

April 17, 1990

The Assembly met at 2 p.m.

Prayers

ROUTINE PROCEEDINGS

INTRODUCTION OF GUESTS

Hon. Mr. Devine: — Mr. Speaker, it's a pleasure for me to introduce to you and members of the Legislative Assembly, George Partyka, and George is seated in the Speaker's gallery, Mr. Speaker. George is six years old and George wrote me a letter and asked to meet and to talk with me about various topics. George is in grade 1 at St. Dominic Savio School in Regina and he is a big fan of Nintendo, skating, and soccer; and he is also an avid swimmer and he's a member of Beavers.

I always enjoy speaking with young people, Mr. Speaker, and this young man is particularly delightful. He's brought his father, George, and his grandfather, Norman Pelletier, with him today. So I would ask all members of the Legislative Assembly to welcome George for his first time to the Legislative Assembly. I'll be meeting with him afterwards.

Hon. Members: Hear, hear!

Hon. Mr. Hardy: — Thank you, Mr. Speaker. It's a pleasure for me to introduce to you, and through you to the Legislative Assembly, some visitors from my home town of Hudson Bay. They're down here with a hockey team that is playing hockey in the pee wee championship games here in Regina, and they've won their first three games. I understand that they have the final game tomorrow afternoon at 4 o'clock at the Al Ritchie Centre. And I want to introduce to you my brother-in-law, Allan Lundy; Allan Poitras; Lorne Schindel; and my nephew, Blaine Lundy. I forget the other two boys' names, but they're with them as well.

I'd like the Legislative Assembly to welcome them here. I wish them both good luck in their hockey game. They've represented our town very, very well over the last year in the pee wees, and I certainly wish them the best and a safe journey home. We'll see them back in Hudson Bay.

Hon. Members: Hear, hear!

Mr. Tchorzewski: — Thank you, Mr. Speaker. I rise because I want to, through you, join the member from Kelsey-Tisdale in extending greetings to the group from Hudson Bay. I met with them earlier. They came to our offices and I had a chat with them. I want to say that it is always a pleasure to see students and parents from Hudson Bay because it is my home town as well. And the students are attending Hudson Bay Composite High School which I graduated from, and I'm sure that the traditions in that high school are just as great now as they were then — probably even better.

I want to extend my greetings and join the member opposite in wishing this pee wee hockey team well in the final pee wee game which is going to be played at the Al Ritchie at 4 o'clock tomorrow afternoon, in case some members want to attend.

Thank you, Mr. Speaker.

Hon. Members: Hear, hear!

ORAL QUESTIONS

Federal Import Regulations and Ipsco

Mr. Romanow: — Thank you very much, Mr. Speaker. Mr. Speaker, through you, I'd like to direct my first question to the Premier today.

I have in front of me, Mr. Speaker, a copy of the statement made by Mr. Roger Phillips, the CEO (chief executive officer) of Ipsco, who yesterday expressed grave concerns, to put it mildly, about proposed new federal regulations for the import and export of hazardous goods, ferrous metal, and as it affects Ipsco.

Mr. Phillips asserts, among other things, that the regulations would mean that Ipsco would have to post the bond of \$5 million for each and every load of scrap metal that it imports in the United States, and that 700 jobs and that Ipsco are at risk. Now that's a very serious matter.

My question to you, Mr. Premier, is: do you share that interpretation; and if so, what steps is your government taking in this regard?

Some Hon. Members: Hear, hear!

Hon. Mr. Schmidt: — Mr. Speaker, with respect to the problem that might develop at Ipsco with respect to the importation of scrap metal, there are many concerns. Our number one concern is for the jobs at Ipsco and the employees there.

But we also are concerned about the environment, so we would want to have some assurances that the steel coming in is clean, and I accept Ipsco's explanation that the steel is not a hazard to the environment. The Minister of Environment has already written the federal Minister of Environment, indicating to him that this type of ruling would not be acceptable and would put the western steel manufacturers at a disadvantage compared to eastern steel manufacturers.

In addition, I was sitting here drafting a letter to the Deputy Prime Minister of Canada indicating from an economic point of view. Western Canada, and Saskatchewan in particular, will not tolerate this kind of discrimination against our steel makers in western Canada.

Some Hon. Members: Hear, hear!

Mr. Romanow: — Thank you, Mr. Speaker. I have a new question. I guess it's to the minister of economic development. I want to tell the minister that we on this side also share the concern that we can balance the interest of jobs with the interest of protecting the environment at the same time. But clearly this is a matter which is urgent and, I think the minister will agree, needs to be clarified as soon as possible.

As I read it, Mr. Speaker, two interpretations of these proposed regulations are possible. In the broad, one interpretation is that Ipsco has misread them; or in the alternative, two, that Ipsco's reaction is in fact correct.

Mr. Minister, in view of the urgency of the matter and in view of your answer to me just a moment ago, can you tell the workers and the House which one of these interpretations you subscribe to?

Some Hon. Members: Hear, hear!

Hon. Mr. Schmidt: — Mr. Speaker, the information we have is that these regulations are proposed by Environment Canada; that they were raised with Ipsco during a meeting with government officials from the Government of Canada. These regulations are proposed. I feel that the regulations are misguided and that these officials do not know the entire facts of the situation.

I cannot at this time blame the federal government entirely, in that I do not believe that the ministers in the federal government are not aware of these regulations as they are proposed and how they will impact on Saskatchewan. And I believe that when we bring this to their attention with two letters and whatever else is necessary, they will get the message. And I don't think that this will be a long-term problem at Ipsco. I believe this will be resolved in short order.

Some Hon. Members: Hear, hear!

Mr. Romanow: — Mr. Speaker, I have a new question for the minister, and it follows up on his last comments where he says that he doesn't believe the problem will be one of a long-standing nature.

