence Federal Government Regarding Agriculture Concerns

Mr. Upshall: — Thank you, Mr. Speaker. In the

presentation of this resolution I'd like to dispel a myth, a myth put forth by the provincial government and their federal counterparts. That myth is that the governments are staunch defenders of agriculture and rural Saskatchewan. This myth has been perpetuated through a couple of avenues, unfortunately consisting primarily of rhetoric.

First, there was a great deal of fanfare about a national agriculture policy, an endeavour which the Premier of Saskatchewan personally advocated. This proposal was to put agriculture at the top of the national agenda and provide an example of federal-provincial consultation. So far what have we seen, Mr. Speaker? We've seen idle talk and no action.

More recently, whenever a problem in agriculture arises, the Progressive Conservatives' standard reply is that the Prime Minister, or the Premier, intends to raise the subject at some private meeting or other with some officials. It has become a convenient defence mechanism.

This has been the case with the farm subsidy issue. Obviously the elimination of export subsidies such as these, which both the U.S. and the European economic community have been using with reckless abandon and undercutting world prices, can't end soon enough. This would restore some kind of trading balance. But such an agreement is a long way down the road, years down the road, and in the interim Saskatchewan farm families need immediate action. What is required are pragmatic, common sense policies which can be adopted domestically to alleviate the crisis.

Governor Sinner of North Dakota says our premier lacks reality when dealing with the subsidy issues - unrealistic initiatives by a Premier controlled by the Prime Minister of this country and Ronald Reagan.

In recent months, government at federal and provincial levels have had the opportunity to initiate such measures in their budgets, are extending the crop years or variable freight rates. Unfortunately, that kind of action, Mr. Speaker, flies in the face of several basic Tory policies and objectives, one being financial restraint, and the second being a market-oriented agricultural industry.

Consequently, despite statements to the contrary, we have seen limited, very limited action. And the result of this lack of commitment to rural Saskatchewan has been rural Saskatchewan has been made to suffer in a number of areas. Variable freight rates are now a reality because of insufficient opposition, no opposition, by the government of Saskatchewan or the federal government. Variable rates will accelerate the reduction in the country elevator system - even more local elevators will be marginalized and closed.

Moreover, the closing of elevators points puts a large social and economic cost in the rural communities in this province.

In Saskatchewan, rural community viability depends a large part on a grain collection system as we know it. The closing of these elevators starts a process which is depressingly predictable: delivery of grain to other

centres, transfer of banking, shopping, repair businesses; business begins to suffer and dwindle, and the community slowly withers and dies.

And what's the theory - what's the theory proposed by the Premier, our Minister of Agriculture? He sticks a straw in his teeth, and puts a cowboy hat on, and waves his arms in the air, and says, follow me; this is the way of the future. How crass!

However, a good number of small rural communities have been sacrificed in the interests of business and profit. Communities in the vicinities of the Saskatchewan delivery points designated for variable rates will now be threatened.

The potential negative impact of variable rates as seen in Montana and North Dakota, a rapid destruction of communities, and now Montana was close to a core railway system - that means no - no branch lines. I will not stand idly by and see the federal and provincial governments reduce the population of this province to half of what we have today.

Some Hon. Members: Hear, hear!

Mr. Upshall: — Western Canadian agriculture, Mr. Speaker, is, and should remain, based on the structure of family farms supporting rural community services and centres. Our parents, our grandparents, worked very hard and long to establish some order in this country. They transformed it from a virtual wilderness into a vibrant, productive society, and the American experience cannot be duplicated in our province.

In this process there are relatively few winners except CPR, CNR, Cargill Grain, and other private grain companies . . . those organizations who have never consistently advocated that it is imperative that the costs, the cost of grain shipment from the farm to the ship be minimized, and that producers should have a voice in the structure of our grain collection system.

This is the government of large corporations, Mr. Speaker, and multinationals, the powerful bodies in agribusiness who are controlling the Prime Minister and our Premier and Minister of Agriculture.

The Saskatchewan government has failed to persuade the federal government to have the Farm Credit Corporation re-establish its moratorium on farm foreclosures, or roll back the interest rate of one and one-half per cent.

Under the current conditions, any government committed to farm families would not have introduced such measures. The financial stress that agriculture producers are undergoing is only too evident. Grain prices have fallen 20 per cent in two years . . . and fallen in the past five years. Stats Canada estimates the value of farm capital in 1986 at \$27 billion - down 20 per cent. The value of Saskatchewan farm land and buildings declined 23 per cent. Canada has lost over 2,500 farmers since 1981. And what does our Premier and Minister of Agriculture do: takes a straw in his teeth and a cowboy hat on and says, follow me, this is the way of the future.

How sad. These figures illustrate how rapidly farm assets have fallen since 1982. And farm assets are a major factor in determining the equity and the farmer's ability to obtain or repay loans. And these figures show why many producers who were once, a short time ago, sound financially, they are now overextended in their lines of credit.

Currently, the Farm Credit Corporation owns 210,000 acres of farm land. Arrears increased during the year from 245 to \$344 million, while the number of accounts in arrears increased to 14,723. And with a lift to the moratorium we can expect 12 to 1,300 more producers will be in a foreclosure position.

Despite these sobering statistics, the Saskatchewan government did not see fit even to protest the moratorium lifting or to protest the 1.5 per cent increase in farm credit rates. While farmers are enduring hardships to make payments with lower rates, how can they justify a government defending farmers against higher rates? How can they justify that?

There was even more lack of support shown with the failure of this government to convey the message to the federal government to extend the 1986-87 crop year. The result is the farmers have a lot of grain carry-over - 18.2 million tonnes this year compared to 13.4 last year. And although this additional grain still goes into the system, Mr. Speaker, it goes in at a 20 per cent reduction in price. Surely during a period of depressed prices, both federal and provincial governments should be insuring that farmers get maximum returns. Failure to act will simply mean farmers will have less income at a time when they are already economically depressed.

This tag team, provincially and federally, have failed miserably. The so-called defenders of the Saskatchewan family farm are now taking legal action against the 191 farmers who haven't made payments under their production loan program. How does the minister react? A straw in the teeth and a cowboy hat, follow me, this is the way of the future. I think we can clearly see what the future lies in store.

Obviously the provincial government wants to join other financial institutions who have collectively owned more than a million acres of Canadian farm land. This government has been more than willing to provide millions of dollars in loan guarantees to out-of-province corporations, yet show little effort - gives little effort - to family farmers in financial distress. Agricultural producers and rural people should challenge a common assumption that they suffer fewer of the provincial government's deficit-reducing measures, Mr. Speaker.

Cut-backs, handed directly, affect rural communities hurting producers on both social level, through the decreased funding to help an education, and on a production level through cuts to agricultural programs. The key is the budget's cancellation of the five-year-old farm purchase program. This leaves our province without any programs helping farmers to start or take over their parents' farm. In other words, no measure insuring the preservation of the family farm. Nothing to insure the family farm, and the Minister of Agriculture, riding under

his cowboy hat, says, this is the way of the future. What kind of attitude is that? Given the average age of Saskatchewan farmers at about 57 years, how do they retire, Mr. Speaker? And how do they . . . what's provided for intergenerational transfers?

There are other cuts which seriously hurt farmers, and I'll just run through some of them very quickly. The RM's were receiving 1 per cent less in revenue sharing. The result will be poorer roads, poorer maintenance in construction, higher costs to the local people. School operating grants will be dropped. This hurts rural schools that already face declining enrolments. Hospital cuts will hurt rural hospitals accelerating the trend in which smaller hospitals are becoming little more than stabilization and transfer units. Travel grants and clinical operating grants for veterinaries cancelled - further costs to rural people. Funds for perennial weed control and rat control programs - gone. Who's going to pick up that cost? It's going to come out of the pockets of rural people. Grants supporting feed testing labs are gone. Grants . . . The prairie agriculture machinery institute cut by 10 per cent, and they say they're going to eliminate them at the end of this year. What kind of support is that for the rural people of this province? Provincial funding for agricultural affairs, Mr. Speaker, some place where people can go and relax, will be phased out in over the next four years and our Premier sticks a straw in his teeth and puts his cowboy hat on and says, this is the way of the future.

At the federal level a number of policies are also adversely affecting the rural communities and family farms. Agriculture Canada has moved toward charging more for a base for all of its services - very inappropriate move. They have cut the departments and cut research spending. Federal government proposes to implement plant breeders' rights. Plant breeders' rights, or gene patent, will place control of our food supply in the hand of a few multinational corporations. And there has been no response to the export enhancement program, a subsidy of sales through the multinationals of United States to our traditional trading countries. This will greatly, drastically reduce our share.

Our Premier has propagated a myth, Mr. Speaker. Rural and urban people alike, now are seeing the reality - the myth of protecting family farms while the underlying strategy is to reduce the number of people in this province, to the benefit of large corporations.

We now see the true colours of this government. Out of one side of his mouth, he's saying . . . He's tricking . . . trying to trick the people of rural Saskatchewan by saying my vision is for you. Out of the other side of his mouth, he's talking to the multinationals, saying, you're the guys that are going to benefit.

(1445)

With that in mind, Mr. Speaker, it gives me pleasure to move this, seconded by the member from Quill Lakes:

That this Assembly regrets that the Government of Saskatchewan has failed to persuade the federal

government to extend the 1986-87 crop year, to disallow CN's variable freight rate scheme, to have the Farm Credit Corporation re-establish its moratorium on farm foreclosures, and to have the Farm Credit Corporation roll back recent interest rate increases; and further, that this Assembly regrets that the policies of the federal and provincial governments are primarily benefiting the railways, the private grain companies, and the multinational corporations, to the disadvantage of rural communities and Saskatchewan farm families.

Mr. Koskie: — Thank you very much, Mr. Speaker. At the outset, Mr. Speaker, I want to say that if one takes a look at the agricultural situation in western Canada, but more particularly here in Saskatchewan, that one can only . . . it can only be described that we have a crisis on our hands.

And I want to look at some of the symptoms which indicate the crisis that we are in in agriculture. Obviously you will know, Mr. Speaker, that grain prices have fallen 20 per cent in two successive years. In fact, it's the fifth consecutive year that grain prices have fallen. And you can take reports where farmers say, farmer wonders, is barley . . . is a dollar a barley worth delivering? And that's the situation that the farmers find themselves here in Saskatchewan and in western Canada.

So the grain prices have fallen drastically. And as it's been indicated, Statistics Canada estimates that in 1986 the value of farm capital will have dropped to \$27.17 billion, or down by 18.6 per cent since 1982. We find also, Mr. Speaker, that the value of Saskatchewan farm lands has declined in value 23 per cent during that same period of time.

We take a look at the debt load in respect to the . . . what the farmer is carrying. And I don't think anyone on the other side will laugh at the seriousness of the magnitude of how the debt has increased over the last number of years. There is in excess of \$5 billion owing by Saskatchewan farmers. The wheat pool has done a survey of the agricultural situation here in Saskatchewan, and they indicated that 20 to 22 per cent of the farmers are in very serious financial crisis.

This is the situation that is being confronted by the farming community of Saskatchewan. And in a nutshell, Mr. Speaker, the root cause, the problem that is being confronted by the farming community, is that the prices of commodities are far too low. And as I've indicated, barley at \$1 a bushel is hardly worth selling. In fact, at the present price of commodities, farmers are not able to get back the cost of production, and that's the crisis in the background in agriculture.

Now if we take a look in the last couple of years, two or three years, in the last two in particular that the farmers are facing this major crisis, we can acknowledge that the federal government provided some assistance in the drought area of the south-west of this province to the cattlemen, per head; also in providing some assistance in transporting of fodder to the cattle.

But also they gave, and I want to acknowledge, a \$1

billion deficiency payment. But the problem here, Mr. Minister, Mr. Speaker, is that a \$1 billion deficiency payment is not a part and parcel of any overall approach to addressing the problem of agriculture. Because if you look at the deficiency payment when was it paid? It was paid when the Premier, the Minister of Agriculture, was on his hands and knees pleading with Ottawa to save him in a provincial election.

