

The Assembly met at 2 p.m.

Prayers

READING AND RECEIVING PETITIONS

Clerk: — According to rule 11(7), I have examined the following petitions which were laid on the Table yesterday. I hereby now lay them on the Table for reading and receiving:

Of certain citizens of the province of Saskatchewan, praying that the Legislative Assembly may be pleased to urge the Government of Saskatchewan to stop its policy of eroding and undermining medicare in Saskatchewan — Sessional Paper No. 151.

Some Hon. Members: Hear, hear!

INTRODUCTION OF GUESTS

Hon. Mr. Maxwell: — Mr. Speaker, it's a pleasure for me to introduce to you, and through you to the other members of the Assembly, a number of individuals seated in your gallery, sir, with whom I had the honour to meet earlier today, with several of my colleagues. They represent various cultural and multicultural organizations within Saskatchewan, sir.

I'd like to name them and have them stand as I read their names: Dr. Hamid Javed, Multicultural Council of Saskatchewan; Mr. John Rozdilsky — I trust I pronounced that correctly, John — Ukrainian Canadian Committee; Mr. Paul Rezanoff, Saskatchewan Council of Cultural Organizations; Dr. David Ngai, Saskatchewan Organization for Heritage Languages; Dr. Ernie Epp, Saskatchewan Multicultural Advisory Council; Dr. Harbans Narang, Saskatchewan Association for Multicultural Education; and Ms. Nayyer Javed, from the Immigrant Women of Saskatchewan.

Would you please join with me in welcoming them in the normal fashion.

Hon. Members: Hear, hear!

Mr. Kowalsky: — Mr. Speaker, I want to join with our minister in welcoming this delegation to the Assembly, and I hope that they are able to sit through question period, and perhaps will be able to have a chance to meet with several of you individually, shortly after question period. I'd look forward to do that, and I ask the members on both sides of the House, once again, to welcome them.

Hon. Members: Hear, hear!

ORAL QUESTIONS

Deficiency Payment for Farmers

Mr. Upshall: — Thank you, Mr. Speaker. My question is to the Premier. Mr. Premier, you know that in today's trying times many farmers are strapped for cash, and their families are worried about how the bills are going to be

paid, and they are thinking forward to the next spring, if they're going to have enough money to put a crop in.

Mr. Premier, can you tell us today: is there going to be a deficiency payment from the Mulroney government before the end of November to ease that cash flow problem?

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Well, Mr. Speaker, the hon. member has asked me that several times. As he knows, a premier of the province does not speak for the federal Minister of Finance or the federal Minister of Agriculture, or the Premier Minister for that matter, so he knows that I can't announce it. I mean, to be fair, yesterday he said the number one problem in rural Saskatchewan was going to the dentist, and today he's asked me for the fifth time whether I'm going to announce a deficiency payment, and he knows that that's impossible for me to do.

I will say to the hon. member that we have provided the information to the federal government like we did a year ago, saying that because of international subsidies we should have a deficiency payment. We received one, Mr. Speaker. We provided that information again, and have the support of all the ministers of Agriculture in the country and all the premiers in the country, and they have agreed that it should be paid, Mr. Speaker. And the Prime Minister will be making the announcement, as only the Prime Minister can.

Some Hon. Members: Hear, hear!

Mr. Upshall: — Mr. Minister, that's incredible. Farmers of this province can't put brown sugar on your idle words and feed it to their families. It seems that whenever it's convenient for you to know when the deficiency payment is coming for your benefit, you do know, and when it's supposed to come for the benefit of Saskatchewan farmers, you don't know.

Some Hon. Members: Hear, hear!

Mr. Upshall: — Could you give us some indication — surely you are in contact with the Prime Minister of this country — could you give us some indication whether or not we will be receiving a deficiency payment by the end of November.

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Mr. Speaker, I'm sure the hon. member can stand up and talk about brown sugar for farmers so that he'd maybe get a little of media so the NDP can look like they're defending farmers. And he's just had ... evidently they've just come back from a meeting from Nokomis last night and he was with some farmers. So you're now going to look like you're going to defend farmers. Well, Mr. Speaker ...

Mr. Speaker: — Order, please. Order, please. Order. Order, please. Order.

Hon. Mr. Devine: — Mr. Speaker, we have fought for and

have had delivered the largest payments to farmers in the history of Saskatchewan, in the history of Canada.

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — We have fought for again an even larger payment, and have got the co-operation and the endorsement from every province in the country and every minister of Agriculture to have the same amount, if not larger amount, of money be paid again.

Now in 1986, in 1986-87 the farmers received a payment. They received it in May, June, July, that period, this year — this year. And they're waiting for, Mr. Speaker, another payment. Now it's not . . .

An Hon. Member: — When?

Hon. Mr. Devine: — And they say, when? They know that they received the payment this spring. And the hon. member wants to know, when are they going to announce the next payment? Well, Mr. Speaker, if they did announce the payment, you wouldn't hear one word of congratulations or bouquet from the NDP or from the member, because he never said he like it in the first place.

So we'll announce it; the Prime Minister will announce it when he's ready to announce it, and farmers will appreciate it. And they won't appreciate your sly little remarks about brown sugar and other things that you talk about that make no sense at all to the rural people in this province.

Some Hon. Members: Hear, hear!

Loss of Two-price Wheat

Mr. Upshall: — I'll tell you, Mr. Speaker, Mr. Minister, what the farmers don't appreciate is your not telling them the truth when they need the truth about a deficiency payment. So I'll just leave that because I'll let the farmers of this province judge for themselves. I'll ask a new question.

I'll ask a new question to the Premier, and it deals with the claim that the Mulroney government will make up the \$280 million loss which farmers will suffer from the elimination of the two-price system.

Mr. Premier, can you tell me: where and when has the Prime Minister of this country ever made a public statement as to how this loss will be covered, or even if it will be covered? And can you table the documents which commit the federal government to do just that? Tell us how it'll be covered and when it will be covered.

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Mr. Speaker, the hon. members are against the trade with the United States. They've introduced a motion, a resolution in this House, against the trade agreement between the United States and Canada. And any time, Mr. Speaker, that they can raise any issue that would say that they don't want this trade agreement, and he's going back to the whole question of

two-priced wheat, I mean, we know their position. It's very, very clear.

In the *Leader-Post* today, Mr. Speaker, there's the big NDP supporter, Bob White, with a centre-fold out there saying, make sure that we go to a vote on trade, Mr. Speaker.

Every single NDPer across the country is against trade because they're afraid, Mr. Speaker. The young people in this country are for trade. The young people in this country are for speaking more languages. The young people in this country want to see agriculture succeed, Mr. Speaker, and they will continue to fight it regardless of whether it makes any sense for the country or not. I'll say it makes sense for agriculture; it makes sense for farmers; it makes sense for people who grow wheat; it makes sense for people who grow beef; people who mine; people who are in the forestry business, Mr. Speaker, and they're against it because they don't understand it.

Some Hon. Members: Hear, hear!

Mr. Upshall: — Supplementary, Mr. Speaker. Mr. Minister, you, along with the Prime Minister of this country and the President of the United States, have been saying we need to eliminate subsidies. And now you're turning around and you're saying we're going to give the farmers another subsidy, instead of giving them the dollars that they deserve from the wheat they produce, thus dividing again the consumer from the producer, so the consumers are saying, there's another subsidy to farmers. Can you tell me where the Prime Minister of this country has said, and can you table that document where he has said that we will be compensated as farmers for that \$280 million shortfall because of the loss of two-price wheat?

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Mr. Speaker, if I could . . . I believe the member from Regina North East asked me that question earlier, and . . .

An Hon. Member: — You know I did.

Hon. Mr. Devine: — You did, with respect to two-price wheat and whether the consumer should pay or the taxpayer should pay. and you asked it, and if I might, Mr. Speaker, it's the same question, but I'll take it back to the hon. member.

Mr. Speaker: — Order. Order, Order, please. Order, please. Order. Order, please. Order, please.

Hon. Mr. Devine: — Thank you, Mr. Speaker. The hon. member wants to know whether it would be better to have the consumers pay higher prices for their products — bread, bakery products. Should we force consumers in Canada to pay higher prices; the poor to pay higher prices; those on welfare to pay higher prices to subsidize farmers, or would it be a better idea, Mr. Speaker, to tax people who have income and make the same payments?

Now I will argue . . . I will argue anywhere in Canada that

people would say, don't tax the poor. And that's what the NDP is saying. They're saying, put a bread tax, put a wheat tax on the poor, and they can't then subsidize the farmers. Why would you?

You know what, you haven't really thought about this very much. That's the problem. You as a farmer, and you as an NDPer, and you with the so-called social conscience haven't thought very much about this. You're going to charge seniors, people on welfare, low-income people, too much for the price of bread so that in fact you can subsidize farmers when in fact you wouldn't be in favour of taxing those that have money and helping the farmers, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Speaker: — Order, please. I would just like to remind hon. members that question period should not be a forum for debate, and I'd ask them to . . . Order, please.

I would like to remind the hon. member for Regina North East that his interventionist comments, when the Speaker is on his feet, is not part of the practice of this House, as he knows, and I ask him to refrain from that.

Possible Conflict of Interest at Sask Forest Products

Mr. Lautermilch: — Thank you, Mr. Speaker. My question is to the minister responsible for the Saskatchewan Forest Products Corporation, and it deals with the incredible admission in Crown Corporations Committee of this legislature that the chairman of the SFPC board of directors, one Pat Hill, is also an employee of the corporation's largest customer, AFA Forest Products.

I want the minister to explain to the taxpayers of Saskatchewan how that is not a clear conflict of interest.

Some Hon. Members: Hear, hear!

Hon. Mr. McLeod: — Mr. Speaker, the prices which are set by Saskatchewan Forest Products, and in the case that the member refers to at the plywood plant at Hudson Bay, those prices are set on an ongoing basis within the corporation and on a daily basis. Whatever the price is on a particular day, whatever company, regardless of what company is buying, whether it be MacMillan Bloedel, whether it be AFA, or whoever it is — it doesn't matter which company it is — they pay the price that is set and the price that is going. It has nothing to do, Mr. Speaker, it has nothing to do — and there is no opportunity for the chairman of the board or any board members to influence the price at any particular time.

Some Hon. Members: Hear, hear!

Mr. Lautermilch: — Supplementary, Mr. Speaker. Mr. Minister, you can't explain away the fact that the chairman of the board of directors of that corporation is also listed as the president of AFA Forest Products, SFPC's (Saskatchewan Forest Products Corporation) largest customer. As chairman of SFPC, his job is to get the highest price possible from every customer. And as an employee of AFA, his job is to buy the product at the

cheapest possible price.

In whose interests is Mr. Hill acting when he is both an officer of SFPC's biggest customer and the chairman of SFPC's board of directors?

Some Hon. Members: Hear, hear!

Hon. Mr. McLeod: — Mr. Chairman, just to set the record straight, Mr. Pat Hill, who is the chairman of Saskatchewan Forest Products, is an employee of AFA, which is a very large company — has a branch in Saskatchewan located in Saskatoon, which Mr. Hill is associated with. The purchases that are done by that company are by and large for the Ontario and Quebec market, purchased by AFA from the Ontario branch and purchased from Saskatchewan Forest Products' representative and the broker who is residing in Vancouver, Mr. Speaker.

That is the fact. That is the fact, and I will stand in this House any time and say to that member who wants to drag the good name of a citizen of this province, a citizen who serves this province well as chairman of the Saskatchewan Forest Products Corporation, and a citizen who, as chairman of that corporation, under his jurisdiction in that corporation, that plywood plant that the member wants to drag through the dirt as well, has made money in every single year — has made money in every single year for the public of Saskatchewan.

Mr. Speaker: — Order, please.

Some Hon. Members: Hear, hear!

Mr. Lautermilch: — New question, Mr. Speaker. Mr. Minister, you're denying that Mr. Hill is in a position to influence any decisions. Well let me explain it to you. Number one, he is in a position to influence the shipping dates of a product and, number two, he's in the position to guarantee supply of product to AFA when supply is limited.

Mr. Minister, those are just two ways to influence the price. Because, number one, the price of this product is determined on the shipping date and, number two, prices rise when supply is limited. I'm going to ask you again: do you still deny that Pat Hill is in a position to increase profits for AFA at the expense of Saskatchewan taxpayers?

Some Hon. Members: Hear, hear!

Hon. Mr. McLeod: — Mr. Hill — Mr. Speaker, I'll say this in an unequivocal way — is not in a position, is not in a position to . . . in a conflict of interest position.

And the second thing, Mr. Speaker — I want to repeat this once again. Since Mr. Pat Hill has been chairman of Saskatchewan Forest Products Corporation, each and every year of his term of office as the chairman of Sask Forest Products Corporation the plywood division of Saskatchewan Forest Products Corporation has shown a profit, and a significant profit, which is something that those folks over there cannot claim during the years that they were in office.