Mr. Minister, Mr. Speaker, Mr. Phillips indicates in his statement, a copy of which I have here, as I say, that he has written to your government some time last week outlining the urgency of this situation. And as you have pointed out, and as we all point out, this is a grave matter for the families, for the people of Regina, and indeed for the people of the province of Saskatchewan — 700 jobs and a very important industry.

Have you been in contact with Lucien Bouchard, or has anybody in the ministry — I might have missed this in your earlier answers — has anybody in the provincial government been in touch with Lucien Bouchard in this regard to discuss the issue, and what have you learned from Mr. Bouchard's responses or discussions?

And the most important aspect of the question that I have for you is this: how fast can the government clarify this matter so as to put to rest the anxiety of the workers and the Ipsco plant?

Some Hon. Members: Hear, hear!

Hon. Mr. Schmidt: — Mr. Speaker, the Leader of the Opposition is correct; he didn't hear my answer. I indicated that the Minister of the Environment has already written the federal Minister of the Environment with respect to this problem.

We are concerned about the environment, but our position is that this scrap metal is not hazardous or dangerous to the environment in Canada. And therefore I indicated the Environment minister has written, and it is his duty to take care of the environment.

As economic minister, I am writing directly to the Deputy Prime Minister of Canada, who is from western Canada and will understand this problem. And I see no lengthy difficulty here. I envision that the Government of Canada will understand this and that we will not have a long problem here.

Some Hon. Members: Hear, hear!

Mr. Romanow: — Mr. Speaker, one further question to the minister. Would he undertake to make available to the House and to the press and to the workers the nature of the correspondence that he has alluded to between the Minister of Environment in Saskatchewan and the Minister of Environment in Canada, plus the correspondence that you're directing to the Deputy Prime Minister. Let's see the correspondence and the responses.

Some Hon. Members: Hear, hear!

Hon. Mr. Schmidt: — Mr. Speaker, I can't speak for the Minister of Environment. He may wish to make his correspondence available to the opposition. But I can speak for the letter I am drafting right now. I will give it to the media, I will give it to the opposition, and here is more or less what it will say. The letter will say that Saskatchewan will not tolerate this kind of unfair disadvantage to our western steel makers, and not only will we not tolerate it but we will do everything possible to cure this situation.

Some Hon. Members: Hear, hear!

Payments to Consulting Firms

Mr. Anguish: — Thank you, Mr. Speaker. Mr. Speaker, my question is to the Premier, and it regards a review of the 1988-89 *Public Accounts* from the department of public participation. And we find that the consulting firm of Interface Consulting received some \$46,748 from the public treasury. Now I'm wondering if the Premier could confirm that the president of Interface, the owner, is one Tim Embury, the former member from Lakeview who was defeated in the last provincial election.

While you're taking notice, I have another question I put before the Premier, Mr. Speaker. You slayers of Saskatchewan are so blatant. I also see in *Public Accounts* from the Department of Environment and Public Safety that a firm by the name of Venus Consulting Ltd. received some \$48,028 from the public treasury.

Now Venus Consulting, on corporate search — and here's where the blatant part comes in — Venus Consulting is owned by one Larry Birkbeck, and the witness on the form, Mr. Premier, is one MLA from Cut Knife-Lloydminster; I almost mentioned his name. And this company was set up while Mr. Birkbeck was still a member of the Legislative Assembly, on June 19, 1988.

Now could you tell us — or 1986, I'm sorry, Mr. Premier — could you tell us if this is the same Larry Birkbeck that was a member of your Progressive Conservative caucus in this legislature?

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Mr. Speaker, I'll take notice on the contracts, and whether or not Mr. Birkbeck was a member of the legislature is a matter of record here.

Mr. Anguish: — A new question to the Premier. We were just wondering whether or not that it was the same Larry Birkbeck, Mr. Premier, is what we were trying to determine. We thought maybe there were two in the province that had one of your colleagues witness their signature to form the company.

Now I want to deal with something we brought up last session, Mr. Premier, and that is, when we reviewed the list of defeated PC candidates that were on the patronage dole of your government, it was quickly brought to our attention that Jack Cannon, we were in error about him. I'd like to bring to your attention today that the list is now complete because Jack Cannon has been appointed to the national parole board.

Now my question to you is that, in light of Mr. Childers receiving about three-quarters of a million dollars annually as a salary, have your patronage holders now been using Mr. Childers as a bargaining chip for their new contracts with you, Mr. Premier?

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Mr. Speaker, I thought question period was about urgent matters of the day, and this goes back to 1986. We have concerns about agriculture, we've got concerns about water in the southern part of the province, we've got concerns about diversification, and they're going back to 1986 on federal appointments to boards, Mr. Speaker. I've taken notice of the questions, but obviously they are not concerned about current issues of the day or they'd be asking appropriate questions, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Anguish: — New question to the Premier. I fully agree with you, Mr. Premier, but this is urgent and pressing necessity — that's what question period is for — and the urgent and pressing necessity is the waste and mismanagement of your government.

Some Hon. Members: Hear, hear!

Mr. Anguish: — So while you took notice of the question, Mr. Premier, could you bring back to us a list of those that have been defeated as PC candidates that are not on the public dole of your government?

Some Hon. Members: Hear, hear!

Farm Credit Corporation Interest Rates

Mr. Upshall: — Thank you, Mr. Speaker. Obviously the Premier couldn't think of anybody that wasn't on the dole in this government.

My question, Mr. Speaker, is to the Minister of Agriculture. Mr. Minister, for the third time in a month, the federal Farm Credit Corporation has increased its interest rates. At the end of last week the rate went up much as one-half of one per cent.

Now three weeks ago you and your colleagues from Alberta and Manitoba said that you were going to be meeting with the federal minister with regards to the Farm Credit Corporation interest rates, and if you have done with that, obviously you've not succeeded, and failed miserably.