Some Hon. Members: Hear, hear!

Mr. Koskie: — And that was the reason we got the deficiency payment. And I say to you that it certainly is in fact the truth, because let's take a look at some of the basic actions of the federal government since paying that deficiency payment, and I ask you to consider whether they're really working for the farmers of Saskatchewan.

Let's take a look first of all at the variable rates. They had an opportunity to overrule the decision that was received by the CN. But did they? No, of course they didn't. Because you know who's benefiting from it? Multinational grain corporations. Not the wheat pool, not the farmers, but the Cargills of the world.

And they allowed the variable rates to be instituted when they had the opportunity and the power to revoke that order. So are they working for the farmers and introducing variable rates? I say not. I say, in respect to variable rates, how could a government allow the application by CN where in fact you could set up a few centres throughout the province which would give some benefit in reduction of the cost of transportation of grain, but at the very same time, anyone that was not within the range of the point that was designated for variable rates would have to pay more. How is that fair to the farmer who are not at a point that they can deliver at that variable rate designated point.

I say to you, Mr. Speaker, let's take a look at a couple more of the actions of the federal government during the past year to see whether the federal government and the Premier of this province are really working for the people, the farmers of Saskatchewan. I've mentioned variable rates. What happened in respect to the moratorium in the Farm Credit Corporation? Gone. Did the Premier of this province stand up and fight? Did you hear him echo one word on behalf of the farmers of this province? I'll tell you, there was not a word made public.

Also I ask you . . . recently the Farm Credit Corporation increased their interest rates on the loans provided to farmers - they increased it 1.5 per cent to 11.5 per cent. I ask you: is that a policy by the federal government which is of a benefit to the farmers of Saskatchewan? And I ask you: did anyone here hear the Premier standing up, loud and clear, and saying, Mr. Prime Minister, you can't tack on more interest rate because our farmers can't afford to pay more? Not a word.

I'll tell you what we moved here and in the question period . . . and asked the Premier if you'd intervene with the federal government to get an extension of the crop year. Well, is there any extension in the crop year? No help. But the Premier pretends to be the defender of the farmers.

I want to look at some of the things that have happened on the provincial scene, Mr. Speaker. Remember when this government opposite came into power with a lot of rhetoric and a lot of fanfare? And they said, we're going to give a farm purchase program to the farmers of this province. Do you know what has happened to that program? Scrapped.

Production loan program. Well, it was going into the election in '86 . . . they wanted to go in the spring of '86. And you know what the Premier did? He went out and he said, I'll give you some production loans, \$25 an acre. But I'll ask the Premier, and I'll ask the farmers of Saskatchewan, if a production loan was needed in 1985, the fall of 1985, delivered in 1986, if it was valid that we came forward with a billion dollars at that time, I say it's more legitimate . . . and if the Premier was serious he would, in fact, have some program in place to help the farmers, not just the election program to attempt to get him elected.

Take a look at the fuel rebate program which was going to be handed out to the farmers before the last provincial election. And I ask you: where is the farm fuel rebate program? It's gone, gone with the other programs that they put in.

I want to turn for a minute here. We have the Premier going around the province trying to indicate that he is . . . trying to say that he has a national agricultural program. Well I have an article here where it says that the PM gets little credit for agriculture. And I want to just quote from the article of the person that did the analysis. And he says:

There has been a lot of noise about the national agricultural policy, a particular fancy of Premier Grant Devine. This was to be the apex of federal-provincial co-operation. So far, it's been all talk and no money.

Some Hon. Members: Hear, hear!

Mr. Koskie: — Skolstad is even less charitable in that:

The alleged policy (he goes on to say) is not only all talk, but much of it is double talk.

And that's what the farmers of Saskatchewan have been getting from the Premier.

Mr. Speaker: — Order, please. The member's time has elapsed.

Mr. Petersen: — Thank you, Mr. Speaker. I heard a couple of comments earlier about the opposition talking about doing away with a myth. And while they were attempting to do away with a myth I think they proved a fact, and that fact is that the NDP know nothing about agriculture and do not have a policy in agriculture. The only policy they ever had on agriculture was the land bank, Mr. Speaker. We've discussed the land bank a lot of times in this House.

The members opposite wish we would talk about something else . . . (inaudible interjection) . . . Oh yes, the member from Quill Lakes talks from his seat again.

The problem is that when we have to compare agriculture policies, the only agriculture policy of the NDP was the land bank. Hard to compare anything to that. The land bank, Mr. Speaker, was a scheme by the opposition, by the NDP, to turn Saskatchewan into the great socialist state that they want it to become. They claimed it was to address the problem of intergenerational transfers, Mr. Deputy Speaker, but that was not the case. They should have been pursuing negotiations with the federal government and making it part of the national agriculture strategy. But oh no, they didn't do that.

Now the proof of the pudding, Mr. Speaker, is in members opposite. The leader of this government did negotiate with the federal government, and did get results. We have a lifetime exemption now, Mr. Speaker, from the capital gains tax, which was not there under the NDP.

And that addresses a whole series of problems. The land bank did not facilitate children inheriting the land of their parents. It did the opposite. It was even worse than the old death taxes of the NDP. The government owned what families had spent years building up, and that was a terrible thing, Mr. Speaker. It robbed the children of their chance to inherit a family's lifetime of work.

And it was posed as a great thing that was going to help everyone. Turn your land into the land bank, and five years you can buy it back. But you had to wait five years. Well, Mr. Speaker, in five years the value of land went up so rapidly that the people who were unable to purchase it in 1972 were equally unable to purchase it in 1977. So the plan failed.

And, Mr. Speaker, when the shredders got through in the building in 1982 after the NDP lost the election, they missed a few pieces of interesting reports. And I happen to have a couple of those, and it dealt with alternatives to the land bank. Even the NDP recognized that the land bank wasn't working, Mr. Speaker.

Anyhow, we had interest rate problems, Mr. Speaker, under the NDP. We've addressed the interest rate problem - 8 per cent money to help young farmers buy their land; 6 per cent money on a production loan. The NDP, when they were in power, said, well interest rates really aren't the provincial responsibility. And the member from Riversdale, who's so fond of talking from his seat, who is a good friend of the then minister, Mr. Chrétien, Trudeau's lieutenant, had an opportunity to speak with him on a number of occasions, and was quoted as saying Chrétien was not unsympathetic to the West. Did nothing. Why didn't he phone Mr. Chrétien and say, Jean, we've got a problem. We have high interest rates - 24 per cent - that's killing our farmers, and we've got to protect our farm families. But did he do that? Oh, no, he didn't do that.

The member from Humboldt talks about walking around with cowboy hats and straws in one's teeth. Well, that's the closest the member from Riversdale will ever come to agriculture. He didn't care, Mr. Speaker. He didn't care.

We needed leadership, we didn't have it. And that's why in April '82 they elected a Progressive Conservative

government, people wanted new ideas. People needed new ideas, and we gave them those things.

(1500)

Do you want to hear some more about what the outgoing Leader of the Opposition had to say back then? Well, if you want to hear people talking about progressive ideas and how to reshape society, don't bother going to an NDP or a union meeting; go down to a Catholic parish meeting.

Who said that? Well, it was the Leader of the Opposition in the book, *Canada, What's Left*, and it's from page 37.

They like to play games, Mr. Speaker. They like to play games with words. But their own leader says the NDP have no new policies. He says, go to a parish meeting; you'll get better ideas. And I have no doubt of that, Mr. Speaker.

The Leader of the Opposition, the member for Regina Elphinstone, said of his party, "What the party intends to do is to take a lot of its old policies and rework them for the 1980s". And that's a direct quote - that's the *Leader-Post*, November 23, 1983.

Well if they're going to rework old policies, Mr. Speaker, I suggest that we're going to get more land bank. We heard no new policies from them today, none whatsoever. And I contend that that's exactly what will continue. They try to tell us today that they have policies for agriculture, Mr. Speaker, and I really doubt that - I really doubt that.

And they're fond of comparing us in Saskatchewan to Manitoba. Well, let's see. The member for Regina Lakeview on July 13, I believe, was criticizing the government because of the Human Rights Commission and the staffing in Saskatchewan compared with that of Manitoba. And they're very fond of using Manitoba as a guide. So I'd like to give them another example from Manitoba. Manitoba is an interesting province so long as it suits their purposes, Mr. Speaker. And I think I've touched a nerve because they're getting a little rowdy.

Well let's talk about Manitoba. The March edition of *Grainews* had a headline that read, "Manitoba farm budget dwarfed by Saskatchewan and Alberta". And it's true.

The story opens:

Manitoba NDP minister of Agriculture, Bill Uruski, talks a good line about how much he's helping farmers, and generally he fools most of the people most of the time. But figures obtained by *Grainews* show agriculture's almost a forgotten entity in the Manitoba budget compared to support farmers are provided by Saskatchewan and Alberta.

Well, Mr. Speaker, I think that's a very relative statement - relevant statement, very relevant, considering the motion that we have at hand.

And I'd like to amend that motion if I could, Mr. Speaker,

by putting forth the following:

That the motion pursuant to rule 16 be amended by deleting all the words after the word "Assembly", in the first line, and substitute the words:

commend the government for the manner in which it has led the fight for the Saskatchewan farmer, despite poor world economic conditions, and after years of neglect by the previous government.

And it's seconded by the Member from Morse.

Mr. Martens: — Thank you, Mr. Speaker. I rise today to debate the motion put forward by the member from Humboldt and the amendment put forward by the member from Kelvington-Wadena.

Mr. Speaker, this motion deals with agriculture. It deals with agriculture and rural communities, Saskatchewan farm families, priorities with this Progressive Conservative government unknown to the members opposite.

Well, Mr. Speaker, it is quite obvious to everyone in this Assembly that the NDP did not capture the rural vote in the last two elections. They did not capture the rural vote for several reasons, Mr. Speaker, but their main reason is their limited view in agriculture. And I just want to quote from a paper that is very familiar to them. It says here, *Commonwealth*, July 1, 1987:

More input from rural constituencies and rural people in formulating rural policy that we will have in place well before the next election, instead of policies simply going out from Regina to the rural areas, Mr. Lingenfelter said. I thought we ran a very excellent campaign in both rural and urban constituencies, but I think what our campaign lacked was a vision for the rebuilding of rural Saskatchewan for the future.

That's what the former member from Shaunavon said. I'm just going to make another couple of comments here on the *Star-Phoenix* that reads like this; *Star-Phoenix*, November 1, 1986:

Lingenfelter said, we were making strides prior to the deficiency payment announced. I don't think we need major surgery in our agriculture policy.

And that's in my opinion a negative statement. This is going on from there:

Unlike Devine's agriculture package which has involved discussions at the national level, NDP leader Allan Blakeney did not put forward a focused and cohesive agriculture policy.

And this was stated . . . another comment was stated by Chris Dunn, a University of Saskatchewan political scientist:

The fact that the Premier personally took over the

agriculture portfolio and tried to get a national strategy was evidence of various concerns for agriculture. The NDP strategy on agriculture tended to be more single shots like increased acreage payments and the extension of the production loan program. I was waiting all along for the NDP to do something new.

And that, Mr. Speaker, is why they are sitting over there and we are over here. And it relates to the number of the things that I am planning on discussing as we go through this discussion here today on this motion.

We can only assume then, Mr. Speaker, that this motion was put forward by the members opposite because they decided it might be wise to learn something about agriculture. And of course, Mr. Speaker, they want to learn from the best, so I suggest the members opposite remain a little quiet and try and learn something and pay attention; then they'll be more informed in the debate later on.

To begin, Mr. Speaker, I'd like to refer to the topic of variable rates. Variable rates are not the problem the members opposite would have us believe; apathy, misinformation, a lack of foresight are. Discussions and planning, taking appropriate action, is what this government and Saskatchewan farm families are known for. The co-operation and open lines of communication established through hard work, frequent town hall meetings, and on one-on-one discussions with government members - this has helped to isolate the problems in agriculture and work toward some solutions.