Some Hon. Members: Hear, hear!

Mr. Lautermilch: — Supplementary, Mr. Speaker. Let me explain. Let me explain another way and ask the question again. Do you not agree that the marketing manager reports to the general manager, who reports to the board, who is chaired by one Pat Hill? Do you still tell me that that is not a conflict of interest?

Some Hon. Members: Hear, hear!

Hon. Mr. McLeod: — Mr. Chairman, I said there is no conflict of interest. There is no conflict of interest. The members over here will say — they've said the same thing in the forest industry, that very member, same thing in the forest industry — they said that there should not be a Weyerhaeuser corporation in Saskatchewan; there should not be a paper plant located right in his own city. They said that.

And, Mr. Speaker, you were here. Other members of this House who were here in the last session, the last term of office, said, those members over there said, Weyerhaeuser will not build a paper mill. But . . .

Mr. Speaker: — Order, order. I believe the member is off the topic.

Mr. Lautermilch: — New question to the same minister. Mr. Minister, do you deny that one of the groups trying to buy the Hudson Bay plywood mill is headed up by the current sales manager that lives in Vancouver, one Eric Hedlund? And were you aware that the principals of AFA Forest Products are part of that group?

What we have seen here is an employee of a company which is trying to buy your mill and also serve as the chairman of the board of directors. I want to know, Mr. Minister, can you deny that? And how do you explain away that conflict of interest?

Some Hon. Members: Hear, hear!

Hon. Mr. McLeod: — Mr. Speaker, I have said to the member in the past, I've said to the member in the past and I say to . . .

Mr. Speaker: — Order. Order, please. The member . . . the minister.

Hon. Mr. McLeod: — Thank you very much, Mr. Speaker, for bringing the members opposite to order while I give my answer. Mr. Speaker, there are a couple of things that need to be said. I've said to the member from Price Albert-Duck Lake in the past that, yes, various elements of Saskatchewan Forest Products, including the Hudson Bay plywood plant, are for sale and we would accept proposals from whoever will come forward with proposals.

We have two proposals, Mr. Speaker, one from a group of employees of the mill, employees of the mill, and the member I'm sure will stand in his next question and say, that's a conflict, employees of the plywood plant should not be putting forward a proposal to in fact buy that plywood plant. That'll be his position — that's a conflict.

Well I'll tell you that it's not a conflict if those employees have confidence in that industry and have confidence in the mill within which they themselves work. That is not a conflict, though that's what he says. That's one proposal, and another proposal comes from a major company.

Those two proposals are being looked at by the government now and the announcement, or any announcement that is to come forward will come forward at the appropriate time. But that member over there — and it should be noted, Mr. Speaker, that critic over there is a critic of anything which happens in the forest industry, any changes that take place. That's the case.

Some Hon. Members: Hear, hear!

Mr. Lautermilch: — New question to the same minister. Mr. Minister, you should talk about fairness and honesty. Mr. Minister, you say there's no conflict of interest. Can you tell us today if SFPC (Saskatchewan Forest Products Corporation) plans to invite the rest of its customers to sit on its board of directors with Mr. Hill, and if you aren't going to do that, can you tell me why not?

Some Hon. Members: Hear, hear!

Hon. Mr. McLeod: — Well, Mr. Speaker, I say once again very clearly, there's no opportunity, and there is no conflict in the position of Mr. Hill as chairman. That's number one. That's . . .

Mr. Speaker: — Order. Order. Order. The minister.

Hon. Mr. McLeod: — Mr. Speaker, and the other point is, and it must be made again, that member who represents the Prince Albert area in a forested region of this province, as I do, as I do — forested regions of the province which are not often talked about in this House, and should be — he stands here and against the kind of development that must take place in the forest industry. He stands against it, and he's a critic of it at every turn, regardless of whether it's Weyerhaeuser, Sask Forest Products, the plywood development — what it is, he's against it. Mr. Speaker, he is against the development . . .

Mr. Speaker: — Order, please. Order.

Some Hon. Members: Hear, hear!

Constitutional Rights and Land Claims of Treaty Indians

Mr. Goulet: — Mr. Speaker, my question is to the Premier. During the Queen's visit yesterday it became apparent that there was a big difference between our federal government representative and Her Majesty. On the one hand, on the one hand, Mr. Premier, we had the minister in charge of Indian and Northern Affairs state, in his building of Saskatchewan . . . he mentioned that there was absolutely no mention of Indian people, treaty Indian people, in this province. Her Majesty, in turn, mentioned that . . . about the special relationship and also the involvement of what she stated as the original people of Saskatchewan.

Mr. Premier, many treaty Indians are worried that you are adopting the federal Indian Affairs policy rather than the

goals, the long-term goals, that have been stated through the treaties, and through the Queen's words. I would like to know, Mr. Premier, what are you doing to resolve the constitutional rights and land claims of the treaty Indians of the province of Saskatchewan.

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Well, Mr. Speaker, I don't speak for Her Majesty, and I don't speak for the federal government, and I can speak, Mr. Speaker, with respect to the offers that we have put on the table that have been accepted by a large number of the native people — formal offers and formally accepted with respect to self-government, land entitlements, treaties, and constitutional reform.

And in fact, Mr. Speaker, the kinds of things that we put on the table were accepted by all but one major group, Mr. Speaker, and rejected by the natives themselves. And the very reason, Mr. Speaker, they were rejected is because they were afraid to bring it into the Saskatchewan legislature and let the people of Saskatchewan deal with it as we even deal with Meech Lake accord, which means Quebec's a part of the country. Now if Quebec is going to be part of the country and passed in this legislature, and somebody else wants any form of self-government, believe me, as long as I'm Premier, it's going to be passed in this legislature, just as any other province would be passed in this legislature.

And this province, Mr. Speaker, this province now has a veto that it didn't have before, constitutionally, just as powerful as Ontario, just as powerful as Quebec or anybody else, Mr. Speaker. The same rules are going to apply to each and every province, and the same rules are going to apply to anybody else that gets any form of increases in government as long as I'm Premier of the province of Saskatchewan.

Some Hon. Members: Hear, hear!

Mr. Goulet: — Mr. Speaker, another question. I must state that in regards to the remarks by the Premier that his position was strong, a lot of people thought it was indeed one of the weakest positions that Indian people and Metis ever have seen in the province.

Some Hon. Members: Hear, hear!

Mr. Goulet: — A question in regards to the Metis. Again I refer to the Qu'Appelle Treaty, and in here it says:

The Queen will deal generously and justly with them.

And this is through the treaty-making process with the treaties of Canada, and these are the words of the Queen's representative, Lieutenant Alexander Morris.

Would you say, Mr. Premier, that it was generous and just for you to cut \$700,000 from AMNSIS (Association of Metis and Non-Status Indians of Saskatchewan) and their constitutional budget this year.

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Mr. Speaker, we're now finally finding out where the hon. member is really coming from and what he wants to know. If he wants to know — and it's the same arguments that have been applied for a long time. You get more political freedom, and you have more freedoms generally with more economic freedom and more economic independence. And he knows that.

It's the reason, Mr. Speaker, that all jurisdictions are trying to promote more education, more economic development so that people themselves can grow in economic independence, so that they can be stronger, so that they can have more liberty and more freedom. If they are tied to the state, if they are perpetually on welfare, they know themselves that it's a trap, it's a trap.

Mr. Speaker, I know that the changes that we have made with respect to status Indians, the changes we have changed and brought to bear with Metis, are linked to economic development projects and not to political organizations. I know that, and it's the right thing to do. You may not agree, because you want money for political organization.

History will support my argument that the more economic development and the more economic independence, the better off we will all be in Canada whether we're Metis, status, non-status, treat Indian, or any other nationality in this great country.

Some Hon. Members: Hear, hear!

Mr. Speaker: — Order. Order, please.

ORDERS OF THE DAY

GOVERNMENT ORDERS

COMMITTEE OF FINANCE

Consolidated Fund Budgetary Expenditure Agriculture Ordinary Expenditure — Vote 1

Item 1

Hon. Mr. Devine: — Thank you, Mr. Chairman. I will introduce four members of the staff that are with me in the legislature today: Mr. Jack Drew, deputy minister of Agriculture; Mr. Stuart Kramer, assistant deputy minister, Saskatchewan Agriculture; Mr. Les Bowd, assistant deputy minister of Agriculture; and Mr. Wes Mazer, director, administrative services branch of the Department of Agriculture.

While I'm on my feet, Mr. Speaker, I would like to sincerely thank my staff and all the people in the Department of Agriculture for the work that they have done in some difficult times in the province of Saskatchewan and across western Canada. We have seen many, many new programs and large amounts of financial assistance go to farmers across the province, and it's taken a great deal of co-operation, and it's taken a great deal of effort. And as you will see, our staff has not grown. In fact it is smaller than it used to be, Mr. Speaker,

administering millions of dollars of more money and several new initiatives to the livestock industry and to the grain sector.

So I can't think of a group of individuals in the public service in Saskatchewan that have done a better job, and have administered more money, and have contributed more significantly to rural people, and to, obviously to farmers, than the people in the Department of Agriculture. So I acknowledge that as I introduce them, Mr. Speaker, and given that I am only too happy to be prepared to go through the estimates today and say that this department and me, as minister, will continue to support farmers in this province not only financially but on the national and international fronts where it's extremely important.

Mr. Upshall: — Thank you, Mr. Chairman. I welcome this opportunity, Mr. Chairman to attend to, and question the minister for the first time on Agriculture estimates. We have a situation in Saskatchewan, as we all know too well, that bodes very hard on the farmers of this province, flows over the small-town business person, through them to the mid-size town and to the cities.

And what has this government done, I ask, to help this community of Saskatchewan, based on agriculture, based on people co-operating with each other for the good of all? We have seen the last few years, since 1982, a Tory government that has tried to build and convey a myth. That myth is one of standing up and defending family farms — and what a myth it is.

First of all we have the myth of the Premier, our Minister of Agriculture, being solely responsible for the deficiency payment. I hear members opposite, and I hear the Premier saying, I went to Ottawa and I got it and I delivered for the people of Saskatchewan. Hear, Hear! Hear, Hear! Let's hear it.

How did this minister do so much more than the Premier of Manitoba or Alberta or Ontario? And yet they try to put out this myth that our Premier was the only person who had anything to do with the deficiency payment. The myth was brought out before October 20 last year, and it was brought out by a minister and a government who knew that it was to their best advantage. The timing was great, couldn't be better. Coincidence, or not?

(1445)

Coming from a premier and a cabinet and a government who, early in 1986 when our caucus called them for a motion to have a deficiency payment, voted against it. Voted against it because, I say, it was not politically opportune to vote for it. And yet the myth is still being propagated.

We have government who is going to protect the family farm. They'll protect the family farm — huh — they'll protect the Tory government. They, led by the Premier, fed by a Prime Minister in Ottawa who nobody believes, still try to say Grant — I'm sorry, Mr. Chairman — the Premier of this province is going to deliver again with a deficiency payment. He and only he is going to go to Ottawa and deliver a deficiency payment.

And I asked today, a few moment ago in question period when are we going to get this great deficiency payment that we need so desperately? The Premier of this province is not the only one who could get this deficiency payment. Anybody with any smarts with regard to the situation in agriculture in this country today knows that we need a federal deficiency payment. We needed it in the past, and we need it in the future. It's not the Premier of this province solely, and it's not the Prime Minister of this country, it's common sense. And yet we have this myth that this great duo, this dynamic duo- I use the term loosely — is delivering a deficiency payment.

And just a few moments ago when I asked: when are we going to get the deficiency payment, Mr. Premier? We got one before the election in October last year; we need one now. And what's the response? I don't make the decisions; I can't announce the federal program. And yet he had a fair amount, he thought . . . He tried to tell the people of this province that he had everything to do with it last time, and now he can't do anything about it.

How can the farmers of this province believe a man like that?

An Hon. Member: — They do.

Mr. Upshall: — The member opposite said, they do. And I suggest that there are a number of people who have been put in a situation, because of a lack of responsibility by this government, that they've got no other hope but to hang on to the government that's there. But they know that's not true any longer. They know that's a myth. They know the man is not credible.

I would just like to read from the blues, Mr. Chairman, relating to the deficiency payment. As I said a few moments ago, I asked when we're going to get it. Are we going to get it by the end of November? No answer. I can't call the government programs.

In the government motion section, on page 2, the Premier's motion. Number one . . . I'll read the preamble:

Therefore, be it resolved that this Assembly support the four western Premiers in their unanimous call on the Government of Canada to continue support of agriculture by:

1. Announcing immediately its intention to implement a deficiency payment of at least \$1.6 million for 1987 to Canadian grain producers . . .

Announce, I repeat, immediately.