Mr. Minister, I ask you what steps have you taken to convince the federal government that Saskatchewan farmers can't afford higher interest rates, and could you table that correspondence?

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Mr. Speaker, we have been encouraging the federal government since 1982, first a Liberal government and then a Conservative government, to reduce interest rates.

We, in 1982, brought in our own 8 per cent. For the livestock industry, we've got zero per cent interest rates — zero, I remind the members opposite. And they laugh because when we said we'd bring them in, they'd say you never did it. Well we did it, Mr. Speaker.

We got 6 per cent money out there, and nine and three-quarters plus guarantees, and now a new program, \$525 million at ten and three-quarters per cent, Mr. Speaker. We've encouraged the federal government every opportunity to reduce interest rates and to take the pressure off the exchange rates.

We've made representation, and you'll see it in the correspondence that we have to the federal government, that every cent on exchange rates costs Saskatchewan about \$50 million on the sale of wheat, and every 1 per cent on interest rates costs us about the same. So we're looking at a bill of about \$750 million in recent years, just as a result of interest rates and exchange rates.

We've given that very clearly and academically and statistically to the federal government. All the provinces have made the same representation and will continue to do so, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Upshall: — Mr. Speaker, a new question to the same minister. Well, Mr. Minister, we see your provincial programs adding more debt to farmers, and we see the federal programs increasing interest rates. In fact, every time you go down to Ottawa, the interest rates increase, so maybe you should do the farmers a favour and stay home.

Some Hon. Members: Hear, hear!

Mr. Upshall: — Now, Mr. Minister, the interest rate now stands, Mr. Minister, the interest rate now stands about as high as it's been in the last decade. And you talk about protecting farmers from high interest rates, but the fact is that the Farm Credit Corporation rates are going up higher — faster — than the prime rate. In four months the rate's gone up 2 per cent or more.

Mr. Minister, you claim to be so closely aligned with the federal government. Can you tell this House why you are unable to understand or to get them to understand the fact that farmers don't need, in your case, more debt, and in the case of the federal government, higher interest rates? Can you tell us why you are unable to explain that to the federal government?

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Mr. Speaker, I will say with the greatest respect to the hon. member from Humboldt that his leader wrote me a letter recently on agriculture, and the second point in the letter was as following:

If the provincial government can find nearly \$600 million for loan guarantees for Cargill and Weyerhaeuser, then you can come forward with the spring seeding operating loan program of \$500 million.

Now this is recommended by the NDP leader, a spring seeding loan program backed by the provincial government, put out there as the second point that he sent to me.

Now the opposition ag critic stands up and says that he's against loans because it's more debt. Well, it's recommended by your leader.

Now you can't have it both ways. I know outside the legislature the Leader of the NDP says this to the NFU (National Farmers Union): well, I'll forgive your production loan. We can have a five-year moratorium. We will have the provincial government pay cash instead of the federal government.

Well, Mr. Speaker, I just have to draw them back to their word here. They recommended the federal government pay the money, and we said that. Secondly, they said we should have a loan program from the province of Saskatchewan for \$500 million. We've done that. And third, we should stay to our guns and stick to them and have the federal government pay and not cave in as some people do and forgive the production loan program or forgive other programs.

Well, Mr. Speaker, I'll just say this. They had better get it together out there because it's just a tad confusing for the agriculture and the public community at large when it comes to agriculture from that side of the House.

Some Hon. Members: Hear, hear!

Mr. Upshall: — New question, Mr. Speaker, to the same minister. Mr. Minister, it is obvious now that . . . We know there's chaos in agriculture in Saskatchewan and we

obviously know now there's chaos in the Government of Saskatchewan and the Government of Canada.

Some Hon. Members: Hear, hear!

Mr. Upshall: — When you rant and rave about something that's totally off the issue . . . The issue is interest rates — Farm Credit Corporation jumping their interest rates, you foreclosing on farmers, giving them more loans at repayment terms they can't come to grips with. This is the height of hypocrisy.

Now, Mr. Minister, if you are sincere, if you are sincere about the interest rate problem in this country, will you assure this House today that you will request that the federal government reduce its Farm Credit Corporation interest rates to 8 per cent?

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Mr. Speaker, I have to point out to you and to the media and to the general public that the opposition has not only shown that they've got divisions within their party, but now they've got divisions inside the legislature and outside.

And now they've really bankrupt themselves of ideas. Now they're saying, well would you guarantee, Mr. Premier, that the federal government will lower interest rates? That's all they've got left, Mr. Speaker. Or the fact that I shouldn't go to Ottawa any more because the federal government operates as a federal government.

Mr. Speaker, it's pathetic. We come up with programs after programs after programs for people, endorsed by the members opposite when we ask them for a consensus, and they endorse it in here, asking for a loan program, asking the federal government to make the federal payment. And then they go outside and say something completely different.

Mr. Speaker, I will just say to hon. member, when he gets a consensus on that side of the House with respect to agriculture, then he can put it down on paper and he can send me another letter so we'll all know what he's talking about.

Some Hon. Members: Hear, hear!

Marketing Agreement with Cargill and Saferco

Mr. Solomon: — Thank you, Mr. Speaker. My question is to the Premier. Mr. Premier, on Monday, April 9, about eight days ago, your Deputy Premier took notice of a request from the opposition to table with this House the marketing agreement with Cargill and Saferco. She also took notice, Mr. Premier, of a request to table the full agreement of the Cargill plant. This was reiterated last Tuesday, April 10, by your Minister of Economic Diversification and Trade.

I ask you today, Mr. Premier: are you prepared to table the marketing agreement and the full agreement with Cargill-Saferco?