The solution, Mr. Speaker, is not to stand and fight with everyone. The solution is recognizing the need to shift gears in the rural evolution of things, and things that will benefit all the people of Saskatchewan. Saskatchewan people deserve a bright future, and our Premier has the vision to ensure that through co-operation and communication, that future will provide protection and opportunities for this generation and generations to follow.

Mr. Speaker, these are principles and this foresight displayed by the Premier are evident in the many agriculture assistance programs introduced to Saskatchewan, indeed to Canada, through this government. For the 1986 crop year, Mr. Speaker, many Saskatchewan farmers received financial assistance through Saskatchewan government production loan program. Under this program, farmers were eligible to receive loans of \$25 per acre, as listed in their '86 Canadian Wheat Board permit book. The interest rate, Mr. Speaker, is at 6 per cent, and loans are repayable over the three-year period.

Earlier this year the Progressive Conservative government decided to defer these payments for one year, and the only required payment for the '87 farm family who took advantage of the program were the interest payments. This government is aware of the tough economic times faced by those in agriculture and other areas, and we are committed to making responsible assistance available to those who need it most.

Mr. Speaker, we saw the result of our Premier's effort to raise the issue of agriculture to the national level. The Premier pushed because he believes in the importance of agriculture to Saskatchewan and to Canada. Never before, Mr. Speaker, has Saskatchewan agriculture seen more benefits from good provincial-federal relations as we have seen in recent years with our Progressive Conservative Premier leading the provincial government.

I challenge the members opposite, Mr. Speaker, to produce examples of support in agriculture such as we have seen from groups and individuals in farming or regional co-ordinators, from examples as the letter that I'm going to quote from, from the National Farmers Union. I'd like to quote from a letter, Mr. Speaker, that is a clear example of the confidence Saskatchewan and Canada's agriculture community has in our leader and our Premier, the member from Estevan. I quote. This is from the National Farmers Union:

I want to commend you for pushing your fellow premiers for a commitment to Canadian farmers at the Humboldt meeting of western premiers. With continued leadership from you, I am sure that Canadian farmers can count on some much needed assistance from either the federal or provincial governments, or a combination of both. Thank you again for your efforts on behalf of Canadian farmers.

Mr. Speaker, the letter sent to the Premier I'm quoting is from Gil Pedersen, region 6 co-ordinator, National Farmers' Union. And, Mr. Speaker, our Premier's efforts are recognized at a national level, and through excellent provincial and federal relations Canadian farmers have benefited during the financial crisis.

Some of the examples of the federal government agriculture assistance programs, Mr. Speaker, are these: the western grains stabilization, an ongoing program to stabilize grain income to farmers. For example, when in 1980 when the people of Saskatchewan were crying for assistance in delivery of interest rebate programs, energy reduction costs, what did the members opposite do? Absolutely nothing. They were in contact with the federal government, and they did absolutely nothing in order to reduce the kinds of things that were needed to the farmer. They did not even initiate with their counterparts in Ottawa, the Liberal party there, their responsibility in dealing with how to pay out the stabilization payments, and how to address that so that farmers would be able to utilize the grain stabilization program. They didn't do that.

What happened when we had the billion dollar deficiency payment for 1986 crop production year? Did they ever do that? No, Mr. Speaker. I farmed in this province for a long time, and I farmed it through Liberal eras, and NDP eras, and Conservatives. And we have had tough times, and we have delivered programs in tough times. And what happened with the Premier of Saskatchewan decided to phone at 5 o'clock in the morning? Mr. Premier, the Prime Minister identified a billion dollars for agriculture in Canada.

The rebate of federal sales tax on fuels - Mr. Speaker, I

can vividly recall in Halifax when the Premier was talking at the Premiers' conference there that the Premier told the Prime Minister, and he said, Mr. Prime Minister, it is very, very difficult for the people in Saskatchewan to recognize that there is an importance in your collecting a tax on fuel and they go around their field, and they don't really want to have to pay that. And you know what, Mr. Speaker, the Prime Minister put into place a rebate on fuel, on the tax that he was collecting. And that opportunity was not available under the NDP except, Mr. Speaker, before elections and during elections. And that is where we are different, Mr. Speaker, mention was made before . . .

Mr. Speaker: — Order. The member's time has elapsed.

Ms. Atkinson: — Mr. Deputy Speaker, I want to address the original motion as put forward by my colleague from the member of . . . the member from Humboldt.

Before I do that though, I do want to take issue with some remarks given to us this afternoon by the member from Kelvington-Wadena. And I think if the member from Kelvington-Wadena continues to live in the past, farmers in this province really are in serious difficulty.

Some Hon. Members: Hear, hear!

Ms. Atkinson: — I think, Mr. Deputy Speaker, that the people of this province are sick and tired of nothing coming forward from those benches but what the NDP did 10 years ago, 15 years ago, or 20 years ago.

Mr. Deputy Speaker, agriculture in this province is beyond the crisis stages. It's now in an emergency stage. And we have nothing but rhetoric. We have nothing but bad news from the members opposite. And they continue to talk about what the NDP did 20 years ago. And I think the farmers of this province don't care about what the NDP did 20 years ago. What they now care about is what the members opposite are going to do today, here and now.

(1515)

Some Hon. Members: Hear, hear!

Ms. Atkinson: — Mr. Speaker, in speaking to this resolution, I also want to take issue with the provincial government, particularly the Minister of Agriculture, the Premier of Saskatchewan. The Premier, during the last five years has set himself up as the defender of the farm family. His rhetoric on farm issues has become commonplace.

During the fall election, we caught captions of the Premier riding horseback throughout southern Saskatchewan. We saw snippets of the Premier shaking hands at country picnics. We also saw him listening intently as farmers discussed farm issues and told their stories. It was wonderful imagery, Mr. Deputy Speaker. A good old country boy who just happened to become Premier of this province, a Premier who could get agriculture on the national agenda, a Premier who would defend the interests of farm families at the national and international scene.

Well I can assure the members opposite, and I can assure the Premier, there are numerous people in this province who can ride horseback. There are numerous people in this province that can shake hands and glad-hand at country picnics. Most of us can do that just as well as the Premier opposite.

But the real question is, the real question is: what is the Premier doing to protect the farm family on the family farm? There's been a lot of imagery, Mr. Deputy Speaker; there's been a lot of talk; there's been a lot of rhetoric, but the real test of a government's leadership is: what have they done, and what are they doing? As my father would say - watch the doughnut, not the hole.

Well what have they done, what have they done, Mr. Deputy Speaker, to oppose variable freight rates? Did they exert any kind of pressure on Ottawa? Did they exert any kind of pressure on the federal Mulroney government? Did they go to bat for the farmer in this province?

We heard one little murmur, but we saw no real fighting pressure, not one bit of real fighting pressure. And the farmers in this province want us to go to bat for them. They don't want a press release; they don't want the Premier flying off to Japan. We've got an economic crisis in Saskatchewan; we've got a farm crisis in Saskatchewan, and we think the talk is over, and the time is now for action.

Some Hon. Members: Hear, hear!

Ms. Atkinson: — Mr. Deputy Speaker, let's face it. Farm families aren't the winners in this situation with variable freight rates. The winners in this situation is the CPR, the CNR, Cargill, and all the other grain companies in this province.

These organizations have traditionally and consistently advocated that they've had to maximize their profits. They've had to maximize their profits and rip off farmers. They're not interested in minimizing costs for farm families, and they certainly aren't interested in giving the farmer a voice in the grain handling transportation system in this province. They're interested in having farmers leave their communities to haul their grains to larger centres. They're interested in having fewer delivery points in this province. They want rail lines abandoned in this province, and they want local elevators closed. And farm families in this province don't want that.

Some Hon. Members: Hear, hear!

Ms. Atkinson: — Those grain companies and those railroads want to consolidate their business interests into a few communities. That's what they call streamlining and operation. That's what they call maximizing efficiency. And consequently, Mr. Speaker, that's what they call high profits.

And I know the members opposite are talking about going back to the past in terms of the remarks that I'm making, but I want you to know that there are people in this province who don't want to drive hundreds of miles to deliver their grain, and if what I have to say is going back

to the past, so be it.

Some Hon. Members: Hear, hear!

Ms. Atkinson: — But, Mr. Speaker, what about those farm costs? And what about those rural communities? The closure of elevator points and the abandonment of railroad lines exacts a tremendous social and economic cost to our rural communities. The viability of any small Saskatchewan community is dependent upon grain - and the members opposite should know that - and where the grain goes. When the shipment of grain starts bypassing our small rural towns and villages, so goes the shopping, the banking, the school, the post office, and other services that are important to Saskatchewan farm families. They all leave the community, Mr. Speaker. Is that what you people want?

Bigger isn't always better, members opposite. Farm families want to preserve their way of life, but it's impossible if we don't have political leaders, if we don't have the political leadership, that leadership that prepared to fight along with them to preserve the family farm, to preserve farm families, and to preserve and protect rural communities.

Mr. Speaker, it's appalling that a government that displays all the rhetoric of the day, and all of the imagery of the day, is refusing to stand up for farm families in this province. They won't do it.

I recall when my colleague, the member from Humboldt, introduced an emergency resolution in this legislature requesting unanimous consent to debate an emergency resolution on variable rates. That motion, Mr. Deputy Speaker, called on Ottawa to reverse a recent ruling that allows variable freight rates on grain shipments.

And I recall reading in the paper that the Deputy House Leader, the government House Leader, the member from Souris-Cannington, I remember what he had to say. And he said we were playing politics, that we were playing politics with farm families. Well I think it's clear who's playing politics in this situation. We have a whole lot of glad-handing. We have a whole lot of press releases from the members opposite about their concern for agriculture. We have a whole lot of grandstanding on the international scene at these international meetings, but they won't even support an emergency resolution in this legislature to oppose variable freight rates. That's the kind of leadership we have coming from over there. They won't even oppose an emergency . . . or they won't even support an emergency resolution that would reverse the decision that allows variable freight rates in this province. How ironic.

How ironic it is, Mr. Deputy Speaker, that the government won't even utter more than a murmur when farm income in this province has plummeted by 18 per cent, when the federal government has lifted its moratorium on Farm Credit Corporation foreclosures. They can now start foreclosing on thousands of farm families across this country. The Farm Credit Corporation is a federal institution. It's run by our federal government - a PC federal government.

How ironic it is that we have a provincial government that's foreclosing and taking 191 farmers to court because of arrears in payments under the Saskatchewan production loan program, a program that they hailed as saving the family farm. And now they're going to do in 191 farm families.

Mr. Speaker, how ironic it is that we have here in Saskatchewan dozens of rural mental health clinics closing because the members opposite won't fund our health care system. We have a situation where farmers are under the greatest stress they've ever been in in this province since the '30s. And the members opposite are closing part-time rural mental health clinics. How ironic.

How ironic it is that I hear daily that there are no longer public health nurses in rural communities to give pre-natal and post-natal courses to farm families because these people won't fund public health nurses in Saskatchewan. And how ironic it is that we have public health inspectors that are no longer . . .

Mr. Deputy Speaker: — Order. The member's time has elapsed.

Some Hon. Members: Hear, hear!

Mr. Lautermilch: — Mr. Speaker, it's with pleasure today that I rise to address the original motion put forward by the member from Humboldt. And as well, I want to indicate that I'm pleased to discuss through that motion some of the farm problems that our farmers in Saskatchewan face. I want to say that I note this government spends an awful lot of time patting itself on the back and talking about its efforts on behalf of the Saskatchewan people. But, Mr. Deputy Speaker, I want to as well say that people are starting to understand and realize it's nothing but lip-service and it's becoming the trademark of this government.

We've heard a lot of rumbling about a national agricultural policy, and it appears that the Premier along with his good buddy, the Prime Minister, Mr. Mulroney, want to form a little bit of a team and do all the good things. Well I want to say to you that the farmers out there don't believe that it's going to happen. And one of the reasons they don't believe it's going to happen because they've seen nothing but inaction from the Premier and from the Prime Minister.