And I have asked time after time after time on behalf of the people of this province, the farmers who are hard pressed, when are we going to see some money? When are we going to see the needed cash flow, the cash flow that the farmers don't have? We saw it before an election. Will we see it before a June federal election? That's quite possible because that's how this government operates. And so the

myth of our Premier or Minister of Agriculture, coupled with an unbelievable Prime Minister in Ottawa, of being the only two people in this world that could give Saskatchewan farmers a deficiency payment is just that — a myth.

And then there's another myth — the Premier of this province, the farmer. Like the member from Riversdale says, the farmer from Albert Street south. Well I say that's a myth too, because if this leader of this government in this province was really a farmer, I say, and hundreds and thousands of others say, that he would be more responsive to farmers.

If the Premier of this province was really a farmer he would know, as I know. Last year I shipped malting barley at \$3.24 a bushel. I would guess the Premier doesn't even know what the price of malting barley is. This year the price of malting barley is just over \$2 a bushel. That's \$1 a bushel less, or 33 per cent less this year than last year — 33 per cent. He would know, as I know. And I just hauled my no. 4 durum into the elevator. I got \$1.74 a bushel for it, and I was lucky not to get no. 5 at \$1.52 a bushel.

I say the Premier of this probably doesn't know what the price of no. 4 durum was. And if you take that \$1.74 a bushel on a 30-bushel crop, as I had, it comes out to \$52.20 an acre on a quarter of rented land, farmed half and half — \$52.20 an acre.

So I take a third of that off for the rent, and I end up with \$35 an acre. And here's the Premier saying, well I'm doing great for Saskatchewan farmers. I can't live on that. And nor can the farmers out there live on that. And he's dragging his feet on deficiency payments. And he's cutting the agricultural budget by 26 per cent — cutting many of the programs.

We can't live on it. We need a government with some direction, some response. We don't need a myth of the Premier, the farmer, jumping on his combine — while it's going, I might add.

Thirty-five dollars an acre, when it costs me 13 or \$14 an acre to put fertilizer on, 18 or \$19 an acre to spray it, not to mention all the other costs involved. Those two costs alone nearly add up to the dollars that I got off that land.

But the Premier of the province is a farmer, and he knows the needs of farmers — that is a myth. He sits on south Albert, sometimes sits in the legislature, most of the time flying to Washington or points south. That is a myth, Mr. Chairman, that this leader of this government is a farmer and knows the needs of farmers.

I know, because I have to live on that farm. And I know, like every other farmer out there, the costs of production inputs and the return from that production. And he can stand up with all his degrees in economics, with all his flair, with all his supposed charisma, and say yes, I'm a farmer like you. That is a myth.

Then there's the Premier of this province — another myth — the defender of family farms, the defender of family farms. Another myth. The government, the leader, the Premier saying he's the defender of family farms; he's

going to keep us. We have lost about 1,000 farmers a year in the last few years. Also we have the fuel rebate cut in half, but he's defending family farms. Yes sir, we're going to defend you, but we're going to cut your fuel rebate in half. Oh, I know, this is the formula where the price of fuel, the gas, goes down or up; it relates accordingly. So what? So what? The farmers need the help. The government isn't delivering.

And there's the travel cuts for veterinarians and clinics, and there's the weed control program and the rat patrol program, but I'm defending the family farm. You will be there, although you'll have to dig into your pocket a little deeper to keep the services that you have — a pocket that's empty for many, many farmers.

And he's going to eliminate funding for soil testing and feed testing and poultry extension and agricultural societies and fairs. But I'm defending you. I'm going to make sure that you're there, says this Premier of our province, trying to propagate this myth — I'm going to make sure you're there. All the while you dig into your own pocket, a pocket that's empty for many farmers in this province, to come up with money to keep their agricultural fairs; to keep their programs so that the rats don't infest the country; to keep their programs so that the weeds are controlled on road allowances and ditches. But he says he's going to keep it, keep the farmers. And yet he's saying, dig into your pockets, boys, because I'm not going to keep on these programs, because I got to be responsible.

How can any farmer in this province believe that type of rhetoric? It's incredible. No credibility. And I say he cannot be trusted.

And then there's another myth. There's the myth of the Premier of this province, the great ambassador — maybe the travelling salesman — going around saying that we're going to be forced into trading with the United States whether you like it or not. Going down to Ottawa and listening to a Prime Minister who is trying to negotiate a trade agreement with the United States but doesn't know what's in it. Say yes, yes, yes — a great hand puppet.

And Brian Mulroney knows, and I hope you know, that this deal is not the best deal for Saskatchewan farmers. You know that this is not the best deal for Saskatchewan agriculture, and yet you're still going ahead, and you're still trying to put out a myth that you're the ambassador.

And then there's another myth, the myth that this government led by this Premier — the Minister of Agriculture — is a competent manager. Well, boy oh boy, if there ever was a myth, that's a myth.

In 1982 we have a Premier coming in saying, we're open for business. Open the borders, folks. Come on into Saskatchewan and rape the province of all its resources and moneys that should be going to the people of this province.

And what he was saying is this — he was saying that we couldn't do it on our own. He was saying, we're opening the doors; come on in folks, we can't ... the people of this province can't manage it, so we want people to come in

and do it for us. That's what he is saying, all the while propagating this myth of a competent manager.

Giving Peter Pocklington \$20 million in grants and guaranteed loans. Nobody in Saskatchewan could do it. Look far and wide folks, nobody could do it. So we brought in Peter. Peter will do it for us. If there's any profit to make, Peter will make the profit, not the people of Saskatchewan.

Or bring in Weyerhaeuser. We can't imagine our own forest industry. Obviously this government couldn't, so they bring in Weyerhaeuser. Looked far and wide in Saskatchewan; nobody could do it. That tells me that we have a Premier of this province who doesn't trust the people to be able to manage their own affairs in this province. And I tell you that mistrust is equal from the people to this Premier. The competent manager; what a myth.

(1500)

And here we come to another myth — fair and compassionate. The Premier is a fair and compassionate man. And I hear some of his Tory hacks saying, well he's doing the best he can in these times, these troubled times we're having. Doing the best he can. It's a global problem. Can't do anything about it. I say that's a myth.

How fair is it? How fair is it I ask when the people in rural Saskatchewan and the farmers, along with all the other people, have to pay more money for their drugs, money that many of them don't have. Is that fair? How fair is it when I see my neighbours and people around this province having to take their kids out of school for a day, load them in the care, lose a day's work on the farm, travel to a centre where there's a dentist, with gas taxed 7 cents. Oh yes, you'll get it back. If you're a farmer, you're lucky.

And I hear him saying, that's fair. Where does that money come from, I ask the Premier? Oh but it's saving the government money — taxing the people. Tax them one way or tax them another, it makes no difference to me; and the farmers of this province, no, it makes no matter to them either. It's money coming out of their pockets. Is that fair, I ask? Is that fair? I say no.

Fair and compassionate — what a myth. We had a program put in by this government saying that they had a farm purchase program. And how many years later did they knock it out? Leaving a gap — we have a gap now that there is no program in place for people who want to transfer their land — and I might add that the average age is 56 years for farmers. And I would say that they are soon going to be looking at transferring their land to their sons and daughters or to their neighbours — whoever they sell it to. And there's no mechanism in these trying times and hard-pressed times to assist that, to ensure that that land is not gobbled up by speculators and banks and large corporations.

And so now we have the situation where there's nothing in place to assist the transfer of land. And that was one of the major promises of this government in 1982. And we delivered for a while. Not so bad if you change the program to something better, but this great myth of being

fair and compassionate from this Premier has taken it away. And I say to the people of this province, do not trust someone who does that. They do not feel that person would be competent to run this province. But that all falls in line, I think, Mr. Chairman, with this vision that this government has.

We have seen this Premier, in his days of university, writing a paper saying that there should be . . . eliminate a number of farmers' land because they're inefficient. And I tell you, Mr. Chairman, this Premier of this province has not lost his vision of eliminating a number of farmers in this province.

And I say he got that because of his close ties with the United States, Mr. Chairman. We can look south of the border in Montana and North Dakota and we can see populations of 500,000 people. I'll ask: why do you think, why do the people of Saskatchewan and all members here think that we have a million people in this province? And when you look south of the border, when nothing changes much, and they got half the population.

We have a Premier who has the American vision of large corporate farms, and I can tell you all the reasons why: not standing up for the Crow rate; not standing against variable rates; standing in line with the rail companies and the multinationals, all the time saying, I'm going to save the Saskatchewan family farms — what a myth!

There's a reason, Mr. Chairman, there's a reason why we have a million people in this province. And the reason is that we have had governments in the past who have said, we can do it ourselves inside this province, all the while trading with every country in the world, because we all know how important trade is. But we can do it.

We don't need "open for business" bringing in the other people, the multinationals and large corporate figures, to run our province. We don't need American investment in our land, which is so scary with this trade agreement because I want to see one million or more people in this province for many, many years to come. And my vision is just that — the family farm, average size, supported by a government so that their cash flows can be counted upon, so that they know from one month to the next whether they're going to commit their bills; a long-ranging program, not ad hoc programs that can be implemented on the whim of a government in trouble or the whim of an election.

We need those kinds of types of programs to ensure that the family farmers of this province, their wives and children, know that they're going to be there next year — so that they know that they have a place in this province. And what do we have now? We don't have that — insecure.

But that is my vision. Let's carry it a little further. When that family farmer knows that he's going to be here a year from now because there's a good, long-range program, he's going to spend his money on whatever he needs, to his level of spending, to support the small town, to support the dentists and the doctors and the teachers and the lawyers and the business people. And when he spends, in turn they spend, and in turn the economy goes

round.

And that's my vision, a populated province. And what we have is a government and a Premier who are propagating a myth — who are propagating a myth in this province that they're going to defend the family farm when all the while, policy after policy is undercutting them and costing them money.

We can see ... I'll just use one more example, beef ... the beef, \$125 beef loan. This cash advance has been cut back because they feel that the beef industry is doing fairly well. And I say, sure, some parts of the beef industry have picked up. That's good. But if I'm a feeder and I have to pay \$500 for a calf and I have to feed it for eight months and then hope the market stays up to a certain degree that I can make some money on it, it's okay, but it's not very great yet. But what are we doing? We're cutting back. Instead of maintaining it and helping them get back on their feet after years of trouble in the industry, they're cutting it back. the same with the hog program.

Why not leave it there for a while and let the people get re-established and wipe out some of that debt that they've accumulated? Why not leave it there because we know the grain side of their industry has fallen flat on its face? Why cut it back? But no, the Premier says, I'm defending you, and I'll make sure you're there as my hand dips in your pocket.

So I think, Mr. Chairman, in summation, I see a government trying to propagate a myth, trying to tell the farmers that they're going to do good for them, and it's all smoke and mirrors; it's all advertising. Keep repeating it — they've got lots of money to advertise the programs, and I see them and other costly advertisements.

But I say the people of this province know it's a myth. I've been out around, and I see the tide turning. I can feel it, and so can the people of this province because they know that we need a Premier in this province with a vision of population, not a vision of a province run by someone else.

I thought I'd let the Premier respond. I see him taking notes vigorously there, but I don't wonder why he wouldn't respond because he knows it's the truth.

As I said, we have some expensive advertising.

I would then carry on, Mr. Minister, by asking some specific questions, some of the regular questions that are asked. I assume that you would make available to me the name, title, salary of each one of the minister's personal staff; and has any of them had a pay change in the last 12 months, and if so, what is it; and have there been any leave of absences in the last 18 months?

Hon. Mr. Devine: — Mr. Chairman, I will provide as I usually do, the Minister of Agriculture's staff, and when they began work and any changes that they have had with respect to their salaries and the salaries they receive, as I usually do.

Mr. Upshall: — Will the minister be sending that information over?

Hon. Mr. Devine: — Yes, I will, Mr. Speaker.

Mr. Upshall: — I have one other specific question I'd like to ask. In 1986-87, what costs did your department incur for polling; who did the polling; for advertising, how much with Dome Advertising or Marketing Den; what costs were incurred for aircraft charter or lease? And in each case could I have the dates, the purpose, the firm and the costs and the destinations?

Hon. Mr. Devine: — Mr. Chairman, the information that the hon. member wants is in *Public Accounts*, and the '86-87 *Public Accounts* will be out in the future, and he will be able to have all that information in the typical detail that is available in *Public Accounts*.

Mr. Upshall: — Is the minister refusing to provide that information at this time?

Hon. Mr. Devine: — Mr. Chairman, the advertising and the information that the hon. member wants, except for charters — and I might be able to dig that up for him, but I don't have it with me — any additional charter expenditures will be in *Public Accounts* for '86-87, for the end of March of '87, this year. And it'll be coming out in the near future, and that will be all documented there as it's normally done, Mr. Chairman.

I will endeavour to get for the hon. member, as quickly as I can, information with respect to any charters that the department had, and we'll send it across.

(1515)

Mr. Upshall: — Yes, it seems to be a little late when you say it's going to be available. I was particularly curious with regard to the polling that you have done and the advertising. And I assume that you saying you'll get it to me as soon as possible, that will mean within the next day?