Hon. Mr. Devine: — Again, Mr. Speaker, I'll come back

and say to the hon. members that they have certainly given agricultural and rural community short shrift when it comes to this question period in this session when it's such a difficult economic time for them. I'll say to the hon. members that the Deputy Premier took notice of the question and she'll be prepared to respond accordingly.

Mr. Solomon: — Mr. Speaker, a new question to the Premier. Mr. Premier, the questions with respect to Cargill are very important, not only to farmers in this province but to working people and to every taxpayer that lives in this province.

Some Hon. Members: Hear, hear!

Mr. Solomon: — Everything your government has said to date about this project has been found to be wrong, Mr. Premier. The cost of the project, the government's involvement, and now the marketing agreement with Cargill. There's only one reason that you won't table the agreements with Cargill, and that's because they'll even prove to be more embarrassing than the plant already is.

We say, Mr. Premier, this plant is a sweetheart deal for Cargill and a bad deal for the taxpayers of Saskatchewan. You say it's a good deal all around. Here's your chance to prove one of us wrong.

Will you table the agreement, Mr. Premier, and let the people of Saskatchewan decide whether it's a good deal for them? And will you table the agreement to let the people of Saskatchewan decide whether it's a good deal or a bad deal?

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Mr. Speaker, the NDP have already made the decision that they're against diversification, and it has nothing to do with documents. I mean, we introduced paper making in Saskatchewan and they were against it. We tabled all the documents on Weyerhaeuser. They're against upgraders. They're against processing. They're against manufacturing. They're against processing of natural gas. And it has nothing to do with documents; they're against it in principle, in theory. I mean, this goes right back to the basic socialist heart; they have to have the government do it — not joint ventures, not processing and manufacturing.

At one point they'll stand and say, well the children are leaving, why don't you create diversification? If you have a new paper mill, they're against the paper mill. They say, why don't you do something with oil and gas and other things? If you build upgraders, you do a joint venture with Husky Oil, they're against it.

If you process natural gas . . . how do you process natural gas? Do you know what you do? You make fertilizer, Mr. Speaker. They've been against processing natural gas since the inception. They would have never built the paper mill, they wouldn't build a processing plant, and they wouldn't build a fertilizer plant.

Mr. Speaker, they're against it in principle, and it has nothing at all to do with documents. Let's have the facts.

Some Hon. Members: Hear, hear!

Mr. Solomon: — Well, Mr. Speaker, a new question to the Premier. Mr. Premier, we asked the Deputy Premier . . . she said the minister responsible for the Crown investment corporation would come back and bring that deal to this House. Since that time the minister responsible has resigned. Why don't you have the courage today to table that agreement and show the people of Saskatchewan who was right on this deal and who was wrong?

Hon. Mr. Devine: — Mr. Speaker, we tabled the documents on Weyerhaeuser and they still think it's wrong. Right? It doesn't make any difference, and you know that as well as I do. They'll go around Prince Albert and northern Saskatchewan, a brand new paper mill, 1,000 people working at Weyerhaeuser — they still say it's wrong. It doesn't matter, Mr. Speaker. And the Deputy Premier can take notice and we can table documents and they'll be against every processing project, every one of them that we've done.

Mr. Speaker, that's a classic difference between the NDP and the old socialist attitude, and what we'll do here. We'll do joint ventures with co-operatives, joint ventures with Husky, joint ventures with Weyerhaeuser, joint ventures in fertilizer projects with Saferco and Cargill, because they won't do it, Mr. Speaker. They can't do it because philosophically they're against it, Mr. Speaker. That's why you see a 600 per cent increase in diversification in this province in the last five years.

Some Hon. Members: Hear, hear!

Mr. Solomon: — Mr. Speaker, a new question to the Premier. Mr. Premier you're attempting to defend the indefensible on the Cargill project.

Some Hon. Members: Hear, hear!

Mr. Solomon: — My question, Mr. Premier, in addition to those I've already asked, is it true that another aspect of the sweetheart deal with Cargill is a long-term contract between SaskEnergy and Cargill-Saferco which provides natural gas to the Cargill-Saferco plant at a reduced price, at a subsidized price far below its real market value? If this is true, Premier, this is just one more secret subsidy by Saskatchewan taxpayers. And if you deny this today in this House, then provide the proof. Table the deal, the full deal, in this House, between SaskEnergy and Cargill.

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Mr. Speaker, do you recall that word "sweetheart"? They said it was sweetheart with Husky. We're going to do a joint venture making an upgrader, and here is a very large multinational company, but it's a sweetheart deal because we're doing a joint venture with it. Equity partnership, equity from Saskatchewan people, equity from Alberta people, and equity from Canadians to process heavy oil here, and what do they call it? — they call it a sweetheart deal. They never got one done. They couldn't build it with the Co-op. They couldn't build it with Husky. They couldn't build it with anybody else, Mr. Speaker. And it's the same argument, it's the same

rhetoric as we heard from the man from Humboldt — right? — the same lines. You've heard them for 40 years in this province.

Well I'll tell you what, Mr. Speaker, the point is well laid out here. Saskatchewan is behind because by chance, Mr. Speaker, they had an NDP administration for years and years and years that would not build, and all they can do is point fingers. Look at them, Mr. Speaker, they point fingers and say, don't you do a sweetheart deal; the private sector might be there. Somebody might make some money if you profit and build it. I say hogwash to them, Mr. Speaker, hogwash to the whole bunch.

Some Hon. Members: Hear, hear!

Environmental Implications of Saferco

Mr. Tchorzewski: — Mr. Speaker, I have a question to the Premier as well. Mr. Premier, last Monday the Minister of the Environment reported to this House that before approving the Cargill fertilizer plant at Belle Plaine, the government had done internal studies on the environmental implications and other implications of this project.