It's a laugh when we hear the Premier of this province stand up and indicate how he's going to beat the United States and the European Economic Community into line. It's a joke. It's unrealistic, and it's irresponsible. And I say to you that the people of province no longer believe it.

He doesn't understand simple, fundamental problems with the world economy and why the subsidies are there. He doesn't understand what's happened to the Europeans over the last few decades and the fact that they're afraid of the free market system and that they feel that they've got to have some protection for their people and their farmers.

It's not going to be a solution that he is going to be able to

pull out of a hat in a year, or in two years. It's a long-term solution, and what we need in Saskatchewan, and what we need in Canada right now, is some short-term help. The farmers in Saskatchewan need help both from the Canadian government and from this government, and it's clear by their actions they're not going to get it.

I want to talk about variable rates, and I want to speak about where this Premier was in 1982 as he was out campaigning. He was telling the farmers - I know in my area - that the Progressive Conservative Party, "Protectors of variable rates." Well some five-and-a-half years later, the people across this province have found out just exactly where he was in terms of variable rates, or rather, where he wasn't, and the same with the Crow rate.

When the federal government was moving to implement variable freight rates throughout this country, not a peep did you hear from this Premier - not a sound. He was hiding. Where is he now? His members today are chirping about feeling good about closing down the elevators in rural Saskatchewan.

And I ask them: how are you going to go back to your small towns . . . How are you, member from Morse, going to go back to your small towns and explain to them that, because of your Premier's inaction, that their elevator is going to go; and because their elevator is going to go, their small stores are going to go, their post office, and that they're going to have to start hauling their grain further?

In times when farmers can't afford another penny, this member stands up in this House and has got the gall to indicate that he figures it's a good move. I tell you, it's not acceptable, it's not proper, and that's a riding that is going to show you one day.

But I want to indicate, Mr. Speaker, as well, why I think, and why the people of this province think, that there isn't any support for those kinds of things from that side of the House. We're all pretty clear that the Premier, in his previous life, was a Ph.D. in agricultural economics, and he was known for his pronouncements on Saskatchewan farms and Saskatchewan farming. And one of his pronouncement s- and I want to remind the members on the other side - was that he felt that 80 per cent of the small farms in Saskatchewan were unviable and that they should be sold out.

Well that's exactly what he's doing. And I'm telling you that the members of this party, and the members on this side of the House, are going to have a platform and policy in place when the next election comes - and you'll find out when - that's going to be acceptable, because the people, and 80 per cent of the farmers in this province, are going to understand very clearly that you're not the government that wants to keep them on the farm.

I want to tell you, though, why you . . . I want to tell you why you support variable rates - because of your buddies from Cargill. And let me tell you a little about your buddies from Cargill and what good corporate citizens they are in this country. They get a subsidy, a reduction of \$1.50 a tonne. And these benevolent people, this benevolent multinational corporation that you people love and are endeared to, says listen, we're going

to share with the farming community. A buck and a half relates to six quarters. Well we're willing to share with the farmers. We'll give you one, and we'll pocket five. Twenty-five cents out of the dollar and a half that they're going to save goes into Cargill's pocket, which inevitably goes to the American states.

(1530)

And what's left for the people of this province, and what's left for the people of Saskatchewan? You tell me. You stand up and explain to your farming constituents why Cargill grain company, that will get a buck and a half a tonne, is only willing to give them two bits. You explain that. And you tell them why you support variable rates and why your support the multinational Cargill. You go home and explain that, and I'll tell you what - you're better than what I think you are, because I don't think you can explain the unexplainable, and that's exactly what it is.

Some Hon. Members: Hear, hear!

Mr. Lautermilch: — You, the protectors of the family farm - headlines: "Province is taking 191 farmers to court." A small farmer up by my area, just a few miles out of Prince Albert:

I had no crop last year. I was hailed out and had little insurance, so \$1,450 was all I could afford to pay on a \$3,500 interest loan.

And you guys are going to foreclose on this farmer. He came up with almost half of the interest, which in these times is fairly good, and you guys want him off the farm. But you know why you want him off? Because he is not one of the doctors, or the lawyers, or one of your rich money mongers that have money to come out and buy the little farms. That's who you're supporting. You don't support a little farmer like this. But I tell you, members on this side do, and we'll continue to support them.

Some Hon. Members: Hear, hear!

Mr. Lautermilch: — Where was the Premier when we asked for an emergency debate to call for an extension to the crop year? Where was the Premier? I'll tell you where he was. He was down in the States talking to the Americans. And I want to tell you what the Americans have to say about him when he came back. "Devine's agriculture push called unrealistic by North Dakota Governor." Governor Sinner of North Dakota, has some words to say about the Premier's position regarding agriculture.

An Hon. Member: — What did he say, Eldon?

Mr. Lautermilch: I'll tell you what he said. He said the Premier's a dreamer. He said the Premier's being unrealistic. He said that his approach won't be accepted.

And I want to say, Mr. Deputy Speaker, that the people of this province are becoming rapidly clear - it's becoming rapidly clear to them that we've got a Premier without any substance, his hype is wearing thin, and he's becoming very unbelievable, just as the Governor of North Dakota

doesn't believe him any longer.

He can partner and buddy with his friend, Brian Mulroney, who has got no credibility in western Canada any longer. And if he wants to tie himself to a fellow that's as unbelievable and unaccepted and unpredictable as Brian Mulroney, well then he should. But I'll tell you where he's going to be. He'll be back in the private sector expounding his theories, his agricultural economic theories again, and working with the Fraser Institute, maybe, to try and see that 80 per cent of our Saskatchewan farmers aren't around.

Because I'll tell you that the people aren't going to accept his kind of politics any longer. They want a government that's going to deliver some substance; they want a government that's going to come to the aid of farmers. You can talk all you want about your party being the ones - the spokesmen for agriculture. But I tell you what - it's not there. You look at the polls that have been coming out lately, and they're starting to realize that you're not the government of the people.

You're not the government of the farmers. The farming community is starting to laugh at you. And I tell you, it's more than just the price of grain. When they see that they've got to haul their kids a hundred miles to find a dentist who will be too booked to get them in, they're going to be cursing Grant Devine. And I tell you . . . I tell you, when they start looking at paying the costs of the drug prescription plan . . .

Mr. Deputy Speaker: — Order. The member's time has elapsed.

Some Hon. Members: Hear, hear!

Mr. Gerich: — Thank you, Mr. Speaker. It gives me pleasure to stand this afternoon and to debate this motion under Rule 16. And I say that with sincerity, Mr. Speaker.

I see that the NDP this afternoon, to debate on this motion, have obviously led with their chin. And yet that's precisely what they're doing today. It's quite rather a funny situation were it not for the fact that agriculture in this province is facing a number - a number of challenging positions and challenges, period, that we have to deal with.

It seems that the members opposite have realized that they'd better say something about agriculture today. Soon. Or else they're going to lose their rural support they had altogether.

Mr. Speaker, their reluctance to debate the agriculture issues stems from two sources. They know that this Progressive Conservative government has done more in agriculture in this province than any other previous government, including those headed by now Leader of the Opposition has ever done. And that intimidates them, Mr. Speaker.

But what really is stopping them from bringing the topic of agriculture is a fact that the NDP do not have an agriculture policy. It doesn't even exist. It hasn't existed for years, and it certainly wasn't there during the last

election, and farmers can see through that, Mr. Speaker. And they let the NDP know with their votes. And just ask the new NDP party president, Mr. Speaker, Mr. Dwain Lingenfelter. He can tell you about the lack of the NDP farm policy. It cost him his seat.

Mr. Speaker, for the NDP to bring a motion like this - it smacks of hypocrisy. Where were they when the farmers were paying 20-plus interest rates back in 1981 and '82? Where were they? They can hop and heckle right now, but they weren't around. They sure weren't around to lower the interest rate costs then.

Did they provide farmers with low interest rate operating loans like we did? Not on your life. No, Mr. Speaker, they put their money into buying potash mines, and these mines were already there. When the farmers asked for help, the NDP said, look, we've got these beautiful potash mines. They're going to help us. They're going to take us a long way. They spent over \$1 billion on those mines, Mr. Speaker, while they ignored the farmers and the home owners who really and actually needed the help in Saskatchewan.

I'm proud to say, Mr. Speaker, that our Progressive Conservative government has shown, and will continue to show, a solid commitment to agriculture, and whenever we are able to, we have intervened on behalf of the Saskatchewan farmers. Now whether that meant providing emergency drought aid back in '84-85, relief legislation to protect the farmers from foreclosure, our government has been there for the Saskatchewan farmer.

We've also been there on behalf of the farmers when dealing with the federal government. Mr. Speaker, our Premier has worked closely with the Prime Minister and his ministers on many challenges that face agriculture. And I'll say this, Mr. Speaker, no premier in Saskatchewan's history has ever achieved so much in the way of success in dealing with the federal government as has our Premier.

Yes, Mr. Speaker, our Premier made phone calls at night. Yes, he did wake up the Premier in the morning . . . or the Prime Minister. But our Premier got results. He got a \$1 billion deficiency payment for our farmers of Saskatchewan who shared in \$415 million coming directly into this province. And that's just one example of the co-operation we've received from the provincial . . . or the Progressive Conservative federal government under Prime Minister Brian Mulroney.

And we've seen hundreds of millions of dollars put into Saskatchewan's agricultural economy through the co-operation between ourselves and the federal government through stabilization payments, drought assistance, fuel tax rebates, removal of the capital gains tax. What is our co-operation with the federal government? It's accomplished programs such as this.

Mr. Speaker, I invite comparisons to the situation back in the late 1970s and early '80s. Did the government of the day co-operate in order to get the best results for the farmers of Saskatchewan? Not a chance. They used the farmers as a weapon against Ottawa, farmers who were just used as the bargaining chip against the Liberals. So

when there was a drought that hit this part - different and various parts of the province in '80 and '81 - what kind of aid did they get from the federal government? Very little, and a lot of times too late, all because the NDP in the meantime were using the farmers as their pawns in the battle with Ottawa.

Now I challenge the members opposite who back then sat on the front benches on this side, to come forward and tell us how their constitutional struggles benefited the farmers of Saskatchewan.

Now what did the farmers gain, Mr. Speaker? What did they gain from being used as pawns? For the same members to bring forward a resolution such as this shows that their concerns for the producers of Saskatchewan is very hollow indeed. They have no agricultural policy. They've been reduced to the point of spouting old, tired, socialist rhetoric.

Where are their proposals, Mr. Speaker? Where are the new NDP ideas? They haven't got any. They're bankrupt of initiative, and it shows. What is their solution to the problem of the international grain trade war? Well they're so busy attacking the United States that they don't even have time to have a suggestion or suggest one.

But, Mr. Speaker, our Premier and our Prime Minister are working to find a solution, and one that's work. And that's something that won't happen overnight. The international situation is complex and is not given to overnight changes. Our government realizes this. And now we must protect our producers in the meantime.

And that's why our Premier, along with other western premiers, has called for a deficiency payment for 1987 in the range of \$1.6 billion. And that's also why our government is looking at new ways of farm financing and agricultural development and diversification. Our Progressive Conservative government remains committed to the producers of this province, Mr. Speaker. And it will continue to do the best for them, wherever possible. And that's why I'm voting again the motion, and for the amendment.

Some Hon. Members: Hear, hear!

Mr. Neudorf: — Thank you very much, Mr. Speaker. I too am glad to get involved in this debate, and I would like to give notice that I will be opposed to the motion, and I will certainly be supporting the amendment.

Now while listening to the members opposite speaking, I could not but notice that many of them were talking about the good old times. And I find it kind of humorous, Mr. Deputy Speaker, to hear them talking about the past, to hear them talking about the so-called good old times. And it just makes me wonder the depth of their understanding of the agricultural problems, because, Mr. Deputy Speaker, I'm thinking about the saying that the winds of change were sweeping across our province, and indeed across our nation during the so-called good times.