Hon. Mr. Devine: — Mr. Chairman, with respect to any charters, I believe we can have that to the hon. member maybe later today. We'll just go find it. I'm advised, and we'll check, but I don't believe the department has done any polling at all under this particular year. I could be wrong there, but my advice here is that we haven't done any. We'll check that, and if there is, it'll be made available. And you would normally find that kind of information in the public documents.

So yes, we'll get you the charter information as quickly as possible. I don't believe there's been any polling done at all. And the other promotional things like financing this book, and the various kinds of things that goes to farmers are in detail in the *Public Accounts*.

Mr. Upshall: — Could you also dig up, as you say, the information on advertising because I think it's very important that I have this information so that the public knows what money has been spent in this year, in this budget, or was planned to be spent on advertising. And specifically I would like to ask the cost of the publication *Saskatchewan Agricultural News* for the period in question. Could you get that information to me in a short

period of time as well?

Hon. Mr. Devine: — Mr. Chairman, we'll try to get the cost of that specific agriculture publication to the hon. member as quickly as we can, maybe within hours, or as fast as we can dig it up.

Mr. Upshall: — Okay, thank you, Mr. Chairman. Mr. Minister, I would like now to go again in a little more detail into deficiency payments. You are aware that there were some problems last year in deficiency payments with the farmers because they didn't really know what they were getting. And this year as well we still don't know what we're getting. I have seen figures from the government saying from 1.6 billion to \$3 billion. I would like to ask you, Mr. Minister, what is your specific figure that you've been asking the federal government for, how did you come up with that figure, and when do you expect that amount to be paid?

Hon. Mr. Devine: — Well, Mr. Chairman, I asked for the support of the western premiers at the western premiers' conference in Humboldt, and I said that we would need from 1.6 to \$3 billion. The 1.6 would keep us at a comparable level for '87-88 compared to '86-87, and the \$3 billion would allow us to compete more closely with U.S. subsidies. And I asked the federal government to support that, and I asked the other premiers and the ministers of Agriculture across the country to support it, and they have.

We received the payments for the last deficiency payment this spring. I believe most of the payments were received in June. I would expect that you are likely to see the payments for the following year to be in June again. So if you have one year's payment in June, then about 12 months later you'll likely see the other payments.

If I could, Mr. Speaker, I want to record here for the hon. member's interest, the support on the deficiency payments as received from an awful lot of people, and I can list several. The wheat growers, for one, but one that might be of more interest to the hon. member is . . . This is a letter dated May 28, 1987. It's from Mr. Gil Pedersen, region 6 co-ordinator of the National Farmers Union. Mr. Pedersen says the following, and I quote:

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

I believe that reflects, Mr. Chairman, a sincere thank you, and a sincere appreciation of the fact that a billion dollars was allocated to farmers across Canada, and the lion's share of it came to western Canada, and the lion's share of that came into the province of Saskatchewan.

I have encouraged others to support it, and it has been appreciated. I have the endorsement, and we have the

endorsement in this province of every minister of Agriculture and every premier in the country. And finally, if I could say, with the payment in June I would expect — and as much as I can give the hon. member — the next payment will be probably about the same time. You know, every 12 months you would expect to see it. I don't think it would be fair to say that you could see two payments in the same year.

While I'm on my feet, Mr. Speaker, and we look at payments — and I know the hon. member mentioned the lower priced grain . . . Today the federal government has announced that they've raised the initial payment for feed oats and designated oats by 39 cents a bushel, and it will be effective Monday. An adjustment payment of \$25 a tonne will be made to farmers for all 1987-88 deliveries of oats to the wheat board before October 26 of this year. After that the initial payment for feed oats will be \$80 a tonne, for the designated oats of \$125 . . . and for designated oats, \$125 a tonne. I just make that statement in case anybody is watching or listening to the concerns with respect to initial payments and higher prices.

There are some signals of good news on the international front with respect to commodity prices and particularly grains. The sustained crop failures in the Soviet Union have gain resulted in, I guess, and from what I understand, the worst crop they've had there in some time. It has an impact on world grain prices.

I believe that we will continue to be successful, certainly our market share indicates that. And I'm happy to be able to receive the solid endorsement from the farmers' union on the deficiency payments, the rise in prices of grain as exemplified by the \$25 a tonne increase on oats, by the minister responsible for the wheat board.

And I will, along with the hon. member, encourage and continue to encourage the federal government to support farmers as we face these unfair — and I emphasize, these unfair — international subsidies that the U.S. Treasury, European treasuries are applying to their commodities and in their export markets.

Mr. Upshall: — Mr. Chairman, Mr. Minister, I have a real problem with the deficiency payments as it came out last time because I believe in order to have a deficiency you first have to sell your product to find out what that deficiency is. And the payment that was made last year, I maintain, should have been for the '84-85 crop year because the crop year was over; we knew the deficiency; there was a great shortfall and we needed money then.

But what did we get? We had it held over till just before the election, to be paid on the following year, over two payments, when much of the grain wasn't even shipped. So I'm sure that you would like all the people to say, yes, our Premier got the deficiency payment, but what I maintain is he should have had it for the year before. We're one year behind now.

And so I ask you: why did you not maintain to the government that the first payment should have been for the previous crop year instead of the present crop year when it was paid out?

Hon. Mr. Devine: — Well, Mr. Chairman, the whole argument for the deficiency payment is based on unfair export subsidies. and it's linked to the years that the United States, and the Europeans particularly, have been applying the export subsidy to the grains that they market internationally. That's where the whole argument started. If they're going to play this game, then we're going to have to play a corresponding game so our people don't suffer without any help at all; as others are having their treasury defend them on the export market.

Now it is one of the arguments, for example, that we used so that we wouldn't include, for example, potatoes in the deficiency payment. Because we said those commodities that face export subsidies from out of the treasury should qualify. And therefore when we looked at this major increase in export subsidy business by Americans and Europeans, that's when we said to the federal government, you now have to stand behind the farmers and help us in this export business.

Now that isn't to say that the domestic subsidies in the United States are very much liked by us either. I mean they're not. The decline in the market price is entirely because of government subsidies. The United States government this year will spend \$1 billion just on storage of surplus grain. They are paying their farmers to grow too much, and then they're paying their farmers to export. They're providing huge subsidies, in many cases into our markets.

What we want them to do is back away from those subsidies. And that's clearly the answer internationally, is to get the governments out of the commodity business. Now in the interim, as they are going to subsidize their people on the export market, we have encouraged our federal government to defend our farmers. So those export subsidies are in corresponding years. As you see that subsidy, you apply that corresponding subsidy here.

So I know, and the hon. members knows, \$1 billion isn't enough. It's not. I mean you need billions and billions of dollars. To compete with the Europeans we'd need 5 to \$8 billion more out of the government treasury from the taxpayers. And it . . . I agree with you. It's not enough. But let me say in fairness, it is a tremendous amount of money, and more than we've ever had from any administration. And I think he would say that that's true.

So I will continue to lobby with him, and I'll be his ally, and he can be mine on behalf of farmers, to get as much grain into the . . . and as much grain marketed at as high a price as possible and as much money, deficiency money, into the hands of farmers.

And if we can receive large payments . . . I believe in June the average payment, when you put the deficiency together along with grain stabilization, something like \$10,000 cash into the hands of farmers. Now that's They didn't have to start a combine or a tractor of anything else to get \$10,000 cash. And if you have an average size farm, you got \$10,000 in cash if you participated in that.

Now you say, well it should have been \$20,000. Well it's true. We need as much as we can get. I just make the point

that it probably will be paid on an annual basis. The last payments were in June. And it will be linked to export subsidies, and that's why we can exclude some other commodities.

And in terms of how it's paid, I've already agreed with you and other — because on my farm, for example, I grow specialty crops like lentils as well as wheat — it should be paid on an acreage basis. Let the farmer decide what he wants to grow. Let's pay him, and not distort his decisions. And particularly those that move out of wheat or move out of the areas where there are surpluses, they shouldn't be penalized. And I've agreed with you on that as well.

(1530)

So I agree we want to get as much money as possible. I agree that we want to provide that deficiency payment as quickly as you can. And I agree that we should work internationally to get governments to stop subsidizing and wrecking the market price. I don't think there's any problem with that.

And I think you could agree with me as well — this is the largest amount of money in the history of the West, in the history of the country, going to farmers during difficult times.

We've seen \$1.50 a bushel wheat before, but you have never ever seen money coming from governments, particularly the federal government, like you have recently. I think to be fair we can at least acknowledge that it is a tremendous amount and an historic amount of money.

Mr. Upshall: — That sounds quite nice, except my question was, why did you not push to have the deficiency payment for the year '84-85? Are you saying that there was no shortfall caused in '84-85 because of American subsidy? Is that what you're saying?

And again in your co-operative spirit, why did you not vote for the deficiency payment almost a year earlier when we brought it forward? What I'm saying is, we're a year behind. I want to hear you explain to the farmers of this province why we're a year behind. I know all the reasons about the subsidy programs and how it works. But what I'm saying is we are a year behind with the deficiency payment because you didn't go for it when we brought it up, and we, the farmers of this province, are now suffering because of it.

So my question is: are you saying that there was no shortfall in the Canadian prices because of American and European subsidies in 1984-85?

Hon. Mr. Devine: — Mr. Chairman, to be fair to the hon. member, when farmers here were really hurting, we had requests, for example, from the Saskatchewan Wheat Pool to provide access to money for farmers to help them at 7 per cent interest rates. They said interest rates were too high. And I won't go back into the arguments of the 20 per cent interest rates. But obviously interest rates have hurt farmers, in many cases much more than the export subsidies, and certainly in the early '80s that's the case.

So, Mr. Chairman, what we did in the recommendation of major elevator companies maybe, or farm organizations, is take a billion dollars of our own in this province, a billion dollars, and said to farmers — and I would suspect you're one — said, we would help you and we would lock in interest rates at 6 per cent money at \$25 an acre for farmers right across the province. A billion dollars at 6 per cent money.

Now wheat pool and others said 7 per cent money. We said we can lock it in at 6 because the province has the ability to protect it. And I know philosophically that doesn't sit well with you. I mean, when interest rates were 20 per cent, you had the land bank and you'd buy their land, but you wouldn't protect them.

In the early '80s, when interest rates were high, we said we would step in and we would help you. And that was the answer at that time. As the export subsidies increase, Mr. Chairman, we have sustained our 6 per cent money. We've even postponed payments of the principal of the 6 per cent money, and many farmers from across the province and municipalities will tell you that without that billion dollars in credit, at 6 per cent locked in, they wouldn't be there today. They've told me that. I'm sure they've told the hon. member that.

And then as the export subsidies start to increase from the United States and Europe, we were capable, along with others, of then getting huge deficiency payments to compensate for the export subsidy. I would just briefly say, as you see the problems coming up, you should address the problems head on. If it's interest rates, address it. If it's export deficiency payments, and subsidies, address that. If it's an international problem in dealing with treasuries supporting agriculture, and wrecking prices, you should address that. And that's precisely the pattern that we have addressed these problems.

Again to be fair to the hon. member, you've never seen another administration in this province go to the wall for farmers like a billion dollars, 25 bucks an acre, 6 per cent, just like you can pick it up at the elevator with your cash advance, just the same way. You trust farmers. You trust them. You don't go picking them one by one and drawing lines around. You say, I believe in farmers and I will back them up, and then you be prepared to do that. The same applies to deficiency payments. I believe in farmers and I'll back them up.

The same with the livestock industry. They have never had a cash advance mechanism until this administration came in. And they have access to \$100 million and more in terms of cash advance. So the interest doesn't cost them anything as they put in their livestock on to feed, whether it's in the dairy business or the hog business or the livestock . . . the beef business.

I say to the hon. member, you use the appropriate tools to face the appropriate problems as they come up, and you meet those challenges head on. Where it's been interest, where it's been cash advance, where it's been access to credit, and where it's been out and out subsidies from under international treasuries, you pick those tools to address them. And that's precisely what we have done,

Mr. Speaker.

I think the only argument could be that it isn't enough money, and there isn't a farmer in the country that likes to farm for the government. There isn't a farmer in the world in a dry area who wouldn't say, no subsidy in the world can match a two-inch rain. That's true. But from time to time they need help, and when it's drought or when it's grasshoppers or when it's high interest rates or when it's international export subsidies, then you have to be there to help them — not own their farm, but help them stay on the farm, Mr. Chairman.

Mr. Chairman, just take the hon. member through the history of that in agriculture to let him know that in fact when you face those particular problems of drought, grasshoppers, high interest rates, the lack of credit, or international export subsidies, you have specific programs to address each one of those at the right time, Mr. Speaker.