Now, Mr. Premier, in view of the fact that you made a commitment in the throne speech to a new and open government, and in view of the fact that in a court judgement involving the files of the Saskatchewan Water Corporation, the Saskatchewan Court of Queen's Bench judge said the following, and I quote to you, sir:

A reading of The Water Corporation Act satisfies me that the legislature's intention on setting up the corporation was to provide a mechanism to protect Saskatchewan's share of one of nature's most precious commodities. Because the subject matter is so important to the public, it seems obvious to me . . .

Mr. Speaker, I'm concluding. It went on to say:

. . . it seems obvious to me that section 31 was included to ensure that in some areas of the corporation's activities, the public, for whom all the corporation's activities were being performed, would be able to find out exactly what was happening.

Now, Mr. Premier, that . . . (inaudible interjection) . . . Well the members opposite laugh, Mr. Speaker . . .

The Speaker: — Order, order. The hon. member will have the opportunity to put the question.

Mr. Tchorzewski: — Mr. Premier, in view of that court judgement, and in view of the fact that section 7 of The Environmental Assessment Act requires you to make all information public when public requests, will you make a commitment today to this legislature to uphold that ruling in section 7 of The Environmental Assessment Act and undertake to table all of the documents and files relative to this project and make them public when the public should request that they be made public, Mr. Premier?

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Mr. Speaker, the hon. member should go through the Moose Jaw community — and I don't know why the members from Moose Jaw don't ask the questions — and tell the people of Moose Jaw that they're against the project; tell the people in Moose Jaw and area that they're against the project. Because facts don't matter, it's a sweetheart deal, it's a diversification project, and it's for the city of Moose Jaw and the people there, and not one Moose Jaw MLA asks questions about it.

What does that tell you? It tells you that they say one thing in the House, one thing outside the House; one thing in the city and another thing in the country. They've been doing it for years, Mr. Speaker.

I'll say to the hon. member: this project is a very, very good diversification project, it's a very, very good project environmentally, and, Mr. Speaker, will live up to every, every specific detail in the environmental process. They know it and I know it, but they're against it out of principle, Mr. Speaker. And that's precisely why they're over there, Mr. Speaker, and they should stay over there.

Some Hon. Members: Hear, hear!

MOTION UNDER RULE 39

Interest Rates in respect to Farmers

Mr. Upshall: — Thank you, Mr. Speaker. Mr. Speaker, before orders of the day, with leave I would like to move a motion of urgent and pressing necessity, especially in light of the Premier's answers. This deals with interest rates and as it relates to farmers.

I think the minister said today that he was concerned about interest rates, as we are. So in light of the fact that farmers are very hard-pressed, with leave, I would like to move:

That this Assembly condemns the Government of Canada for its high interest rate policy which is causing great hardship for Saskatchewan farmers, and further, that this Assembly urges the Government of Canada to rewrite Farm Credit Corporation farm debt to reflect realistic land values and to ensure that the FCC interest rate be no more than 8 per cent on that farm debt.

I so move, seconded by the member from Quill Lakes.

Leave not granted.

ORDERS OF THE DAY

The Speaker: — I'll ask members on both sides of the House to calm down and relax, take it easy. There are some private motions here which we have to continue with. And everybody's going to agree on the private motions so we're going to motions now.

MOTIONS

**Resolution No. 2 — Political Considerations Governing
Agriculture Deficiency Payments**

Mr. Upshall: — Thank you, Mr. Speaker. Well, Mr. Speaker, we certainly see where this government is coming from with regards to its interest in rural Saskatchewan. And I can see that the Premier certainly has . . . despite the fact that he says he's going to have open and honest government and stop the waste and mismanagement and start listening to people, well by his answers today, I'll tell you, he hasn't been out in rural Saskatchewan because I know what they're saying about his spring seeding loan. I know what they're saying about the \$500 million that's so desperately needed in Saskatchewan . . .

An Hon. Member: — And so does he.

Mr. Upshall: — And that is right, and so does he, but he is simply not living up to his role, his responsibility as a leader of this province. He's letting farmers down severely.

Some Hon. Members: Hear, hear!

Mr. Upshall: — Mr. Speaker, I want to take a few minutes today talking about this motion and how it affects Saskatchewan farmers, and the urgent need for a transfer of funds to farmers in order that they can continue their way of farming. We have seen in the past number of years the debt rising to some \$6 billion, and we see that the interest rates are rising. And all we hear from the federal and provincial government is cheap talk.

The Premier of this province said he was going to come forward with programs, as he said last year. Last year he brought forward legislation; legislation that he said was going to be a safety net for agriculture; legislation that he said was going to solve some of the problems in rural Saskatchewan. And as we have seen, Mr. Speaker, we went through the whole long session last year and the regulations for those programs did not come until October or early November. After the fact that we'd went through a whole year of drought, the regulations did not come, and when those regulations did come, Mr. Speaker, what did they say?

On one particular piece of legislation they were talking about restructuring farm debt. Well in order for a person to . . . a farmer to qualify for the program the government put forward, they had to go through all the hoops of Farm Debt Review Board, Farm Land Security Board, whatever else they had to do. And basically what they were saying, they had to prove that they were not viable because that's the process it goes through — they go through.

Well what were the regulations on this government's legislation of last year? The regulations were that they had to prove themselves viable in order to qualify. And that is just one example, one example of how this government, despite the fact . . . And if you read the *Hansard*, its flowery words saying everything is going to be great, this legislation's going to solve all the woes.

In reality the legislation did absolutely nothing. It did absolutely nothing to help Saskatchewan rural

communities and farmers because they have no desire to do that. Their words tell us much less than what their actions show us, because their actions simply do not prove that they're serious about restructuring farm debt, that they're serious about helping farmers.