The 1980s were upon us, and it was clear to everyone involved in agriculture at that time that there was a shift coming and that the smart policy makers in the industry

were advising to diversify. They were saying that Saskatchewan farm families should be too cautious about putting their whole future in one basket. Don't put all your eggs in one basket, we were being advised.

There were warnings, Mr. Deputy Speaker. But the NDP government in 1980 had ample warning, but they did not heed. And what did they advise farm families back in those days, Mr. Deputy Speaker? The NDP minister of Agriculture, one Gordon MacMurchy, in the *Financial Post* of February 12, 1980 stated, and I quote:

If Saskatchewan farmers hope to cash in on a growing profitable world grain market, the changeover to straight grain is necessary. The Saskatchewan economy is diversified enough to take the strain of a large crop failure.

That was the minister of Agriculture speaking, the minister of Agriculture, one Gordon MacMurchy. My goodness, Mr. Speaker, listen to those words. He advised farm families not to diversify. The Saskatchewan economy is diversified enough, is what he said. For our farmers the straight change-over to grain is necessary, he said. To grain only.

What a travesty of government policy. What a shameful lack of vision, Mr. Deputy Speaker. What an appalling inability to understand what is happening before one's very eyes. It is just simply mind-boggling, and it is unacceptable. It is totally unacceptable.

(1545)

And that, Mr. Speaker, is what is scary about the NDP when it comes to their lack of understanding - when it comes to their lack of understanding of the agricultural economy. And that's what worries us, Mr. Deputy Speaker. That's what worries the farmers of Saskatchewan should the members opposite form the government some time in the future. And that, Mr. Deputy Speaker, is what worries the people of Saskatchewan should the members opposite form the government some time in the future.

What is they were returned? With that vision of the future, Mr. Deputy Speaker, I submit that the people of Saskatchewan would not be well served by the members of opposite, if this is the direction in which they would be leading the people of Saskatchewan.

And that, Mr. Deputy Speaker, is why I submit that with the leader that we have in our Premier, with his vision for the future, with the direction in which he has been leading the province not only in agriculture but in various diversification measure, that is why I submit, Mr. Deputy Speaker, we will be here not just for the duration of this term, but for four years after and for four years thereafter, because the people of this province . . .

Some Hon. Members: Hear, hear!

Mr. Neudorf: — The people of this province, Mr. Deputy Speaker, on October 20, 1986, said we like the direction in which you're going, we like what you're doing for agriculture, and certainly we want you to continue. And

that is what I am suggesting to you is exactly what we're doing. And that is what I'm suggesting to you and to the people of Saskatchewan, is exactly what the members opposite would not be doing should they be returned to office.

And it is in that vein of mind that, Mr. Deputy Speaker, I am totally against the motion as it was made by the hon. member across, and in support of the amendment as it was made, that we in this province must continue to diversify, not to put all our eggs in one basket, as the members of opposite are trying to indicate to the people of Saskatchewan.

And I would say to you, Mr. Deputy Speaker, that it would be a travesty for this province, it would be a shame for this province, would we return to that type of mentality, to that type of mentality that was largely responsible for the many problems that the farmers of Saskatchewan are facing today, be it the land bank, or be it any of the other situations that we find ourselves in.

And I suggest to you, Mr. Deputy Speaker, that in their heart of hearts, when the farmers of Saskatchewan were facing a decision back on October 20, they said to themselves, what are we going to be doing in the future? Are we going to be lending our support to the Progressive Conservative Government of Saskatchewan led by the Premier, Grant Devine, and are we going to follow . . .

Mr. Deputy Speaker: — Order. Order. I've asked members not to use other members' names. Refer to members of the legislature by their position or by their seat.

Mr. Neudorf: — Certainly, Mr. Deputy Speaker. I do well know that rule, and I apologize for you. But I'm sure that the members of the House can appreciate the fact that when I do think of the member of the . . . Minister of Agriculture, I get kind of enthusiastic and get carried away at times, so please accept my apologies for that.

Now to get back to my train of thought that I was following, that on October 20, 1986, the people of Saskatchewan were being put into a position where they were going to have to make a decision. They were going to have to make a decision, Mr. Deputy Speaker, for their future. And they assessed . . .

Mr. Deputy Speaker: — Order. Order. I must remind members the 75-minute debate has elapsed.

MOTIONS

Resolution No. 15 - National Agriculture Strategy

Mr. Martens: — At the conclusion of my remarks, Mr. Speaker, today, I'm going to move a motion:

That this Assembly and the people of Saskatchewan support and compliment the efforts of the Premier in successfully raising the topic of agriculture to national and international stature, culminating at the recent first ministers' conference with the creation of a national agriculture strategy.

I want to begin by saying, Mr. Speaker, that I'm proud to rise in the Assembly and put this motion forward. The motion recognizes that our Premier is a man who strives for the betterment of this province, its people, and the country as a whole.

The achievement we are complimenting today, Mr. Speaker, deals with the topic of agriculture and our Premier's successful endeavour in raising it to national and international stature, culminating at the first ministers' conference with the creation of a national agricultural strategy. Of course, Mr. Speaker, that strategy is imperative to the survival of the provinces that make up this country. Agriculture is a big dollar value - \$20 billion industry - an important source of employment, and a major contributor to Canada's balance of trade.

With the obvious difficulties facing farmers in recent years, input and co-operation between the provinces and the federal government are now more essential than ever before. It has been said, Mr. Speaker, that a wise farmer puts as much thought into seeding as he does into reaping. And what governments are doing in Germany, France, the Soviet Union, China, and other parts, directly impact in agriculture in Saskatchewan.

Mr. Speaker, through co-operation, the federal government has risen to the challenges facing this country's agriculture sector. The federal government has strengthened existing programs and developed innovative responses to changing needs, with emphasis put on co-operation with provincial governments, the agri-food industry, Mr. Speaker. These programs include immediate assistance to cushion the effect of production and sales fluctuations, and assistance to improve the long-term competitiveness of this sector.

I feel it is important, Mr. Speaker, to point out some of the programs available to the agriculture sector, programs the Government of Canada is committed to. And, Mr. Speaker, the former minister of Agriculture, the member from Weyburn and now the Minister of Education, put it into context when he said in many of the speeches that he made that these are safety-net programs.

Mr. Speaker, the Agriculture Stabilization Act, for example, is funded by the federal government, the provincial government, and participating producers. The Western Grain Stabilization Act, Mr. Speaker, participating producers received about 859 million in pay-outs in the '86-87 crop year. This represented about \$5.10 in benefits for every dollar a farmer paid into the program between January 1 of '83 and July 31 of 1986.

The dairy policy, Mr. Speaker, gives efficient producers of milk and cream the opportunity to get a fair return for their labour and investment, and to supply consumers with a continuous and adequate supply of high quality dairy products. The federal government has set aside about \$1.4 billion for the five-year period, '86 to '91. And, Mr. Speaker, the agricultural products board provides producers with marketing support when they are receiving low prices because their agricultural commodities are in over-abundant supply.

Assistance by the federal government through the board - buying, storing or processing surplus commodities and then selling or exporting them when market prices have improved - this increases the financial return to the producers when they are ready to sell their commodities even though a market may not exist at that time.

Mr. Speaker, the Progressive Conservative Government of Canada provides relief in the area of financing, assistance, and tax measures. I just want to go through, and I will list some of them as I have had a chance to observe them. I believe, Mr. Speaker, that instrumental in dealing with one of the major concerns of agriculture producers in my constituency and throughout the province is the exemption on capital gains tax that was given to the farmers' of Saskatchewan and the rest of Canada, and particularly to those we want to deal with in Saskatchewan. These are recognized as opportunities that were non-existent prior to this. We have farm financing measures assisting farmers who are financially strapped. We have farm debt review panels. The Farm Credit Corporation has provided commodity-based mortgages.

I indicated earlier today that my observations during the discussions at the first ministers' conference a number of years ago in Halifax when the Premier told the Prime Minister in a very firm way . . . He said, when the people drive around the fields in the province of Saskatchewan and you put on an extra tax, they feel that, and they don't like that. And you know what the Prime Minister did? The Prime Minister said, we'll take it off. And he did. And that's a fuel tax rebate that is available to producers in Saskatchewan. My neighbours and the neighbours of many of the back-benchers and ministers in this government on this side, and the members opposite, will recognize that it is an excellent way to deal with the problem.

Then we have . . . the federal government recognized that there was going to be a difficulty in agriculture. And it's difficult all over, nobody wants to deny that. Canadian Rural Transition Program is another opportunity that was made available to help assist producers who were not able to meet the requirements of their financial commitments and they were allowed to use that. The FCC has also given an opportunity for a shared-risk mortgage program; 1984 and 1985 were very similar to the years of 1960-62; 1969-71, in that area.

There were a lot of people who were in serious financial difficulty because of drought. And in 1984 and 1985 the Prime Minister, together with the Premier, initiated a response for the drought. There was a drought assistance for grain producers and it affected my whole constituency. It affected the south-west part of the province, and it was an asset to the people there. And that was a value, Mr. Speaker, of about \$150 million to the people of Saskatchewan.

Livestock drought assistance, another area that we needed help in moving feed to the cattle producers. In 1984, \$48 million and \$16 million was given by the provincial government. And then in 1985, I believe it was, \$30 million was delivered to the producers in the southern part of Saskatchewan. I'm still talking about a

federal-provincial interface with the Premier leading the initiative.

And we have heard today over and over again that this is just plain rhetoric. It has no real meaning. We were told over and over again just prior to this debate, Mr. Speaker.

These are real. These are real figures when it comes to the producers in my constituency, and they're real in the producers in this province, and they deal very pointedly with the things that are necessary. The advance payment for producers who harvest their crops was increased. The ceiling was raised so people will be able to take a bigger advance on their production.

It was done in recent years by the Prime Minister who is there today. It wasn't done by the former Liberal administration which was the partners of progress that the former NDP had to work with. Cash advances for unharvested grain was another initiative that was put into place as a part of a way of pulling together the problems in agriculture that they had last year.

Interim payments for grain on the stabilization Act. And since 1984, Mr. Speaker, many of these things have been initiated. And why? It's because the Premier of Saskatchewan has initiated this discussion with the Prime Minister of Canada and his colleagues in cabinet.

(1600)

We have another thing that really impacted in my seat, and that was the tariff that was imposed on the meat coming in from the EEC. I recall very distinctly in the middle '70s and prior to that when the producers in western Canada were receiving 35 cents a pound for their calves when they marketed them and when they went through the tough times in the middle '70s. What happened to that? Quebec put on a special extra fund. They put on another 35 cents. British Columbia did exactly the same thing.

What was the problem? It was the EEC movement of beef into this country. And the NDP-Liberal coalition didn't do anything to stop it. No, they said it's okay because the consumer will be the beneficiary. And what, Mr. Speaker, happened? The producers were not able to compete with that and therefore they had a reduction in stock. And that's why through the 1980s to the time we are in today, we've had a reduction in the volume of reproductive stock, and not only in the cattle business, but also in the pork. And that's one of the reasons why that happened.

And many of the people in my constituency will verify that because they are just like I am, and they're beef producers and grain producers, and they know that that's what happened.

That tariff was never introduced by the formal Liberal federal government. It was introduced through the initiative of the Canadian Cattlemen's Association, through the Saskatchewan Stockgrowers, and their provincial agencies in providing a termination of . . . or an implementation of that tariff in European beef coming in.

These, Mr. Speaker, are a list of programs offered between

the federal and the provincial government, and the Premier has been working. Why? And that's basically to ensure that agriculture survives. We're probably living in the most difficult period of agriculture history since 1930. And it's not been initiated by government. It's been initiated by the tremendous . . . not this government, nor the federal government, but it's been initiated by largely the whole international subsidy on developing their own strategy in relation to the agriculture production. And that, Mr. Speaker, is exactly why our Premier is very precise in dealing with the things that he is in relation - as the members opposite criticized before - going to United States and talking.