Mr. Upshall: — Mr. Chairman, Mr. Minister, I hear you propagating the myth again. And you said a couple of things I'd like to respond to, saying that the \$25 production loan is the same as a cash advance. Well it's not the same as a cash advance, and every farmer knows that because he has to have grain in his binds when he takes his cash advance.

You took \$25 an acre and threw it out irresponsibly. And at the time the farmers were quite happy, quite happy at the time.

An Hon. Member: — That's the quote we want to hear. Say that again.

Mr. Upshall: — I'll say it again, the government threw the money out irresponsibly. And I can tell you that there's farmers out there who say that to me, because now they're saying to themselves, gee, you know, maybe I shouldn't have taken it because how am I going to pay it back? I'm in worse trouble now than before.

So we have your government throwing money at the problem again. Sure they need money, but let's, for Pete's sake, have some management and some competence behind the distribution of that money.

Some Hon. Members: Hear, hear!

Mr. Upshall: — Farmers are saying, when is the government going to ask for the repayment? When am I going to have to pay it back? How am I going to pay it back? And then they say, even if I had a deficiency payment or knew when it was coming, at least I may have some money to pay the government back when they call my loan in January. But right now they don't even know if they're getting a deficiency payment to cover that loan to the government. You haven't given them any indication whether they're going to have to pay back or whether they're going to have pay the interest or what they're going to have to do.

So I ask you again, and maybe you should reimplement the hearing aid program because my question was this: I want to know whether or not you agree that there was a

deficiency in '84-85 for which the farmers of this province should have been paid? All the while many of them, I think most of them, were thinking that that's where the deficiency is going to be put toward that year, and now we're a year behind. Do you agree that there was a deficiency caused by subsidies in America and in the EEC (European Economic Community) in those years; and you agree that we're a year behind in our payments?

Hon. Mr. Devine: — Well, Mr. Chairman, I will try to be as brief as I can. The 1985 U.S. farm Bill came into effect in June of 1986, and most of the export subsidies that have come on to the market have been tied to the U.S. administration with their latest farm Bill. And the '85 farm Bill was effective early in 1986.

I will also say to the hon. member . . . I mean, if he wants to make the argument that we will go back for years and find out when there was U.S. commodity storage or U.S. assistance or U.S. subsidies or U.S. export subsidy, he can probably go back to the turn of the century. And I suppose that wouldn't help his argument because you had never seen a CCF or an NDP government or a Liberal administration ever provide support under those difficult times, and he knows that.

Secondly, if I could make the point. He says you can have a cash advance on grain because you have grain. Okay. The loan program that we put together was on land. Now land is as good as collateral, I would think that he would see the land is there. If it's based on \$25 an acre, on per farmer . . . (inaudible interjection) . . . Mr. Speaker, and he says that it's not based on anything. When you have wheat, you can get a cash advance on wheat; when you have land, we said \$25 an acre.

Let me point out the third thing. Under the NDP administration, and under his program, I guess that he would want us to . . . he says, you should be more careful with this universal program. All right, cash advances are universal, and I believe they should be. This program is universal.

He says, no, you should pick and choose the farmers. You know what the farmer doesn't like? He doesn't like government officials picking and choosing between neighbours — that this farmer was a pretty good farmer and this one was not a pretty good farmer, and this young fellow didn't do this and this fellow did that. You know the problems with that. But that's the philosophy. I know that you're a little hidebound by that philosophy, that only the government knows best.

Well farmers believe that if they want to borrow the money, they can pay back the money. If they don't want to borrow it, they don't have to. They had the opportunity at 6 per cent to lock it in at \$25 an acre. Some chose to use it, and some did not. And you know that as well as I do. Some chose to use the cash advance at the elevator system, some don't. Some used to use the cash advance system for livestock, some didn't. But it's available for everybody, as it should be.

Now if you were the minister of Agriculture, or one of your colleagues were the minister of Agriculture, there

would be no cash advance in the livestock industry; there would be no production loan program at \$25 an acre; you would be picking and choosing the farmers that got the benefits, as you did before when you were in your administration, and everybody knew that. And that's one of the reasons that . . . if frankly bothers people.

So let me just say in summary, the key expenditures in the 1980 farm Bill . . . 1985 U.S. farm Bill have kicked in primarily in 1986, and we know the export subsidy's going to pay. If you want the argument that there were subsidies prior to that, they probably were back to the turn of the century, maybe even before that. But if that's the case, then some of your predecessors could have helped in many of those very difficult times, and obviously they didn't, Mr. Speaker.

Mr. Upshall: — Mr. Chairman, you've just outlined that in the cash advance system, to pay the cash advance back you take your grain in. In a \$25 production loan system — you say based on land, I thought it was a promissory note, but I guess you know what you're saying. So in order to get that back, if I can't pay it, you're going to take my land. It's what you just said. Is that your policy?

I think the farmers of Saskatchewan right now will be trembling in their boots — saying, here, \$25 an acre, take it. And if people out there were suffering, sure they'd grab at stuff like that, and they needed it. But now you're saying if they don't pay it back you're going to take their land.

And you accuse us on this side of picking and choosing people. Well no, we don't pick and choose people. We know everybody needs help, but we need management of our money, of our taxation dollars in Saskatchewan in order to make sure that everybody is helped.

(1545)

I'll ask, have you and your department done any study as to what percentage of your production loan went to what size of farmers? You understand that? Let me give you an example. Did, let's say, 50 per cent of the \$1 billion go to 50 per cent of the farmers, which would be equal for everybody, or did the large percentage to go a small percentage?

Hon. Mr. Devine: — Mr. Chairman, 95 per cent of all the farmers, 95 per cent of all the farmers took out the production loan. So that's obviously the majority of them. And so the distribution of that loan would be like the census distribution; it would be a normal curve, if you will, so that it would be an average distribution, and some would be large. But when you include 95 per cent of them, it would be a normal distribution, bell-shaped curve that would represent the majority of farmers.

Like, say to the hon. member that when he talks about, you know, providing assistance to farmers, that it's probably fair to criticize deficiency payments, and to criticize cash advances when they weren't there before, and to criticize interest rate productions like 6 per cent money. That's fair ball. But compared to what was there, I

think that he would, to be fair, would have to acknowledge it's an awful lot more than they'd ever seen before. And it's something that the farmers understand. They do — and we all are in coffee shops and at kitchen tables — understand that you can improve programs. But they've never seen \$10,000 cheques come out before just like that. And it's helpful — may not be enough, but it's helpful. And I'm glad the hon. member acknowledges that.

Mr. Upshall: — Being a little more specific, do you . . . I would ask the question: what portion of the dollars spent went to holdings of over 1,000 acres?

Hon. Mr. Devine: — Mr. Speaker, or Mr. Chairman, the average farm is 1,000 acres, about that, in the province of Saskatchewan. And the . . . so the average . . . if 95 per cent of them took it out it would be pretty close to \$25,000 that would go out. I think it was 24,000 or something, the average. And it was capped at maximum of \$100,000. So if you had at the far end of the distribution those that might have had, you know, a 10,000 acre farm or something that was extremely large, they wouldn't be eligible for any more than, say, a 4,000 acre farm.

So if his argument is that it is . . . that is . . . any way that it's skewed, it's just not the case. Every farmer was eligible. Certainly every smaller farmer could get the maximum. The only people that would be constrained would be the very large farmer, because of the maximum of \$100,000.

Mr. Upshall: — Yes, perhaps I didn't explain my question. What percentage of the billion dollars — if you want to give me a dollar figure, that's fine — were paid to farmers with holdings over 1,000 acres. Do you understand that? Was that \$600 million paid to farmers over 1,000 acres, or was it \$400 million paid to farmers over 1,000 acres?

Hon. Mr. Devine: — I'm not sure that the hon. member knows or fully understands it. If you have 95 per cent of the people participating, and the average is 1,000 acres, then about half the farmers below 1,000 acres would receive money and half the people above 1,000 acres would receive the money, because 95 per cent of them got the money.

So if the average is 1,000 acres, there are many farmers below that. To make the average 1,000, you'd have to have a corresponding number on this side of the curve to equal the corresponding number on this side of the curve, because the average is 1,000. And it's a normal distribution.

Now the average farm size in the province is about a section and a half — that's average. On the high side there was some limitation, so that if you had an inordinately large farm you couldn't get a million dollars; you could only get a maximum of 100,000. So it's a normal curve. The average payment would be about 24,000 and something or other — 95 per cent of them took advantage of it.

So just as many people below 1,000 acres took advantage of it as those above 1,000 acres, and those above 1,000 acres at the far end were cramped in their ability to get the

maximum because it was capped at 100,000, where all those below 1,000 acres would get the maximum.

Mr. Upshall: — Mr. Chairman, I think the minister knows exactly what I'm talking about, and that's not the answer.

We know that in the U.S. a large proportion of their subsidy goes to a small amount of their farmers — about 80:20 if I'm right. In Manitoba about 70 per cent of the subsidy programs to go about 30 per cent of their farmers. And that is wrong, and that's the point I'm trying to make here with our deficiency payments, or your subsidy programs.

My question was, what proportion of that payment goes to people above average sized farms? I don't know what I have to do to ask that, or if maybe you just don't have the answer, but the point is, we have to maintain the numbers. And we're putting subsidy programs out there, of taxpayers' dollars, to increase the size of farms, which is the direction we've been going. I think that's wrong. I think we have to aim our programs at keeping as many people out there as we can. So I would encourage you and ask you again: do you know what percentage was paid to above 1,000 acres?

Hon. Mr. Devine: — Well maybe this will help the hon. member — 49.3 per cent of the money, the billion dollars, went to farms over 1,000 acres, which means 50.7 per cent went to farms below 1,000 acres. So it's just as I described a normal curve — it's 50-50. I mean to get the average, 49.3 per cent of the billion dollars went to farmers over 1,000 acres.

Mr. Koskie: — Well, Mr. Chairman, and Mr. Premier, I want to go back to the production loan, and you clearly indicated that it was to address high interest rates in the farming community. That's what you said.

Now we had a range of people and farmers in the farming community, and certainly all farmers were not in the same economic condition. And I think at the time that the production loan was put out, a rough breakdown is about one-third of the people, the farmers, were in serious trouble. That's the record of the wheat pool and the farm credit corporation — a third were relatively sound, and a third were in very good shape.

Now you said that you were addressing an interest problem, and you gave it to all farmers across Saskatchewan — equal amount in access. And if you have one-third of the farmers with no debt, how were you addressing the interest problem faced by that one-third of the farmers which didn't indeed have debt to carry. How was it equally distributed to address the problem of interest, as you indicated to my honourable friend?

Hon. Mr. Devine: — Well the hon. member from the Quill Lakes and I have had this discussion several times. It is exactly the same as a cash advance mechanism. Every farmer is eligible. It's a universal program. And universal program, that means people can opt for that cash advance or opt for that interest rate break. And a cash advance is just that. You don't have to borrow the money. You can get it from the elevator, interest free, and pay it back. Now that's a universal program.

Just like health care, Mr. Chairman — universal program. When you go into the hospital, Mr. Speaker, to have your appendix out and you are a millionaire, they do it for nothing. They do it for nothing. They don't charge the individual. And it's available to everyone. You don't line them up and say, have you got some income? — therefore I'm going to charge you for this. They say, no, it's a universal program. Right? That's the case. It's a universal program. It's a universal program.

So when you decide that you're going to pick and choose people, you are playing the classic role where only you know best and you don't allow people to take advantage of the programs and judge for themselves. You'd say to farmers, no, I don't think those that have over 1,000 acres should get a cash advance. That's what he'd say. No you can't, because you have your farm paid for . . . (inaudible interjection) . . . Well if you'd listen to my answer, maybe I could finally get you to agree.

An Hon. Member: — You don't say what I've said. You are putting words in my mouth.

Hon. Mr. Devine: — Mr. Chairman, it would be very difficult for me to put words in the hon. members' mouth.

Mr. Chairman, if I could just say clearly to the hon. member that if you want to see a universal program for farmers like we have with the wheat board system, you don't say to farmers that have no debt, you don't say to farmers that are aged 65 years old that have the farm paid for, you can't have a cash advance. You don't say that. Correct? That's right. You don't say that. You say, you have every right to get a cash advance the same as everybody else because we have a universal program and we don't discriminate.

But do you know what can happen? The hon. member has said this before. He said all those farmers who have their debts paid will take the cash advance from the elevator, put the money in the bank and collect interest on it. Well that's been going on for years, and the NDP have what, been for it or against it? That's what they do. A third of the farmers, the big farmers, all those people who have all that money and have all their debts paid and have all this stuff . . . They go to the elevator, get a cash advance, doesn't cost them anything, no interest, put it in the money and draw interest, and you've watched that for years.

But when I do a program, when the Government of Saskatchewan and the PC government does a program and says, we're going to help you because you've had production problems, you face interest rate problems, you've had grasshopper problems — well, to come out and say, I will provide you with the opportunity for low interest money, you say, oh, but it isn't fair because you didn't pick and choose the farmers.