The problem that we have come into, Mr. Speaker, is that we now have a situation in Saskatchewan where people are suffering; they're losing their land; they're losing their machinery. There's grief, there's disaster, there are casualties — casualties from a system imposed upon them by a government in Saskatchewan since 1982 under the leadership of this Premier, by a federal government under the leadership of Brian Mulroney, who are so closely tied together. And time after time this Premier has proven and openly admits that he is in the hip pocket of Brian Mulroney. And the result is that we are seeing ever increased debt, more and more farmers and farm families suffering from hard times, tough times being Tory times.

And I say, Mr. Speaker, they're waging war on the people of Saskatchewan. That is why it is so important that we have a payment to farmers of \$500 million, called for by many of the farm organizations.

These organizations were very serious, very serious when they called upon this government and the federal government to come forward with moneys to farmers to enable them to continue their farming operation. There are many factors, there are many factors that come into the problem that we see today, but the main factor is, Mr. Speaker, the main factor is that there is simply no predictability in the system.

Farmers in rural communities don't know whether they're getting . . . a prime example was the spring seeding loan. They didn't know until Friday, when we questioned in this House, we questioned the minister and the Minister of Finance a couple of days earlier, to give details of what the program was so that farmers could, as soon as possible, have access to any program that might be of some assistance to them.

They came up with more debt as a solution to a 6 billion debt problem in Saskatchewan. They said — this is what they said: the best we can do is give the farmers more debt. Is that what the groups were asking for, the Saskatchewan Wheat Pool, the National Farmers Union, and all the other groups? Is that what they were asking for in all the consultations they say they're having with these groups? Is that what they asked for, more debt on the backs of Saskatchewan farmers? I hardly think so. But that's this government's solution.

Farmers know what the situation is. They were given a production loan program in 1986. That production loan program put a billion dollars of debt on the backs of Saskatchewan farmers. If this government would have taken that amount of money and used it to restructure current debt, they would have not had to have the production loan.

And farmers know the production loan did not help them. In the short term there was some benefit to some farmers, I grant you that. But the problem was that this government put that program out simply as a response to getting itself

re-elected, rather than actually being concerned about restructuring debt in rural Saskatchewan. They put that program out to get themselves re-elected, and it worked. But what is the next hurrah, what is the next step?

After that government was re-elected and after they changed the rules of production loan program, farmers were telling them, look, this loan is taking me under. In fact many farmers tell me that's the biggest debt they have, the hardest one to service, is that production loan program.

But now, if they were to listen to the people, listen to the farm organizations who are all telling, saying the same thing, the production loan program was not a solution; if they were listening, why did they bring out another loan program?

Mr. Speaker, it simply tells me, and it tells the farmers of this province, that the government is not listening. What they are doing is going along in a fashion that tells me that they are out of control — out of control because they have no solutions other than adding more debt.

What about restructuring ACS (Agricultural Credit Corporation of Saskatchewan)? What about low, long-term fixed interest rates? The Premier talks about some of his programs, and I'll tell you, most of the programs he talked about are non-existent. They've done away with them.

(1445)

So I simply don't know how to explain to this government opposite the fact that when they listen to people they don't use that as an excuse to do something that they planned on doing in the first place. They don't use that as an excuse to say, look, this is what we are being asked for. Because it simply is not the truth, because organizations and the farmers did not ask for more debt in 1990.

And now let's compare, let's compare what's happening in Saskatchewan now. This Premier is going down to Ottawa and negotiating a transfer of funds to Saskatchewan farmers, and we see a long, long delay, as we saw last year in the drought program; long delays where farmers simply didn't know where they stood, didn't know how much they were getting; if they were getting any; who qualified; who didn't qualify?

We went through the same thing with the seeding loan despite the fact that it was a poor program — they weren't telling us all the details. And now we see this Premier going to Ottawa negotiating who is going to pay the \$500 million.

Well, Mr. Speaker, I tell you that the farm families in rural Saskatchewan are telling me one thing: we need the money. And if they didn't need the money, they surely wouldn't be asking for it. But what they're looking at is their families and their farms and their homes and their livelihoods in years to come, and they simply say, we have to have that adjustment payment. But this Premier, negotiating with Ottawa, simply is delaying and delaying and delaying.

Now either they have a plan and are playing politics with the farmers, or they simply have no idea in the world what to do. This provincial government could be broke and they can't come up with the money.

The federal government is playing games with this token Premier we have here, possibly, and saying, look, we have you over a barrel now. You know how good Tories play each other; they say, it's our turn to shove the knife in you just like this Premier tried to shove it in them during the drought payment, tried to weasel out of his portion of that. But the problem is the fact remains that farmers aren't getting their money.

But when it comes to negotiating with Cargill, we see a deal fall in place within a few weeks. I mean, in comparative terms, almost instantly compared to what they're doing with farmers. Or when it comes to negotiating the sale of the P.A. pulp mill, it comes off without a hitch. Or when it comes to negotiating with Peter Pocklington, everything goes well. But when it comes to negotiating on behalf of the farmers of Saskatchewan, we see delays, we see incompetence, and we see people like the Premier of this province playing politics with the lives of rural communities.

And it simply is not just farmers, it's the small-business community in all the small towns around Saskatchewan who so heavily rely on the farm funds to pay their bills. And it goes right through the province, Mr. Speaker, from small town to mid-size town and to big cities, from farmers to small-business people to labourers and the unions involved.

They're all suffering. They're all suffering because of the incompetence of this Premier to negotiate on behalf of the farm community. And as I said, it's a different kettle of fish when he negotiates with Weyerhaeuser or Cargill or when he negotiates Chuck Childers' salary. That didn't take too long, I'll bet, to figure out that they could give old Chuckie 700-and-some thousand dollars a year.