They have a reason to believe that they don't want to talk to us. They don't want to talk to us about a lot of things. The members opposite have raised on a number of occasions, potash as an example, in trade. What do we do with potash? They're planning on setting up very restrictive forces in dealing with potash. How is that going to impact in Saskatchewan? How is it going to impact in the red meat business in Saskatchewan, because we have not initiated discussions through the years in developing an opportunity for us to continue to do that. Why? They are afraid of the competition that we will provide. Because we have through the years, Mr. Speaker, the farmers in Saskatchewan, Alberta, Manitoba, and British Columbia and including Ontario have operated on the basis of production and cost-effectiveness that have reduced . . . the farmers in the provinces. And then the provinces have gone down in the new numbers. Why? It was because they've had to compete with those large treasuries in the United States, the large treasuries in the EEC (European Economic Community), and later in my discussions I will prove to you that they are there. In fact, they are in such large deficits that, Mr. Speaker, it is almost more than they can carry.

I want to go on to some other things here that I think are important. The record in development programs that have been offered for Canadians in agriculture is one to be proud of. I want to discuss a little bit about the inspection and regulation programs insuring quality that is recognized around the world.

And, Mr. Speaker, if you go anywhere in China, south-east Asia, Europe, anywhere you want to go, it will be always recognized that the Canadian Grain Commission and the Canadian Wheat Board have a reputation that is well established. And they sell on the basis of quality, quantity, and value. And what happens when you have a decline in a market? And what happens when you have quality, Mr. Speaker? It happened this year. We're almost going to reach record movement of grain in a year when it wasn't expected. And the reason that we're moving that is because of the quality of the products that we, as producers, are moving as initiated by the Canadian Wheat Board.

We need not to stop there. We need to go on. Our scientific research and development policies must keep Canadian agriculture at the forefront with new developments. Agriculture development agreements, Mr. Speaker, provide a federal-provincial initiative to ensure the sector continues to advance.

The PFRA, Mr. Speaker, the Prairie Farm Rehabilitation Administration needs no explanation. It's a program respected in every farm household. And if you go into the south-west part of the province, you'll find that that's accurate. They have dealt fairly with people through the years. They have dealt reasonably and rationally, and the people there respect them; and of course, Mr. Speaker, special assistance measures by our Canadian government, with a reaffirmed commitment shown to agriculture, such as the special grains program, drought assistance, and the Canadian rural transportation program which I mentioned earlier.

Mr. Speaker, it is obvious that through co-operation with the provinces and the federal government that the agriculture will be expressed very pointedly and precisely by our Premier. And I think that that is excellent. Mr. Speaker, the knowledge that our Premier has, himself being a farmer and an agricultural economist, has been instrumental in the success of the assistance available to Saskatchewan farmers - I just wanted to make note of one very important thing. There has been occasionally remarks made by members opposite that the Premier is the farmer from South Alberta. And, Mr. Speaker, I believe that is a significant attitude on those people that are on the other side. And what it really does, Mr. Speaker, is reflects more on the kind of people they are than on what we are. And I believe that that speaks for itself.

The western Canadian premiers' conference established some priorities in agriculture, and I just want to deal with some of them as we go through this. They're general farm issues. Mr. Speaker, farm debt was discussed at the western premiers' conference at Humboldt, and the premiers agreed that the federal government must be more aggressive in cattle programs, as well as in traditional means of agriculture financing, such as operating loan guarantees.

Stabilization, Mr. Speaker, the premiers called for assurance to the grain stabilization programs fairly across all regions of Canada, and referring to the eastern Canadian stabilization fund, or stabilization Act which sets the eastern Canadian producers in a separate category, we in western Canada . . . And the premiers agreed to that, from western Canada, that we ought to have it uniformly across Canada, and I believe that that is right, Mr. Speaker, and we need to have more of that.

In dealing with some of the things that producers are going to have to deal with in the future, we need research in the cost of production so that we can learn how to lower those costs, and, Mr. Speaker, that is extremely, extremely important. That was just one area of the discussions they had.

I want to raise a few more. One was deficiency payments. The premiers were encouraged by the real progress being made by Canada at the international level and urged the federal government to press on to achieve an international resolution of the problems. And the discussions at various places, at Tokyo, Cairns, and Paris, I just want to make some notes here.

When we were discussing agriculture in the previous legislature, it was ridiculed from that side of the House

against our Premier that he would never, ever get it raised at the summit in Tokyo. Never, never. And that we heard that over and over from the benches on the other side, from the desks on the other side. And was it? Yes, Mr. Speaker, it was. It was raised over there, it was raised in each of the places that it has systematically been done. And who has initiated it? It has been initiated by the Premier of the province of Saskatchewan and the Prime Minister of Canada. And I think that it is extremely important for us to recognize that, because it deals very fairly with what has been going on.

Another observation the premiers made in the western premiers' conference in Humboldt was that they call on the Government of Canada to make an early announcement, in '87, for an increase in substantial deficiency payments, due to the continuing decline in prices and incomes. And, Mr. Speaker, I believe that that is what the people of Saskatchewan would like to see, and all the people of western Canada, because it is absolutely necessary, and it was confirmed by the premiers who met in Humboldt.

The premiers also called upon Canada to direct aid to other countries in a similar fashion to what Saskatchewan did in providing wheat supplies to the African continent, and the premiers endorsed an opportunity that be made available by the Canadian government to do that.

Finally, the premiers reiterated their interest in seeing the subsidization distortions removed from the world agriculture trade and production, both of developing and non-developed parts of the world. And, Mr. Speaker, that is extremely, extremely important, because we are dealing Saskatchewan with very, very limited financial resources. The producers here are very . . . are subsidized at a very low level compared to any of the other producers. And that is extremely important.

The premiers in Humboldt also said something else about the relationship that Canada ought to have with the United States. Premiers specified that a comprehensive Canadian-United States trade agreement must include new jointly established rules governing trade in goods and services, and a jointly managed dispute settlement mechanism to resolve trade disputes.

And I think, Mr. Speaker, that is absolutely necessary. It hasn't been in place. It isn't in place today. And what we have, because of the American way of doing it, we have a block of products that go down there that they are beginning to put tariffs on. And we . . . They're closing their borders to us. And I think it's extremely important that we go down there to visit them and tell them that they're only hurting themselves in the long run.

The premiers reminded the Canadian and United States government of the constitutional responsibility that the provinces have here regarding their resources. And I think that that's also an important part of what our Premier has to provide as a member of the executive of this province.

The premiers continue to support to the Uruguay round of multilateral trade negotiations under GATT (General Agreement on Tariffs and Trade). They endorsed Canada's initiative to include agriculture as one of the

items on trade.

Mr. Speaker, that is probably the first time that if we get it that far, and it looks like it will be coming that way with the President of the United States, having agreed to it, and the Prime Minister, that it will be, for the first time, a part of the negotiations that will be made available to benefit the producers of Saskatchewan.

Why is this significant to us, Mr. Speaker? Why? And that's because that over 50 per cent of the arable land available for farm production is in Saskatchewan. That's why it's important to us. And that's why it's important to Canada, and that's why our Premier has to initiate that response, through the federal government, to the United States, to the international scene. And that's why I think it's important.

I'm going to go on and list some of the things that I believe are important as it relates to the provincial initiatives that we have initiated in Saskatchewan. I'm going to list some of them. And the reason that I'm going to list them, Mr. Speaker, is the sarcasm by which we were treated earlier in the discussion today on resolution no. 16.

They said, Mr. Speaker, that we on this side of the House were living in the past. That is false, Mr. Speaker. They said that we were living in the past because we didn't have any new initiatives and we didn't have anything that was there for today and for the present. Well I want to tell you something, Mr. Speaker. Today we have a livestock cash advance. It wasn't there. I can recall in 1975 and 1974 that they did have some sort of a mechanism for doing that, but it was so limited, and all it did was made the people get further and further into debt.

And I remember that very distinctly because I participated in that and I saw it happen to other people. I saw it happen to other people who were my neighbours, who said, from then on, I'm never going to be in the cattle business again. They did that. And we have to be very careful how we initiate this response to what the people want to have. They have to be capable of making the decisions themselves to initiate that on their own.

(1615)

Livestock cash advance, irrigation assistance. Now there's a whole bunch of scorn heaped on this side of the government for the irrigation assistance that we have. And, Mr. Speaker, I can very vividly recall going to the other side of the Saskatchewan/Alberta borders where they have thousands and thousands, hundreds of thousands of acres of irrigated land. And, Mr. Speaker, that production is exactly the diversification that we need in this province. And that's forward looking; that's not looking back.

Our production loan program. They said we had cancelled it. Yes, Mr. Speaker, we have said that it's not going to continue on. But all of those people who are enrolled today are going to be enrolled tomorrow until that's concluded. And they, Mr. Speaker, never did anything when the interest was 21 and 22 per cent - not a thing. They didn't do it for farmers. They didn't do it for home owners either. And that, Mr. Speaker, is why they

lost in '82.

What about the things that respond to the agriculture scene that relate to the drought assistance that we gave - moving feed into the southern part of the province from those in the North? Was that positive? Was that responding to need? Was that responding to demand? Yes, Mr. Speaker, it was.

What are we doing for the future? We're building, Mr. Speaker, I believe, some very important things. We're building things like livestock investment tax credits, livestock facilities tax credits - excellent opportunities for investments in this province. And I believe that there are a lot of those.

I could go on and talk about a whole lot of them because they impact directly into my constituency. Mr. Speaker, there are a lot of those things that impact, and I just want to give you a value. All of the things that I have listed plus a number of others, have an impact through the period of their existence of over \$2 billion. And that has been made as an investment in the people of Saskatchewan, the agricultural production.

I want to go to another thing that we have done, and that is relevant to today - the agriculture development fund. Two hundred million dollars put into place by the member from Weyburn, a member who has taken agriculture and moved it forward. The \$200 million is going to put into place some very positive things in the province. These things, Mr. Speaker, were done by the Progressive Conservative government. They were done by this Premier - they were done by this Premier in relation to the federal government. And I think that that's very important.

There's another aspect to this that is of a very critical nature. And why are we in a situation as we are today?

An Hon. Member: — Tory government.

Mr. Martens: — Mr. Speaker, the members opposite have not listened very carefully or they would have understood that it's not the Tory government. The Tory government has provided a safety net for the people of Saskatchewan. And I'm glad that . . . I'm very happy that the members opposite raised this, because I'm going to read something from the Prime Minister of Australia in a moment . . . from the Prime Minister of Australia who is himself a professed socialist, which I doubt because of his attitude towards international trade.

And what does he say about it? And listen . . . The members opposite need to listen very carefully, because he has some very pointed things to say about how to respond. As a matter of fact, if you go back, you'll find that he laid off 3,000 people in the civil service after he got elected. So he's one step worse than we are if you were going to gauge that according to what we have done. And that was on a national scene too.

Now, Mr. Speaker, going back to agriculture, and I want to . . . I would just want to comment on some of the things that Prime Minister Hawke raised from Australia:

The world agriculture crisis is placing serious stress on international economic and political relationships.

And this is a very pointed statement. What does it mean?

World agriculture has not been in a worse position since the Great Depression. Commodity prices have been plummeting, seriously eroding, and often ruining the financial position of farmers in many countries.

And that's not only in Saskatchewan, that's in the EEC, United States, Australia, New Zealand, all over.

The cost of farm programs have soared, imposing great financial burden (on who?) on taxpayers. At the same time, consumers in some advanced countries have been required to pay highly inflated food prices.

So not only were some countries going after the tax dollars to subsidize the producer, some of those countries were requiring that the food be raised in price in order to pay the producer.

And what it causes in Saskatchewan, and in Canada where we have very little of that, thank goodness, is that it has caused the people in Saskatchewan to fade away. The volumes have been reduced. And these people think it's a simplistic answer - throw more money at the problem. Well we did throw money at the problem, and we threw billions of dollars at the problem. And, Mr. Speaker, has it gone away? No, because the international situation is far more serious out there than it is right here.

Important indicators of the crisis are . . .

What are some of the indicators . . . in rationalizing this out, what are some of the indicators that I'm referring to?