Well, my friend from Quill Lakes, you can't have it both ways. If you're against universal programs, then come out against universal health care, universal cash advance by the wheat board, and universal programs for anybody else.

Mr. Chairman, universal programs that allow people to choose for themselves were good when the CCF were around, and they're good when we're around. They're not good enough for the NDP, but that's their problem. We've had this argument many, many times, and I would say that when you get into picking and choosing who can have health care and who can have access to cash advances or who can have access to production loans, you're into a completely different argument, Mr. Chairman.

And I will just say this in summary. I won't put words in the hon. member's mouth; he can speak for himself. But you will have a long time, it will take you a long time, hon. friend, to change my mind whether we shouldn't have universal programs for farmers or whether we should decide to pick and choose which farmer satisfies the government's expectations and which ones do not.

Some Hon. Members: Hear, hear!

Mr. Koskie: — It's not a question of universality versus helping farmers. That's where you and I disagree. And I've indicated to you before that many farmers out there participated, did not, as I indicated to you — they were in an economic condition that they didn't require the 6 per cent money. In the face of the fact that there were young farmers going broke — going broke. A thousand farmers a year have left since your administration took over — and in the height of that condition, with the realization that one-third of the farmers were in serious economic conditions, with the polls indicating today that 29 per cent of the farmers expect to leave the land if conditions exist as they are in Saskatchewan, my friend . . . And if you want to get into it, fine, but I'll carry on now without your interruptions.

(1600)

That is the situation, Mr. Premier. And you're saying, yes, universal program. Well I'm saying to you that you deserted young farmers out in the communities, because there's young farmers in circumstances that needed some debt adjustment. That's what they needed. And there were farmers who took the \$25 production loan — and I know you've talked to them — that did stick it in the bank. And you say, whoopee, we had a universal; that is great — as farmers, young farmers are leaving the land. So what conclusion can you draw?

You're saying you have a universal program, but you have no program which will address that one-third of the farmers that are in serious economic conditions. I ask you, Mr. Premier: are you unconcerned? Have you no concern, at that time when you put the production loan in, that perhaps you could have taken a look at a program and used that billion dollars for some restructuring of debt of the young farmers? Did you ever consider that? Or was it because of an election and it was much more popular to satisfy and to give it to all? Because, after all, you were down in the polls and you needed to address all of the farmers.

It takes courage, Mr. Premier. It takes courage and it takes administrative capacity to deal head on with problems that are confronting agriculture today. And I'll tell you,

you're not doing it with a production loan. And ask the young farmers whether you solved any of their problems. You delayed the situation for them, perhaps, to put a crop in. But at the same time those one-third of the farmers that had no debt, Mr. Chairman, received exactly the same benefits under the production loan program as those that were in financial trouble.

So I ask you, have you no concern for those young farmers, particularly, who are started up and have had this crisis thrown upon them? What is your solution? You took a billion dollars in production loan; you set up a universal program, and you say it's great. I ask you: what is your program for those that are in deep financial problems?

Hon. Mr. Devine: — Well, Mr. Chairman, if we followed the hon. member's logic, then big farmers would get a smaller quota from the wheat board than small farmers. That's what he's saying because it wouldn't be a universal program based on your acreage. It would mean the big farmer is big; therefore, we should give him less help and less quota than somebody who was on smaller acreage. Or the big farmer shouldn't have access to the cash advance because he might have some bills paid, and therefore we'd have to change the wheat board system of the cash advance.

I mean, the member from Quill Lake, who I believe is a lawyer by training, I don't believe understands how farmers feel about the wheat board and about cash advance and about the quota system. Because he will expect that large farmers would get less of a quota, because he doesn't believe in universality.

Mr. Chairman, I can only say the wheat board mechanism that allocates equal quotas to people of all farms is universal. The cash advance system for farmers at the elevator is universal. It has been for some time. The member from Quill Lakes has always been against that universal type of program.

And the cash advance system for the livestock industry, is he against that? Some livestock industry . . .

An Hon. Member: — Look at, look at, don't put words into my mouth. I just asked . . .

Hon. Mr. Devine: — The member from Quill Lakes has argued this way for years.

An Hon. Member: — I'm not going to take that.

Hon. Mr. Devine: — Well you'll have to take it because you're sitting there, and I'm on my feet.

An Hon. Member: — You put words in my mouth, I'll tell you.

Hon. Mr. Devine: — I will put words . . .

An Hon. Member: — Don't say what I said.

Hon. Mr. Devine: — You don't agree with universal cash advances. You don't. And you don't agree with the cash advance for livestock, and we got the livestock industry

all over the province saying it's the best thing that they've seen. And you wouldn't give it to those that had some money because it would be unfair; you'd have to only choose those that got a cash advance. Now with your argument, you can't have it both ways.

Let me also say, Mr. Chairman, just for the hon. member, Mr. Chairman, the hon. member mentions the loss of farmers, the loss of farmers. If I could just draw his attention to this, because I don't want to put words in his mouth, so that he has the facts. From 1971 to 1981, the loss in farmers was 9,652 or 965 farms a year — average over a 10-year period, 965 farmers per year; 1981 to 1986, the loss was 3,887 or 777 farmers per year. Under the good times — the province lost more farmers under the NDP administration than they have with \$2 wheat in recent times, Mr. Speaker.

Mr. Chairman, I just want to point out to the hon. member when he stood as a cabinet minister and saw farmers face 20 per cent interest rates and didn't do a thing, he shouldn't even have the courage to stand in this legislature and condemn a program that helps farmers across the province. How could he do that?

All he had was the program that said, I will go out and buy your land for the government. And then he would go around and say, and we bought it for \$100 an acre and we can sell it for 300, and they speculated with the farmers' land. That's what he did. And he said, the land bank and succession duties and death taxes and 20 per cent interest rates was the legacy for the NDP. and they thought they were going to win every farm vote.

Well, Mr. Chairman, I think farmers would rather have 6 per cent interest rates locked in. They would like a counselling and assistance program for farmers. And the majority of that assistance goes to farmers averaging 1,400 acres; and young farmers, Mr. Chairman, that we have helped, young farmers, with the farm purchase program — interest rates locked in.

Mr. Chairman, let me point out: billions of dollars in deficiency and western grain stabilization and interest rate protection is something that they have seen in recent years. And yes, it has been universal. And they didn't see anything like it under the NDP administration. And that's why, Mr. Chairman, year after year the average was 965 farmers leaving the land under the NDP administration, 1971 to 1981, and in our case, Mr. Speaker, 777. And they know the reason why.

Mr. Koskie: — Mr. Premier, I asked you a simple question. You support your universal program. I ask you: have you got a program, or did you consider a program to address those hard-pressed farmers, that one-third that were in serious debt? Or are you going to allow them under very tough economic conditions to only receive the same benefits as the top third under the production load and say, survive?

All I'm asking you: do you have a program which is addressing . . . at the time that you put the production loan program into effect, were you aware that there were about one-third of the farmers in serious financial problems? And I ask you: how did you address that problem,

particularly to the young farmers that got established? What program did you put into effect to address those who are having financial difficulties?

Hon. Mr. Devine: — Mr. Chairman, two replies. The first is that in general economic expenditures by the Department of Agriculture we have spent \$519 million in the last three years, Mr. Chairman, and that is more than the NDP administration spent in the last 10 years of their administration, which was 489 million. And this excludes, Mr. Chairman, the production loan program.

So more money to all farmers in three years than they spent in 10 years, Mr. Chairman, just to put the record on the table here this afternoon — \$519 million in three years under our administration, 489 in a 10-year period when the member opposite was a cabinet minister and was not supporting agriculture. And this does not include the production loan program.

Secondly, Mr. Speaker, the counselling and assistance program that we have brought forward now — the counselling and assistance program — addresses those kinds of problems associated with people who have debt problems, and, Mr. Speaker, we have provided money and backed up loans. We, the Government of Saskatchewan, have backed up loans by farmers, through the counselling and assistance program, to make sure that they can have another crack at it.

Now that was not in place before, Mr. Chairman. What was there was the land bank which says, I won't help you stay alive; I won't back your notes. I'll go in and take your farm. Significant difference, Mr. Chairman.

Mr. Koskie: — Isn't that a tremendous statement to a simple question. One-third of our farmers on the verge of disappearing, and clearly what you're indicating here, just as you did in the university, you said small farms had to go. That was your philosophy. That is the direction that you're going today. The small farmer has to go. The young farmer that has established himself, started up; the one-third of the farmers that are in heavy debt. Do you know what he says, what we did? He said we backed up some loans. He backed up some loans, he says, to those that were in difficulty, and he gave to the top third, who had no debt, 6 per cent loan. That's what he did, whether they needed it or not. No debt adjustment, no restructuring of debt.

I'll tell you, Mr. Premier, when I talk to the young farmers in the Quill Lakes, they say that they need some restructuring of debt. And they say they don't need an equity corporation where they have outside investors come in and start buying up the land and become tenants rather than landowners.

Young farmers today, what they want, Mr. Premier, is a government with a program that will give them the opportunity. It's not their fault that the price of the commodities have fallen. And these are efficient young farmers, a new generation. And I'll tell you, Mr. Premier, if you don't do something, you're going to lose that generation. And I'll tell you where the farm's going to go — it's going to go to the real estate agents; that's who is looking at it now under your . . . (inaudible) . . .

corporation. It's going to go to the banks and the trust companies.

And under your free trade government I'll tell you where it's going to go, because I'm going to get into that specifically, where you're going to abandon the foreign ownership restrictions in Saskatchewan farm land and the Americans and the Japanese and the East . . . and the West Germans are looking at the cheap land here in Saskatchewan. And here are people that homesteaded here, and are sons and daughters of the pioneers, and you say you're not going to help save those family farms.

That's really what your program indicates, Mr. Premier. That's what the farmers are saying — they're saying that we cannot survive. Surely you must have looked at the recent poll which indicates that 29 per cent are saying, we're out of business in two years time. And you say, well I want a universal program because I'm fair; that's what you said. And you gave to those with no debt, and they walked over to the bank, deposited it, and gained 10, 12 per cent return on that money. And isn't that a great agricultural policy when one-third of our farmers' survival is being threatened?

And you sit there and say, no government strings. Well why, why, why, Mr. Premier, when you deal with seniors and the heritage grants, why did you put on a criteria? Why isn't it universal? Because you're paying it to those who need it most; that's what you're doing with the heritage grant, but when it comes to the farmers, you don't want to take a look and see whether there's a group of farmers that need assistance.

(1615)

And I'll tell you society is prepared to see the family farm survive — there's no doubt about it. You can talk to the farmers that receive production loans that didn't need it. They say this is a ridiculous program; there is no criteria whatsoever. You walk into an elevator, sign a promissory note, and you get a cheque whether you need it or not. And they say, you can't build agricultural community that way. And the farmers that have made it aren't asking for your hand-out, that's in respect to the production loan. They weren't asking you for it, because you were going into an election, and you didn't want to make the tough decision of addressing the problem that was there. You said, here's 25 bucks an acre for every voter in the province. We'll make them all happy.

And what you did is desert the young farmers that are in financial trouble, and you don't have a program, Mr. Premier, to address it. Because the next step that you're to do is to allow the buy-up of this land through your so-called equity finance corporation, if the farmers of Saskatchewan don't turn against you and prevent it. And the polls indicate that 60 per cent — 60 per cent of the farmers in Saskatchewan are saying, we don't want an equity corporation where U.S. and Japanese and German money come in and we become tenants.

You talk about share-croppers. That's what you're turning Saskatchewan young farmers into. Setting up an equity corporation so that the multimillionaires can come in and buy up the depressed price of land today in

Saskatchewan. And boy or boy, they are going to have a right to lease it back. Now isn't that a tremendous future for the young farmers. And you walk around and pretend that you're the friend of the farmer.

All you did with the production loan, Mr. Premier — let's be fair. You were down in the polls; you had no credibility . . . was decreasing in this province and you said, I'll throw out a billion dollars and see if I can buy some votes. And you made it universal. You didn't have the integrity nor the decency nor the competence to deal with the problem that's confronting Saskatchewan farmers today, and that's the young farmers who are under crushing debts because of low commodity prices.

And you say, it's wrong to target to those that need; give it to all of them. That's your philosophy and it can lead to only one place, one result, and that is a failure of many of our young farmers who are strapped at this time.

And so I ask you, those are the polls, those are the statistics. Are you going to be addressing it to help the young farmers through this difficult period? All of them are getting their deficiency payment if and when it comes. Another election — I suppose we'll have to wait for another Tory election to get another deficiency payment.

But what I'm asking you, have you in fact got a program in mind in which you're going to address that problem of one-third who are virtually going to have to leave the land? Twenty-nine per cent. And I ask you, what proposals do you have to address those problems, or do you have another universal program?