But the problem is, Mr. Speaker, even in those negotiations what did this Premier do? In the case of Weyerhaeuser and Pocklington and Cargill and Childers, he simply rolled over and died, and said, just write your own cheque. And now he can't roll over and die because he knows he has a responsibility when it comes to farming and the federal government. But he's out of options. He simply cannot negotiate with anybody in order to make sure the community of Saskatchewan is maintained with a viable economy.

We have seen instance after instance over the years since 1982, where the Premier of this province, while saying, using all his catchwords — and this is what I find quite amusing — he talks about diversification; he talks about meeting tomorrow head-on; he talks about the world global village and the world economy. All these little catchy phrases that he thinks that people will become optimistic about, pick up on and say, well this guy is really trying his hardest, you know; he's going to go out and conquer eastern Europe, and the world is knocking on our door, and all this kind of rhetoric.

But what's happening? What are the facts? Thousands

and thousands of people leaving the province. In the first three months of this year some 25,000 people have left Saskatchewan — under a million population.

We see employment going down. We see young people coming out of universities and what are they doing? And this is another little side . . . little tangent with what this Premier's doing — we are now becoming a manufacturer of educated people being paid for by the taxpayers of this province.

If you take a nurse or a teacher or a doctor or any other professional group . . . profession coming out of the university, we see those people unable to find jobs in Saskatchewan. Tradespeople are another good example where the taxpayers of the province . . . if you take the case of a nurse, and I'm sure the numbers are similar for a teacher and for some of the trades, taxpayers pick up about \$60,000 to educate that one person.

And instead of having a job available for that person when they come out of their trade or their profession in university, they have to go to another province. We see Alberta and B.C. coming into Saskatchewan now recruiting teachers.

I ask you, Mr. Speaker, why would any government allow the taxpayers of this province to put hard-earned money into educating people and have them leave the province? Wouldn't it make much more sense to provide job opportunities here? Wouldn't it make much more sense to provide education funding so that there were teachers could come and work in Saskatchewan; so that we would have decent student-teacher ratios; so that we wouldn't be seeing teachers experience their burn out; so that we wouldn't be experiencing problems like we're seeing in Regina right now if this government simply funded, through taxes, the education system.

And that is why I come back to this motion, Mr. Speaker. We're talking about the basic, principal, in Saskatchewan, and that is agriculture. There are many other factors that are involved in Saskatchewan that contribute to the economy in a very fulfilling manner. But the point is agriculture is the one mainstay that we've relied on over the years.

If this money was made available, if this Premier was serious about getting that money out, it could be out right now. He had ample opportunity over the month and the year behind us to negotiate, to decide what the program was going to be.

I mean, the question that people are asking me is that: why, when seeding is upon us, when the money is so desperately needed right now, why is this Premier only now talking to the federal government, negotiating what the terms of the deal should be? They say, why did he not do that starting last October when he knew there was going to be a problem; when the federal government knew there was going to be a problem; when he could have incorporated any terms into his budget? The farmers would know where the money's coming from — if it was coming from Ottawa, if some was coming from Saskatchewan.

But the point is the money isn't coming right now when it's needed. And that's what farmers are asking. Is it incompetence that he did not . . . is not able to see down the road six months to show us by negotiating and have all the facts there before us that he is really concerned about Saskatchewan agriculture? Or is it simply that he has no ideas? Or is it simply that he's too incompetent to negotiate terms of a deal on behalf of Saskatchewan farmers?

Well I think it's probably all three, because this Premier has proven to me, just as we saw in question period today, he fires up and goes off . . . flies off the handle, blaming everything and everybody for his problems, but never sitting down and looking in the mirror and saying, gee, maybe it was the Premier, maybe it was him that is part of the problem.

And until he confronts the fact that he has to be the one leading the negotiations and taking on the federal government if he has to, he has to be the one to deliver the \$500 million. It's hinging on it. And if he continues and this government opposite continue to point fingers in every direction, they simply will not solve the problem. You can't solve the problem when you're blaming somebody else. So I ask the Premier and I ask his colleagues opposite to sit down and have a good hard long look in the mirror and say, what can I do as government to solve the problem? That simply is not happening. And that's reflected in the rural communities because I have been out in the rural communities as much as, hopefully, as much as they have.

An Hon. Member: — More.

Mr. Upshall: — And I would suggest more, yes, because obviously they're not hearing the same things I'm hearing. Because if they were hearing what people are saying the way I hear what people are saying, they wouldn't be putting out more debt through a seeding loan program. They would have had the \$500 million in the hands of farmers before seeding, when it should have been.

Mr. Speaker, the reason that we have to have this money is simply to save the economy of Saskatchewan. It's a short-term step, there's no doubt about that. It's an immediate step, and along with that immediate step we have to have the long-term factors, a long-term factor being — and if I've said it once, I've said it a thousand times — restructuring the debt, stabilizing the income, and a land transfer program.

Those three components have to come immediately after the \$500 million package that farmers so desperately need right now. Because if it doesn't come, then we're going to be talking in the fall about another *ad hoc* program, and if conditions don't change in the spring, about another *ad hoc* program, all geared, no doubt, around the political fortunes of this government.

It's the same thing we saw in 1986; it's the same thing we saw in 1988 when the federal government wanted to get re-elected. So, Mr. Speaker, those are the reasons why we have to have a number of things happening at the same time.

Mr. Speaker, I want to just do a bit of a comparison now between the negotiating skills of this Premier as it relates to the corporate world or the multinational corporations, and as it relates to serving the needs of Saskatchewan farmers when it is negotiating in Ottawa.

And a good example is in this budget. I have my budget book here somewhere. And in the budget we see the Department of Highways — \$12 million cut out of the Department of Highways. Okay? Now that is again going to mean poor roads and more maintenance on vehicles, and all the other woes that come with that.