World wheat prices have fallen 50 per cent; stocks have risen by more than 70 per cent (that's one of the points that he makes). Butter prices have fallen 50 per cent and stocks have increased 1.7 million metric tonnes.

Now that's a whole pile of butter, and lots of that is in mountains in the EEC.

EEC stocks of beef have risen to over 600,000 tonnes, about three times their usual level.

And what are they doing? Are they curtailing their investment by the people, the taxpayers of the EEC? No, they're not. That's a part of the problem, Mr. Speaker. It isn't isolated to the people of Saskatchewan. It's all over the world.

And therefore, Mr. Speaker, we can't deal with it in an isolation. And that's why it's important, Mr. Speaker, and that's why I'm taking you through this scene, to identify the fact that our Premier and our Prime Minister are required to deal with it. And you know why we have a problem? Because it wasn't identified and dealt with in 1979, 1976, 1978, and those years. That's when we

could have deal with it in a very serious way.

And I can recall, Mr. Speaker, through that period of time, talking about an international agreement on grain. And what would have happened if we would have had an international agreement on grain? We would probably have been able to deal with a crisis as it relates to the EEC producing and marketing internationally, or Argentina, or the other countries. That's the part of the reason why we are in a position where we are today.

And that, Mr. Speaker, is why I've raised this motion as a very important one because the Premier of Saskatchewan, the Prime Minister, and the people who are working in the governments on the Canadian basis have to realize that it is very, very important for producers in Saskatchewan to be dealt with fairly.

Mr. Hawke goes on, and he has some very pointed things to say:

Causes of the world crisis. Factors on both the demand side and the supply side of the current huge surplus of farm products in the decade ending 1982.

So that's when this whole thing really was fixed.

The volume of world trade in agricultural commodities grew by 35 per cent. Most of this growth came from developing countries. The early 1980s saw the period of buoyant world trade and economic growth come to an end. Developing country demanded . . . stagnated, both because of slow international economic growth and because of the effectiveness of their own agricultural development programs.

Countries like China, and many countries in the EEC who were traditional purchasers of our grain had their doors closed to the opportunity to market grain from Saskatchewan because they were growing it themselves, not because they could do it better than anywhere else, but because they were paid to do it.

And Mr. Hawke goes on to deal with that in a paper he presented to the United States, and it's very important that we realize that it's not just a provincial kind of a matter. We have to deal with it on a broader base, and our Premier is doing it, and he's trying to focus the attention of people on doing on an international way and that's very important.

Another place where it develops into importance, Mr. Speaker, is the groups that are meeting. The Cairns' Group is an example of the things that are happening in Canada and other parts of the world. People who are part of that are Australia, New Zealand, Hungary, Philippines, Thailand, Malaysia, Argentine, Brazil, and Chile. These are countries that are absolutely . . . it's absolutely necessary to involve them in discussions that we have.

Some of the responses that have been happening through the last period of time . . . and I want to read some of these into the record, Mr. Speaker. Secretary Schultz has indicated that it's time that agriculture be put into the

world stage. He complimented the Prime Minister of Canada for putting it into the discussions in Venice. And President Reagan also said that there is going to have to be a phase-down, a tapering off of the amount of involvement that we have in putting agriculture on a firm footing not based on traditional subsidies, and gaining access to a world market.

Mr. Speaker, there's another area that I want to say that needs to be developed. And I'm trying to hurry here so that other members have time to speak on the subject, too. But there is an important point here that has to be mentioned. We have the European Economic Community in a very unique situation as it relates to the people in agriculture. Prime Minister Thatcher, in the EEC discussions, blocked the relationship that they had, so that they could reassess what they were going to pay as it relates to the subsidy on food in the EEC.

And why? Because their anticipated deficit in this year will be \$6 billion. That's their anticipated deficit. I believe their overall deficit is something like \$40 billion. And they are very, very close to being bankrupt themselves, and the interest, Mr. Speaker, is in the billions of dollars.

And that's why we have a problem internationally. And that's why our Premier must talk about it. And that's why our Prime Minister must talk about it. Each one of them must, in a very distinct and precise way, relate that as an international . . . in a relationship of international importance. And that, Mr. Speaker, I believe is why I think that we should all in this House support this kind of a motion because that gives us an indication of the importance that it is to rural Saskatchewan.

I want to conclude by making some . . . I notice the members opposite are cheering but I want to just close by saying some things that are very important. And July 16, 1987, Mr. Speaker, in the Viewpoints in the *Leader-Post* it says: "Potash debt write-off lets PCS (Potash Corporation of Saskatchewan) do its job."

Recent news from the cut-throat international commodity markets provides a glimmer of hope amid much of the gloom that has (over) shadowed this province of late.

Last week, there was word from the London-based International Wheat Council that despite the sharp drop in prices for wheat caused by U.S. and EEC (European Economic Community) subsidies, Canada's share of the world wheat market is actually growing.

Why? Is it because our Prime Minister is out there marketing it? Is it because our Premier is out there marketing it? And, Mr. Speaker, is it because we are staying competitive in the international market? Those are all answers, yes. And is it because we have quality product? Yes it is. Is it because we have not short-shifted on any of the arrangements we have made through the Canadian Wheat Board? Yes it is.

(1630)

I'm just going to go on to another one here that talks about

the conference in Venice, and it's a report in the *Leader-Post*, June 12:

Full marks to Prime Minister, Brian Mulroney. This week in Venice, Mulroney and the Canadian delegation managed to maintain the momentum toward the re-emergence of some form of common sense in the international grain trade.

That's what we're here for. That's what the Premier is doing. That's what he's talking to the federal government for. That's why he phones him at 5 o'clock in the morning. That's why we do these kinds of things and discuss the rationale for him going to the United States. That's why it's important. They just ridicule it. All they do is stand in the way. When he goes to Tokyo or he goes to Japan, what's he doing? He's marketing the products that we produce in Saskatchewan.

And why is it that they buy and increase the volume of sales? It's because he's going around and telling them we've got the best wheat in the world, and the Prime Minister is doing exactly the same thing, and that's why it's necessary to be done.

Mulroney also restrained himself from making some form of Chamberlain excuse statement about peace for our time and was satisfied with saying the agreement doesn't represent a quick fix. However, the agreement in Venice . . . there wasn't an agreement in Venice, but progress is on the way. It is, however, a funny kind of progress. In effect, the agreement, no matter what the words seem to say, is an agreement not to make the situation worse.

And I'm going to go one point further. Why was the President of France in Saskatchewan? Why did he come to Saskatchewan? Did he come to see . . . Did he go to see the Premier of Alberta? No. Did he go to see the Premier of British Columbia . . . (inaudible interjection) . . . Perhaps, maybe. But where did he come? Right to Regina to talk to the guy that knows agriculture probably better than any premier in Canada, and he knows agriculture better than any person in the federal government. That's why he can go there and tell them, look people, this is the way it's going to be, and that's the way it ought to be.

Some Hon. Members: Hear, hear!

Mr. Martens: — And that, Mr. Speaker, is why I am very proud to move a motion in this Assembly:

That this Assembly and the people of Saskatchewan support and compliment the efforts of the Premier in successfully raising the topic of agriculture to national and international stature, culminating at the recent first ministers' conference with the creation of a national agriculture strategy.

And it gives me a great deal of pleasure to do this, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Upshall: — Thank you, Mr. Speaker. I am very pleased to be able to get up today to let the people of

Saskatchewan know that the rhetoric we have heard from this government today and in other past days in agriculture is just to the point where we can't take it any longer.

Some Hon. Members: Hear, hear!

Mr. Upshall: — We have heard the rhetoric come out about all the programs and how great we are over there. And I talk to farmers every day who call me and say, what am I going to do? What am I going to do? I am losing my farm.

And these fellows over here one at a time religiously get up to . . . line up behind a Premier who tries to let the people of this province know - tries, I say - that he is the guy to do it. And they know better. They know the policy isn't there. They know we're losing a thousand farmers a year in this province. And they religiously get up behind him and talk about all the programs we have in place for agriculture and our beef and poultry and hogs and everything else.

Let me tell you something about some of these programs. Let's talk about some of the tax incentive programs to the people of rural Saskatchewan - many, and more and more all the time, who aren't paying taxes. Are they getting benefit from these great programs? This government stands up and says, but here, you know, you got a tax write-off.

Let's take beef, for example. We have venture capital - venture capital meaning you can put money into the beef industry and get a 30 per cent write-off right off the top; put it into a self-administered RRSP, get another 30 per cent right off the top. Is it the guy that's going under going to be investing \$10,000 into venture capital? Who is it going to be? It's going to be George Hill, the patronage appointment. It's going to be the Emburys and the Schoenhals. And these are the people who are going to be taking advantage of any profit to be made in the beef industry.

And let me tell you who is not going to be able to take advantage. Who is not going to be able to take advantage of it is the guy that's down the road with a hundred head beef herd who has to make a dollar profit on every animal that he sells, or he's out of business.

Some Hon. Members: Hear, hear!

Mr. Upshall: — But the George Hills supported by this government can sit back and take their tax credits, and lose money on every animal, and still be money ahead. That's the type of programs that this government has.

We've seen them lead us down the garden path since 1982. We've seen them lead us down the garden path in education and health, but they were still the defenders of agriculture. We've seen them lead us down the garden path with the dental nurses. We've seen them lead us down the garden path with the patronage, and they still thought that they were the big boys in agriculture.

But now we see the garden path in agriculture ending abruptly. We see them out there with programs, such as

the hog stabilization . . . hog stabilization which paid the farmers of this province enough to get them by. What did they do? They went out in the country . . . and I was at a meeting in Humboldt where they were out in the country, and they said, well, this is what you wanted, isn't it? And everybody said, no, it's not what we wanted. But yes, you said it was what you wanted; it's what you're getting. This great consultation with the rural people in this province. Copping out of provincial commitment, just to reduce the dollars that they need to put into a program, hopefully supported by the federal government, and at the same time reducing the support from the hog producers.

The same thing with beef tripartite. They're losing credibility with the people because they say, we're going into a beef tripartite program. And whose telling them to go into the beef tripartite program? It's not the majority of the people in Saskatchewan that's telling them. It's a few individual producers, who think that they're going to make a killing on the beef industry.

They're going into a tripartite system that is going to reduce the stability to the beef producer. It's going to reduce it because they will no longer have a cost of production formula. They're going to go on an average. And so the average goes down, the price goes down. Nothing related to cost of production to keep the family farms in Saskatchewan on the land - absolutely nothing.

Let's talk about supply management. We have a situation here in this province where we have implemented in the past years a supply management in eggs and poultry and dairy, and a Canadian Wheat Board marketing program. And what are these boys going to do about it? They're talking free trade. Open the border.

Let's talk some more about supply management, where two mid-sized producers of turkeys in the United States can supply the whole Canadian market. And you guys are saying: oh well, we'll still have our poultry producers, our turkey producers. Where's the reality in that? Where's the reality in that type of logic - illogic?

And the other thing: free trade is going to undermine, as I said, all these programs that were built up. But no, these people on this side of the House say that that's what we have to do; that's the future; open the markets; level playing field; everybody's going to be . . . we're going to have access to a huge American market in our agricultural programs; we're going to have access to a market whereby they can produce, down in the southern states, poultry and beef and eggs with no overhead costs as far as heating goes, with no . . . They can raise cattle 20 . . . or 12 months of the year. We're going to compete against that? What kind of dumb rhetoric can it be?

Some Hon. Members: Hear, hear!

Mr. Upshall: — We're going to have free trade with the Americans, and they are saying: well, you've got to cut some of your programs like, well maybe some of the little ones, the Canadian Wheat Board; I mean, we've got to have this level playing field.

The farmers of the province know what the Canadian Wheat Board has done for them over the years, Mr.

Speaker. These guys want to scrap it. They want Cargill to be the guy putting out the grain over the . . . throughout the world market. They want Cargill to be in control of the grain produced by the people of this province. And who's going to profit? *The Best Interests of the Producer in Mind*, by Cargill Grain. I'll be a short book, let me tell you.