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Mr. Chairman, during the early 1980s, late '70s and early '80s, farmers in the Quill Lakes have told me this several times, and they'll tell you this now. They said if the NDP administration had helped them at 20 per cent interest rates, they wouldn't have half the problem that they have today . . . (inaudible interjection) . . . the hon. member from the Quill Lakes doesn't like to hear this, but it's the truth. The young farmer got into trouble when interest rates went over 20 per cent. And if the young farmer could have had some help when the interest rates went to 20 per cent, he wouldn't have half the problem he's got today. And they know that.

And they said there was absolutely nothing that the government of the day . . . And the deputy premier at that time was the member from Riversdale, and he said, we can't interfere in interest rates. It's an international problem. The province shouldn't be involved. The province shouldn't do anything. And interest rates went over 20 per cent, and farmers' payments went from \$3,000 to \$6,000, from \$10,000 to over \$20,000, and the NDP did nothing. Those payments to the banks doubled, and in some cases were more than that. And the NDP did absolutely nothing.

And you go ask farmers who are in trouble today in the Quill Lakes area, and you ask them, how was it under 20 per cent interest rates? And they'll tell you it was awful. What did the socialist government do for them? Zero!

Nothing! Nothing for home owners, nothing for seniors, nothing for farmers. All it was was rhetoric. No, what they said they'd do is they'd go and buy their land from them, and put the land into government. That's what they said.

The member from Quills, the member from Quill Lakes who says that he doesn't like universal programs is saying the following. I'll tell you what he says, and this will go into his farm communities, verbatim, from the legislature.

He doesn't like universal programs like the products loan program. He doesn't like universal programs like the wheat board quota system. He even thinks that some farmers should pay a higher freight rate than some other farmers. The bigger farmer that has no debts and no loans should obviously therefore pay a higher freight rate because, right, he doesn't believe in universal programs. So he must be believing in variable rates. Okay?

So he says the wealthy farmer that doesn't have any debt should obviously be able to pay higher freight rates. He shouldn't get access to the production loan program, he shouldn't get equal cash advances, and he shouldn't have equal ability to market his grain; therefore he shouldn't get equal quotas. That's what the member from Quill Lakes is saying.

He's also saying on the deficiency payment that those that don't have any debt shouldn't get the deficiency payment. Now wait till the farmers hear the new NDP agriculture program. No help on interest rates and not having universal programs with respect to deficiency payments or cash advances or quotas or freight rates, any of that. That's what he's saying.

The proof of the pudding is in the eating. You go back and look under the NDP administration, and over 200 farms more per year went down under them under good times than recently. Well how in the world under those conditions did we lost more farmers in an average year than we do now?

What he would say is — I'll tell you what he's saying. This is what he's saying. You have a deficiency payment, so what you'll do is that you cut the deficiency payment in half and only give it to those that have debt and don't give it to the rest of the farmers. So we'll have a half a billion dollar deficiency payment. Is that what he's saying?

Well, Mr. Chairman, he can't have it both ways. He's against universal programs. He wants to make sure only some farmers receive the help. When we do provide specific programs, counselling assistance and other financial packages for people on low income, then he's against that as well.

Our interest rate protection program, just for the hon. member so that he can have this as information, the average age of people who are helped by our interest rate protection programs is 27 years of age; 39 per cent of those are families — 39.9 per cent; 40 per cent are family farms. The average age is 27 years old.

Well, Mr. Speaker, Mr. Chairman, that's exactly what it's targeted for, for those young people, for those family farms. That's why our record of maintaining family farms

is better than the NDP's administration. And that's why farmers all over Saskatchewan will say, if the government in 1980, in the early '80s, had helped us with high interest rates, we wouldn't be in half the trouble we are today. And thank goodness somebody locked in interest rate protection like we have at 6 per cent and got cash into our pockets, like the deficiency payments like we've never seen before, or we'd really be looking at some severe economic conditions that would be worse than they are today.

Mr. Chairman, I say to the hon. member, he had his chance. He had his chance, Mr. Speaker, to help farmers and to show them how to do it. He had succession duties, he had death taxes, he had land bank, and he let them suffer under 20 per cent interest rates. He had no cash advances, and he had no deficiency payments. And he's standing up here and saying, do as I do in the NDP.

What he did for the NDP, Mr. Speaker, was give every rural riding in the province a very good reason to say no to the NDP, because they didn't care. They don't care. They talk, but they don't care. It's like health care. They talked a lot about it, but they didn't build the hospitals and the nursing homes. They didn't spend the money.

And now, Mr. Speaker, their leader-to-be stands up and says, ration, okay, ration that new technology for senior citizens. That's what he says — ration them. And they laugh, Mr. Speaker, but the people will know the truth. The truth is, they didn't spend in agriculture; they didn't spend in health care. All they do is talk, Mr. Speaker. And when they just talk, people across the province say, no, I want to see action.

Well, Mr. Chairman, if you look at the number of farms, you look at the money going into farmers' pockets, you look at the assistance from provincial and federal governments, it will compare favourably to any time in history that the NDP or the CCF were ever involved in agriculture.

Mr. Koskie: — Obviously, Mr. Premier, you didn't hear the question. I'm going to ask the question again, 29 per cent of the farmers in Saskatchewan, many who are young, are saying they're going to have to get out of farming if the commodity prices stay where they are. They can't handle the debt load. And young farmers have the debt loads, as you can appreciate. All I'm asking you, have you any plans for addressing that, and do you believe that the production loan was the method whereby you addressed it?

Hon. Mr. Devine: — Let me just say, Mr. Chairman, we have initiated a large number of programs for beginning farmers, for farmers in debt. Farmers today, as we speak, are getting guaranteed loans, they're getting their loans restructured, they're getting their farms restructured financially, and we're backing them. We're backing them and that's what they want to see. They want to be able to come in and get some assistance, get some counselling, and have people be able to say, yes, we'll restructure that. And indeed the government will back up this new restructuring and this new financial system. Well, Mr. Chairman, that's precisely what they want.

Now the hon. member wants more cash, and I'm saying the biggest deficiency payment, and the only one we've ever received, was this year, and we're on record of supporting another one. So both in terms of restructuring, and in terms of loans, and in terms of interest rate protection, and in terms of cash advances, and in terms of just straight cash and deficiency payments, all of them are available to farmers in this province today, Mr. Chairman, and they weren't in the early 1980s or the late '70s when in fact they really needed the help.

Mr. Koskie: — Mr. Premier, you put out a production loan in the spring of 1986 — that's when the payments came out — and what I want to ask you this: do you consider that the problems of the farmers today have intensified or have decreased? Would it be appropriate to have had a production loan program this spring, because in my view the farmers are worse off this spring than going into the election. And I ask you, if a production loan was necessary in 1986 to get you elected, why not a production loan in 1987?

Hon. Mr. Devine: — Mr. Chairman, the hon. member from Quill Lakes forgets that farmers received cash this year, not a loan — cash deficiency payment which was not to be repaid, a direct payment. And the western grain stabilization payment provided another direct payment because it's linked to international commodity prices and subsidies. Farmers received on average, \$10,000 cash in this province, this spring, that they didn't have to repay. They have never received that under the NDP. That's cash, my friend, dollars that you don't have to repay.

And you sit there, I mean, in a pathetic fashion, telling this administration to provide cash to farmers. You never came close to paying them \$10,000, ever. You took their land. You took their land so that they could farm for the government and you didn't give them one single dime of help against high interest rates and no cash. They got \$10,000 cash this year and you forget that all the time, Mr. Chairman. The hon. member could at least acknowledge that when they receive cash that it's cash and they don't have to pay it back.

Mr. Koskie: — Well are you saying, Mr. Premier, that the facts are not right, that we're about to lose one-third of our farmers, that those cannot survive on the deficiency payment? Are you going to do anything for them? That's the simple question.

(1630)

Hon. Mr. Devine: — Mr. Chairman, I have just said time and time again to the hon. member that cash in the form of deficiency payments is the thing that farmers are after. They don't want billions of more loans. They want some restructuring of loans. They want protection on the interest rates and they want cash. The federal government provided a deficiency payment and there was a western grains stabilization payment which they contribute to, and the governments do as well, that amounted to \$10,000 this year per farmer — \$10,000 cash, no interest or anything, cash in their pockets.

Now you're saying that isn't enough with \$2 wheat. Well he knows the answer to that. The answer is to get the

United States and the Europeans away from subsidies. We have provided a deficiency payment in co-operation with the federal government, with their support, and we have got the support of all the provinces and all the premiers and all the ministers of Agriculture for another deficiency payment. And he says he wants it as large as possible. I agree.

So let's agree. We want as much cash as possible going into the hands of farmers. I agree. You agree. It wasn't there before but it's there now and we want more. I'll be glad to differ with you or agree to differ or just agree that your program in agriculture were very . . . (inaudible interjection) . . . You think they were fine. I say mine are at least competitive and as good as yours, and we can argue that till Christmas, if you like. But you want more cash. The deficiency payment and the grain stabilization mechanism have never provided as much cash. It may not be as much as we'd like, but it's large, and the request, Mr. Chairman, is even for more.

Mr. Koskie: — Mr. Chairman, Mr. Premier, I think the young farmers in Saskatchewan know where they're headed for. No support from your government to prevent their losing their land. I take a look at articles here in respect to what you had in mind, in respect to the sale and accessibility of farm land, of Saskatchewan farm land, and what you have indicated and what your deputy has indicated. The Saskatchewan deputy minister of Agriculture said:

The restrictions are not as essential today because many younger farmers are willing to lease farm land instead of buying it.

And that's taking off the restriction of foreign ownership of land in Saskatchewan. That, I guess, is your policy because it comes from your deputy. And the Saskatchewan government confirmed in a discussion paper this summer that its restrictions might be relaxed. And this article goes on to say:

Saskatchewan and Alberta governments are considering just that move.

Take off the restriction — right at the worst time. Prices of land have fallen 23 per cent. Farmers are hanging on, and he says, open the doors to outside investors; farmers want to be tenants, not owners.

Have I got news for you, my friend. You set this into motion and I'll tell you, you won't be Premier very long. You sell off the birthright of family owning farms to outside investors and that's what you're heading for. And I'll tell you, you won't be around very long.

Any changes in Saskatchewan legislation would be linked to a scheme for encouraging private investors to buy equity in farms, and just such a plan to allow non-resident investors to become shareholders is expected to be unveiled.

That's what our young farmers, I guess, have prospect of looking forward to from you plan — not to be able to get to some assistance, to restructure their debt to carry them through this difficult time.

You say, you know, we could get more in deficiency payments. Well if the United States government and the European government can, I suspect that if you were doing your job you would get sufficient deficiency payments. But I want to stay on this and I want to ask you — it says here:

The Premier has already said his government is thinking of offering tax credits to investors in Saskatchewan farm land.

Now isn't that nice. Sell the farm to the money men and make share-croppers out of our young farmers. That's where you're heading. That's exactly what this article is indicating.

The real estate association, yes, they're interested:

Is urging that the federal-provincial government guarantee a fixed rate of return for the investors who put money into farm land.

So you're going to give them a tax credit to buy the land, and then you're going to give them a guarantee return. That's the proposal; that's what it says. And you have nothing to help out that desperate 29, 30 per cent of young farmers in Saskatchewan.

This is what you're offering to them. And I'll tell you, Mr. Premier, you won't get the support of the farmers of Saskatchewan to take their land from them and to give it to the real estate brokers in order that they become the landlords and the farmers — the peasants working the land. That's what . . . that's where you're heading.

And I say to you, Mr. Premier, is this article accurate? That you want to restrict foreign ownership of land? Are you intending to remove the restriction in respect to ownership at this very difficult time in the history of the farming community, so that investors and money men can lap it up when it's down 23 per cent? Is that your plan? Is that your new approach now to the . . . Can I tell the young farmers who are desperately looking for help that that's the answer that you're going to give because that's the symposium that you're coming forward with? You're trying to get the credit unions to put it forward for you, but they're running into problems because the credit unions have boards and there are young farmers on there. And they're saying, we don't want an equity corporation owning our land and we become share-croppers and tenants. And you're having difficulty.

But I know the federal government has a proposal, and the Farm Credit Corporation is looking at a proposal, and I'm asking you, is that the intended solution — to have an equity corporation? Is that your plan, so that outside investors, subsidized to invest, guaranteed a return on their investment, can take over the land and make tenants out of our young farmers?

Hon. Mr. Devine: — Mr. Chairman, the hon. member speaks about share-croppers, and he wrote the book on it. Because, Mr. Chairman, when the NDP administration decides to buy land under the land bank program, they take the power of government and they go out there to the

farmers and say, I will take your farm, and you can be the tenants and you can be the land leaser. You can be the fellow who is going to be the share-cropper for long, because the government will own the land, and the government will take the responsibility for it, and the government will have all the capital gain. And it did it for years, and it was rejected — absolutely rejected — by farmers across the province.