This type of rhetoric, this type of nonsense that comes across the floor, I cannot tolerate. Because the people of Saskatchewan . . .

Some Hon. Members: Hear, hear!

Mr. Upshall: — The people of Saskatchewan are faced with a situation whereby they now have very, very little money. Their banker says, well, you know, I don't know if we can have your loans extended this year for your . . . to put your crop in. And they say, well what am I going to do? And these guys say, well, if you're in a little bit of trouble, we'll through out a \$25 production loan on them. And yea, everybody applauds.

And a year later, what are they doing? They say, you don't pay that production loan, we're taking your land. What type of production policy does this government have when they recklessly throw out money to the people of this province and say, trust us, and a year later they're coming back and pulling the land out from under them?

Some Hon. Members: Hear, hear!

Mr. Upshall: — The same way they did it, Mr. Speaker, when they put foreclosure action on those people who were lands branch people - pulled the rug out from under them. And why? Why are they doing that? Because the theory, the policy behind this government is to ensure that there are fewer farmers so that the multinational, the large corporation, the people with the money to invest and rake off tax credits, can prosper.

Some Hon. Members: Hear, hear!

Mr. Upshall: — Those people prosper. Those people prosper, and who is being hurt? Who is being affected?

An Hon. Member: — The family farms.

Mr. Upshall: — Not just the family farms. Although they are the ones that start the process, they are the front-line boys who come up and say, well and you've battered them so badly now that they're going down easy. They're saying, well look it, if I can get out of this, I'll sign anything just to get out of it. That's the mentality that's out there, propagated by that government.

Some Hon. Members: Hear, hear!

Mr. Upshall: — And after that one farm goes, another one goes and another goes, as we've seen in the past - about 1,000 a year.

And what's happening in our rural communities? How many teachers have been lost in rural communities since 1982? With the population going down, we don't need as many teachers; population going down, we don't need as many nurses in rural Saskatchewan; population going

down, we don't need as many dentists or storekeepers or machinery dealers. How many machinery dealers have we lost? You guys know the . . .

An Hon. Member: — Dozens.

Mr. Upshall: — . . . the numbers and numbers who have gone. And why? Because they've hammered down the people of this province, the rural community, all the time spouting they're going to save us, and the underlying plan is to get rid of those poor - get rid of those people who are bad managers. They're the bad managers; the good ones'll survive.

Some Hon. Members: Hear, hear!

Mr. Upshall: — That's their plan. And this plan, Mr. Speaker, is the demise of this province, and we've seen it since 1982 in every sector that's going. And we're seeing it increase now.

The guys over there who are saying it - big thing, variable rates. No big deal. I've been hollering variable rates are going to come since I started in this business, and we've seen it happen now. And again, who's going to benefit? Are we going to benefit? Am I going to benefit when I have to haul 30 miles instead of 15; when I have to buy a bigger truck; when I have to pay more fuel; and when I possibly have to hire somebody to do it because I've got other things to do? Am I going to benefit?

A \$1.50 a tonne, Mr. Speaker, won't even come close. And as we see, we won't even be getting that \$1.50 per tonne.

(1645)

Some Hon. Members: Hear, hear!

Mr. Upshall: — This is the type of programs that this government is putting forward to help us - to help the people of this province?

They are in bed with the big-business people of this country simply for their own gain. We have a rural society, a rural system, built up by our forefathers, and many of those - of our forefathers - will be rolling over right about now, let me tell you.

Mr. Speaker, they knew. They had a vision. They knew what this province could be. They built this province up to what it was in 1982, and since then we've seen nothing but rhetoric, bad management, betrayal, undercutting of the social fabric of this province by that government.

Some Hon. Members: Hear, hear!

Mr. Upshall: — And they continue - and they continue to tell the people of this province that this is the way of the future. This is what Saskatchewan needs. And we have seen - we have seen what this province of Saskatchewan was. We have seen, Mr. Speaker, how this province of Saskatchewan has been pulled down in medicare. We have seen how it's been pulled down in all the social programs, as I say, from medicare education down to the social service network that we have, the poor people who

can't afford legal aid. They've pulled it right down to the point where I wonder how much farther it's going to go down before the people of this province revolt.

Some Hon. Members: Hear, hear!

Mr. Upshall: — And it all comes from half truths and false perceptions. I'll just give you a little example of what I'm talking about. We have had a situation where, on August 5, the member for Weyburn, when talking about agriculture says, I quote, Mr. Speaker:

I would ask: where have the NDP been on agricultural issues? Forty-three days into this legislature before we even had the question of agriculture raised.

That's what the member for Weyburn said. Mr. Speaker, that is totally untrue. And I'll tell you why it's untrue in a minute. But before I do, that is the way that this government treats the people of this province. They tell them one thing, and they try to sucker them into the game by a little bit of the carrot on the stick, with some incentives and some money here and some money there, and get the old adrenaline rushing, that, yeah, we're going to do it. They say one thing and they do another. They are not telling the honest truth.

And I'll tell you, day five . . . These are the days in which this caucus raised agriculture. The minister said 43 days into the session. Day five, deficiency payments for farmers - drop in net income for Saskatchewan. Okay? That wasn't quite true, 43 days then, was it?

An Hon. Member: — What about the farmer from Albert South; where was he at the time?

Mr. Upshall: — The farmer from Albert South was on a junket somewhere. And why was he there? Because he was going to do something for Saskatchewan agriculture. Well the people of Saskatchewan cannot even afford the little luxuries that they've been afforded all their lives, because this government is not supporting them.

Day six, deficiency payments to farmers - day six. The Minister of Education from Weyburn said 43 days we didn't raise anything in this House. Was that the truth, Mr. Speaker? Do I dare use the word "lie"? Well I wish . . . I call it as I see it, but I won't use it.

Day 11, post office closures. Does that not deal with rural Saskatchewan? This is part of the agricultural fabric of rural Saskatchewan. Day 14, Mr. Speaker, policy concerning Department of Agriculture leases. The members opposite should remember that. That's when they decided that they were going to pull the rug out from the numbers of land branch leases that were slightly in arrears. They said, oh yeah, these guys aren't . . . they're poor operators. they can't operate this land. They're so much in arrears. And many of them as little as \$300 in arrears, Mr. Speaker, and they were going to foreclose on them.

An Hon. Member: — Where was the farmer from Albert South?

Mr. Upshall: — The farmer from Albert South was on another junket down talking to Ronald Reagan.

That same day we were talking about variable rates, introduction of variable rates by CNR. Is that not agricultural? And the minister said 43 days. This is the kind of garbage that we're getting from the other side of the House - total untruths.

Day 15, policy concerning Department of Agriculture leases again. We're the guys that don't bring up agriculture. Forty-three days the man says. But no. Again we're worried about agriculture leases. We're worried about agriculture leases because we know that those people leasing lands branch land are not bad operators for the most part; they're not incompetent. But they are in a situation whereby that the price of their product and the input costs do not match. That's why they're in that. And these guys are saying they're not good, these guys. Get rid of them. That's the concern this government has.

Day 19, service cut-backs in rural Saskatchewan. The farmers of this province saw their social systems eroding. They saw the dental therapists going. And what do they have to do now? They have to take a day off before the kids go to school. They pull them in the school. The cavities went down from five cavities per student to half a cavity per student. But no, now we've got to take a day off the farm, off of our work. If someone happens to be working off the farm, they have to take an additional cut in their income. They have to pack the kids up and take them to wherever they have to go to see a dentist. They have to . . . you know, they're burning gas, and besides that they are waiting a long time to get these appointments. That's the kind of support these guys are giving rural Saskatchewan.

It is not logical for this government to continue this process. Let's carry on.

Day 19. I did that one.

Day 24 and 25. Rumoured sale of STC (Saskatchewan Transportation Company). Rumoured sale of STC - not only affecting farmers who get parts in on the bus regularly; affecting people who have no other means of transportation to get out of the rural communities, to do whatever business they may do that they couldn't normally do in rural communities.

And 43 days, he's trying to tell the people that this caucus over here didn't raise agriculture.

An Hon. Member: — Where's the farmer from Albert Street South?

Mr. Upshall: — On another junket.

Day 29, Variable grain freight rates. Here we go again. My point, Mr. Speaker, is this: when these people, on the other side of the House, get up on their feet, it is obvious to me, to the caucus on this side, and to the people in Saskatchewan, that you cannot believe them.

Some Hon. Members: Hear, hear!

Mr. Upshall: — So these people, who get up time after time after time - and I just might add, normally, Mr. Speaker, we have a situation where the motions come up, as we have seen today - they come up and they're usually concerning something commending the government, patting themselves on the back for a program, or a major project increasing employment, or some other job-creation program - usually that's the type of thing that we have seen. But this, what we see here today, is what I call "fluff".

This is what - that we commend the Premier for successfully raising the topic of agriculture. I mean, they sit there patting themselves on the back. The Premier running around the world saying that I'm the guy that's going to defend agriculture in Saskatchewan. He's talking to Brian Mulroney and to Ronald Reagan.

And what's happening at home? Who's minding the store? What's happening here when the rhetoric of the Premier running around the world to do - supposedly help the people. Nothing's happening here for the farmers of Saskatchewan except despair, stress, and a situation that they can no longer tolerate. That's what's happening.

Some Hon. Members: Hear, hear!

Mr. Upshall: — And let me tell you something else. In his junkets around the world, is he going for an International Grains Agreement that could keep the price of grain up? No, he's not.

And why not? Because this government and this Premier succumb to the powers of multinationals like Cargill and Bunge, who want to control the world grain trade, who want to control the world food supply.

And if they couldn't control it, then the exorbitant profits from the produce of people in Saskatchewan couldn't be realized by those multinationals. And those are the people who, I think, this Premier and this government should be standing up to - should show some intestinal fortitude and say, look, you are not going to run the world food supply; you're not going to tell the people in Saskatchewan when they're going to . . . how much they're going to get for their grain. And he doesn't do that. Not a mention of an International Grains Agreement.

Some Hon. Members: Hear, hear!

Mr. Upshall: — But they say, but they say . . . The defence they have is, well, any time we start about agriculture . . . well, the premiers and the Prime Minister are going to have a little secret meeting with somebody maybe from - maybe with George Schultz, as the member over here just said, or maybe with the New England governors, or maybe with the mayor of Minot, or maybe with Governor Sinner.

The people that he's talking to down there, I'm afraid, and I'm sorry to say because it bothers me because he's from the province of Saskatchewan, the people down there think he has no credibility because . . .

Some Hon. Members: Hear, hear!

Mr. Upshall: — Governor Sinner said his policies have no reality in them. Okay, Mr. Speaker, I would just like . . .

An Hon. Member: — What do the polls say?

Mr. Upshall: — You want to talk about the polls?

An Hon. Member: — Tell them about the polls.

Mr. Upshall: — Okay. Mr. Speaker, we have a situation where we're \$52 billion in debt in Saskatchewan. And the farmers out there are crying out for help. They're crying out for somebody to talk straight talk to them, for somebody to put some stability under them. And how are they showing that? How do we know this? I mean, we can stand up here and say, well the farmers are behind me. And the Premier can say, so the farmers are behind me.

But how do we know what's happening out there? Look at the polls, my friends. Look at the polls, my friends. The polls are the indicator and show us that the people of this province have had it with this government.

Some Hon. Members: Hear, hear!

Mr. Upshall: — Poll after poll comes in, day after day. And which way is this Tory government going with all the support in Saskatchewan? Downhill. And which way is the party going that these members over opposite say that have no idea is going? They're going up.

This is what the people of this province are telling us. This is what the people of this province are telling us. And you can sit over there and tell me how good your policy is? You can tell the people how good your policy is and how good you're doing for them? They do not listen because they know better.

Mr. Speaker, for all those reasons and many, many more reasons from which the people of Saskatchewan will be telling this government, I therefore now beg leave to adjourn the debate.

Some Hon. Members: Hear, hear!

Debate adjourned.

The Assembly adjourned at 5 p.m.