The hon. member talks about debt restructuring. And he says, well would you help the people restructure their debt? Well they people not only want debt restructuring — and I'd like him to explain how he would restructure it — they not only want it restructured, but they want some equity in there and some cash in there, as opposed to just debt. That's the problem.

I mean if he wants to look at the problem, the problem is that the banks are owning more and more land. And he says, no, just keep it the way it is because all that debt's there and the financial institutions own the farms. And he's only got . . . the member from Quill Lakes says, either the government owns the farm or the bank owns the farm. That's his answer. He says, oh look, the financial institutions, they can have all that land. Right? And the financial institutions are saying, now they're going to have more and more and more of it. He says, oh that's fine, just restructure the debt — just restructure the debt so the banks and the credit unions can own more and more farm land.

Mr. Chairman, what the people are telling me and the credit union is telling me, is that there are hundreds of millions of dollars, and billions of dollars in savings in Saskatchewan — in pension funds, Mr. Speaker — in pension funds, billions of dollars in Saskatchewan that is now invested in the stock-market in New York, invested in the market in Toronto, and not allowed to invest in farm land in Saskatchewan because only the banks can own the land.

And he is afraid to face the fact that maybe Saskatchewan people could invest in Saskatchewan farm land — and he's afraid of that. Because he knows, Mr. Speaker, and Mr. Chairman, that in fact if people were allowed to help farmers here by reducing the debt, putting equity and cash into agriculture, that in fact it would make it more profitable, and it is a very viable way to restructure some farm problems.

Mr. Chairman, the hon. member knows that his solution is land bank, the government own it or the banks own it, and he's all in favour of restructuring and let the bank own 10 million acres of land.

In fact the NDP people, sitting across, will defend the banks in court — defend the banks against farmers. They do it all the time. NDP lawyers will defend the banks against farmers, time and time again. They know it. It's on the record, and an awful lot more people will know it.

And he's saying here, as NDP lawyers will defend the banks against farmers, he's saying only the bank can have equity — only the bank can have that. They'll own the land, or the government will own the land. And he says, no, all this pension money and all this other money

should not be allowed to replace some of that debt. Sure, he says, fine. The union leaders' pensions can go to New York and be invested in equity instruments — fine. All the pensions from teachers and the pensions from the wheat pool and the pensions from government can all go to Toronto and be invested in the stock market. Right? But he wouldn't allow them to be invested in Saskatchewan agriculture. He says, only the financial institutions can hold the land — or the government.

Well he's got a lot of waking up to do, Mr. Chairman, if he's going to think he's going to restructure farm land and help young farmers and deny them the right to have access to cash — equity. Cash — not borrowing it. And at the same time NDP lawyers defend the banks against farmers.

And more and more people are finding out, Mr. Chairman, that when the NDP speak out of both sides of their mouth — one, want to buy the land for the government; two, take the farmers to court on behalf of the banks — then this hon. gentleman from the Quill Lakes, who is a lawyer, will understand exactly what I'm talking about — that if you want to get cash and investment money and pension funds from Saskatchewan people into agriculture to help, that in fact you have to have the courage to address that and not just hide behind his arguments that, indeed, either the bank has to own the land; or the credit union has to own the land, or the government does. Because the farmer wants to own it.

And if there's anything that we can do to make sure that he has access to cash, as well as credit, we're going to do that, Mr. Chairman.

Some Hon. Members: Hear, hear!

Mr. Koskie: — I hope you keep clapping, and I hope you keep selling that program, because you won't be around very long with it.

I want to indicate here what the . . .

Ralph Ashmead, research director of the federal Farm Credit Corporation, (Who also, not just with the deputy, who described the Saskatchewan restrictions archaic) has spearheaded a fight for a new financing system. He is convinced that a large number of private investors are willing to become minority shareholders in prairie farms.

Despite the slump of the past five years, the value of farm land has risen faster over the past 25 years than the average stock market. (And he goes on to say) A number of private investors of quite significant magnitude have become very interested in agriculture. They see that it is at or near the bottom of the market. Potential for upward capital appreciation is good. Mr. Ashmead has been approached by trust companies and other investors who have access to funds from Hong Kong, Japan, and other countries. They see Canadian farm land as a safe investment over the next 10 to 25 years. They're talking big money, 50 million, 100 million and more (he said). And some investors believe the

booming stock market will eventually slow down.

And I guess that's it.

An Hon. Member: — I don't think that'll ever happen.

(1645)

Mr. Koskie: — I think it happened. And they don't want all their eggs in one basket.

This is the new Tory policy. The federal Farm Credit Corporation is promoting it, the federal government is promoting it, and the Premier of the province is. And he's ducking around and saying it's going to be Saskatchewan money. Yes, there'll be Saskatchewan money, there'll be Hong Kong and German and United States money. And I'll tell you, our young farmers will be driven off like they're never been driven before, and that's where it's heading.

And I asked you simply whether you had any program, and obviously I can tell the young farmers that you don't, that what's there is there, that you don't have, and you're not going to address it. The only way that you'll address it is to get them off the farm, and they might be able to lease it back.

Now I ask you, Mr. Premier, as a tenant leasing land on a voluntary program under land bank — voluntary, which you failed to mention — do you think that the farmers, the young farmer, under this proposal that you're going to be putting forward, are going to feel a lot better renting from a Hong Kong investment company, or from the government of the province? Do you think they're going to be better off renting, tenants for Hong Kong investors or for the United States? Do you figure they're going to be better off under that proposal? That's the direction that you're heading for.

Hon. Mr. Devine: — Mr. Chairman, the hon. member has been exaggerating all afternoon, so I guess it comes as no surprise that he would exaggerate on this point. I make the . . . (inaudible interjection) . . . Well would you just listen? I mean, I was quiet when you were talking; why don't you . . . They can't stand the truth, Mr. Chairman. They've got to talk when I'm talking. Why don't you . . . You will all get a chance to stand and speak, so at least you can have the courtesy to listen to the truth and to the facts. Just listen to the facts.

When, Mr. Speaker, farmers are in debt, they want some cash. And we have cash in Saskatchewan by billions of dollars, of people who have money, and they invest it in all kinds of things. And right now, Mr. Chairman, it's impossible for them to invest in agriculture. The financial institutions like banks and those that own the land. And farmers are saying, I want control. They want to be the people that have control. They want to have the last right to make sure that they can buy the land, that they can own the land, that they can have the final say as far as the family farm. But they'd also like some cash in there to help reduce some of those long-run interest rates payments.

So I'm just saying, Mr. Chairman, the hon. member will run around and say that all the farm land is going to be owned by the Chinese, and he'll run around and say all the farm land is going to be owned by somebody in South Africa. And he's just blowing through his hat.

What farmers want is cash. They want restructuring, and they want the ability, Mr. Chairman, to get through this difficult time. They appreciate the deficiency payments, they appreciate restructuring, and they appreciate the fact that maybe some cash in the province of Saskatchewan could be available to them, not just available to the New York stock market. And I make that point to the hon. member.

He is still burning, and he is still hurting, as all of them are, over their land bank policy, and they're trying to get out from under it. Well it's part of their legacy, Mr. Chairman. It will always be part of their legacy. And it's clear. It fits their philosophy as it does with their trade philosophy, that the government will own it and the government will control it; the government will decide who gets the land; the government will decide exactly what's going on because they believe the government should be in control.

We don't believe that. We back up farmers. They backed up the government. I mean, clearly rural people can see the difference, Mr. Chairman.

Mr. Upshall: — Mr. Chairman, I heard a similar speech on Saskoil. We're going to put all the share out to the people of Saskatchewan. And all of the little people will be a controlling partner in the great oil company of Saskoil, which it was. And we'll have control of Saskatchewan dollars on our oil, and we'll have control by the people. And where are the shares held now? Seventy per cent are held in eastern Canada. The share are flowing out of the hands of the people of Saskatchewan into large corporate firms.

And this Minister of Agriculture and Premier of this province wants to do the same thing with agricultural land. He wants to take the land from young people and give them cash. And I'm sure that's very alluring to the many young people out there who need cash. And he's going to try to sweet-talk them into saying, here's a good deal, we're going to have investment from people in Saskatchewan, and you're going to be able to sell off part of your land, and rent it, and buy it back when things get better.

Who will own the land? Who will own the land when he's done, is the question? What will the population of this province be when he's done, is the question? Drawing in money — says from Saskatchewan — we know better. And so do the young farmers out there.

How secure do they feel when large corporate interests who invest in their land — and I ask why will they invest in this land? They'll invest in this land for one sole reason, and that is to gain from this land. And I maintain, Mr. Premier, that any money coming off that land has the full right to stay on that land and be in the pockets of that farmer, not in the hands of some investment corporation from some other country or some other part of this

country.

And you promote the young farmer. You're saying, trust me, we'll make it better for you. Here goes the myth again. Trust me, we'll make it better. And they're supposed to sit back and say, okay, when they can see the angle of this government and the direction it's going. First of all we want to put the hands into large farms, then we want outside investment to come in and control that land instead of the people of this province controlling it.

That's what you're telling them. Do you think they'll believe you? No, they won't. They won't believe you because they've seen the history of this government. They won't believe you because we just heard a few minutes ago you saying that the NDP don't want cash advances or the wheat board. And that is such garbage! Because check the record on supporting farmers, supporting the wheat board, supporting of freight rate transportation system, supporting equal opportunity and equal access to freight rate s- check the NDP record.

And you're out here today saying that the NDP don't support these programs. Well I'll tell you, I hope you keep saying that because the farmers of this province know the record. The farmers of this province know the importance of the wheat board. They know the importance of an equal access and equitable transportation subsidy. They know how important it is for each one of them to be able to haul their grain to that elevator of their local choice and have that grain moved at the same rate as it is from another point. But no, your government says no.

And we hear the Premier talking about universality of programs. You were saying we were against universality — sure, here we go, we were against them. That is such utter garbage, and the people know that. They know that because we have a situation here where universality has become a football, a little football that the government can kick around at their discretion. They can say, you don't want universality because you don't support us throwing money out to every farmer, without any thought of how it was going to be repaid, without any thought of need, without any thought at all.

And they say, you say, we are against universal . . . like health care, going into health care. Well let me tell you, you can use the term "universality" and kick it around, and manipulate it, and use it to what you think is your best advantage, and try to distort the image in the minds of the people, but it won't work. It won't work. I'll tell you why it won't work. Because the people of this province are competent in their decision making, and they know that they can be led down the garden path when they're struggling.

Like someone said, when someone's drowning you throw him a net, and he'll grab on to it. But there are some lead weights around the net, and that's what you've done. You put people in a desperate situation; you try to confuse them; you try to smudge the facts; you try to manipulate the people of this province for one reason — and that is for Tory power.

Here we have farm subsidy, a little quote, a little article, "Farm subsidy poorly distributed". And this is a study

done at the University of Saskatchewan, and the study, I'll quote. The study does a master's thesis by Ian McCreary saying:

Low income farmers receive a small portion of government payments based on crop production, while farmers with high incomes reap the bulk of the benefits.

Goes on to say:

The study showed that land payments and deficiency payments based on production provide no more than 15 per cent to the poorest group of farmers, while granting the wealthiest 20 per cent about one-third of the public funds.

And that's what you're doing. You are telling the people of this province that you're not going to look after their debt, that you're not going to look after the subsidy programs and handle them efficiently so that all farmers can get enough to keep them on the land. But you're promoting a system whereby the small farmer and the poorest farmers get the least benefit, and the wealthiest farmers get the most benefit.

And where's that leading us? That is leading us to a situation whereby the Premier of this province, as he said a few years ago: we're going to get rid of a third of the farmers. And he's following through on his promise, and I'll say that's the only promise that he's ever followed through on, getting rid of a third of the farmers.

We have a situation where a deficiency payment — a deficiency payment, you say, is a universal program. We have to have universal programs and the NDP are against it. Well let me tell you, Mr. Premier, the members on this side of the House know that there has to be some changes to the way money is flung out in this country for political gain, and that's the problem that we run into time and time again.

Don't have a long-term program where we can keep a third . . . the third of the farmers that are in trouble. Change the programs so that they can be implemented at a time when needed; that's your program. And when is it needed? It's needed before every election that the Tories run in because they don't know how to manage this province in a manner that will help the people and the farmers to maintain their viability on the land.

They don't know how to talk to the large multinational corporations on behalf of farmers, because they're not talking on behalf of farmers, because they're talking on behalf of the Tory government who's propped up by large corporations. That's their program.

And they're still trying to confuse the issue. They're still trying to confuse the issue by saying the NDP are against universal programs or on the wheat board. How can the . . . how can a person in this province believe that? How can they believe that? They say to me: you are the only party, the NDP, who was fighting for the wheat board? and they know it. They don't believe it for a minute, but this is the example, this is the talk coming from the Tory party.

The committee reported progress.

The Assembly adjourned at 5:02 p.m.