But I'd ask . . . and I challenge the Premier to show me where in this budget that Weyerhaeuser's highway or road budget is going to be cut. Because when he negotiated a deal with Weyerhaeuser, the deal said that the province of Saskatchewan were to pay for a certain amount of roads every year. They had picked the roads, where they were going to be, and all we had to do was pay for them.

I see nowhere in this budget, Mr. Speaker, where Weyerhaeuser's budget for their roads was cut. I can see the \$12 million cut from the people of Saskatchewan's roads. And that was a deal negotiated by this Premier with Weyerhaeuser. Weyerhaeuser's happy, no doubt.

And when we look at crop insurance, when we look at crop insurance, the Premier went down to Ottawa and we see that the provincial government now is picking up a 25 per cent share of crop insurance, where previously it was the federal government and farmers who picked up the share equally. Now the great negotiating power of the Premier went down to Ottawa to show them who's boss and he comes back having to put in 20 . . . or half of the government, federal government share. And I ask you, Mr. Speaker, where is that money going to come from?

(1500)

My crop insurance premium went up double last year. I just finished looking over my 1990 crop insurance forms, and if I were to take out the same coverage I had last year on the same crops, under the individual coverage at 80 per cent, I would see about another 5 or \$600 added to my premium. And that is coming from the fact . . . and the government opposite say, well you know we're giving you more coverage. Well the coverage went down a little bit this year. Last year it went up, that's true.

But the point I make here, Mr. Speaker, is somebody is going to pay for the fact that this Premier went to Ottawa and in great spirit of negotiating rolled over again and said, yes, I'll take 25 per cent of your share, Mr. Mulroney. And now the farmers of Saskatchewan are paying for that.

And if you look further, if you look at the oil royalty rebate, we see it's eliminated — sixteen and a half million dollars, farmers could apply for a rebate. In 1986 there was a great fanfare of how this government was going to give \$40 million under the oil royalty rebate. We've seen that dwindle to now where it's cut right out.

And if you look in total with response towards the fuel

costs, diesel fuel, last year compared to this year, has increased 33 cents a gallon — 33 cents a gallon because this Premier and this government were standing up for farmers, but they took off the oil royalty rebate. The federal government took off their share, or reduced their rebate, and the prices increased. And I understand it's going to increase again, so the 33 cents indeed by spring seeding could be more like 35 or 36 cents over last year.

Standing up for the interests of Saskatchewan farmers? All these so-called rural Tory members over there. And the list goes on and on.

You negotiated with Cargill. You negotiated a deal with Cargill that said that Saskatchewan taxpayers would stand good for a total of \$370 million, \$60 million from the federal treasury, and \$305 million loan guarantee.

But if Cargill walks away from this deal — and they should look over at Pincher Creek to see what Cargill did over there after their fertilizer plant was built — they could walk away like they walked away over there, and the Saskatchewan taxpayers would be left holding the bag.

They negotiated that deal. Boy, good deal. Diversification. You said, you're against it, you're against diversification. Well I'll tell you, if Cargill walks away, the Saskatchewan taxpayers are going to be holding the bag for \$363 a person on this great negotiated deal.

But when it comes to negotiating with the federal government for the farmers, he drags and he drags and he drags. If the farmers of Saskatchewan were not to repay their loan guarantee, similar to the Cargill loan guarantee, they have till June 15 next year; and if they don't repay their loan guarantee, what happens to them? Their interest rate goes up to prime plus two, and then they're hauled away to court.

Now that, that's . . . there's something wrong here. Maybe I'm missing something. But how can Cargill get away with negotiating a deal with this Premier and walk away from it and leave the taxpayer holding the bag, and farmers get hauled away to court if they don't live up to their end of the bargain under the spring seeding loan?

And if you want to take that one step further, Mr. Speaker, the \$370 million — if that money were distributed to 370 communities in this province, how many jobs do you think could be created? I mean, he talks about diversification. He talks about diversification, and his idea, the Premier of the province's idea of diversification is setting up Weyerhaeuser with a lucrative business, setting up Pocklington with a lucrative business, setting up Cargill, with what will remain to be seen, as maybe a lucrative business, maybe not. But that money that he put into Cargill's hands and all these other corporations' hands is not diversifying the economy, because those things were already there.

But can you imagine if he'd put that kind of money into rural Saskatchewan? I could tell you, Mr. Speaker, you would see some activities.

But he simply is not thinking that way. And I don't know

why, because rural Saskatchewan is such an integral part of this whole infrastructure that we have. We can destroy them. We can let them go. But I'm not sure why he's in government if he's here to let the people go as they're walking across the borders today.

Another good example of why we so desperately need this \$500 million, Mr. Speaker, is proven in the form of the multi-year disaster benefit program under crop insurance. Now this is a classic Tory example of deceiving the people and trying to cut corners in the interests of government and not in the interests of Saskatchewan farmers.

The multi-year disaster program was a program that was brought out in 1986, and farmers paid an increased premium — '86, '87, '88, and '89 — to cover the costs of the multi-year disaster benefit. And basically, if you read all the brochures it says the multi-year disaster benefit is going to be put in place for two consecutive years of drought in which you've made crop insurance claims. And farmers say, well you know, that's fine, I'm paying more premium, but they understand that if they pay for a return they're willing to do that.

But what happened? What happened in 1990, after we've had two consecutive years, '88 and '89, of drought. We see all of a sudden some rules coming in where the farmers have to pay . . . have to have a block of four RMs adjoining, and in that block they have to have 20 per cent of the liabilities paid in indemnities in two consecutive years, in order to qualify.

Well there wasn't too much mentioned on that before the program, when they were paying their increased premiums. In fact I'd like the government opposite to show me exactly where it is. I'm having a tough time finding where these rules . . . and I'd challenge them to tell me when the rules came into place. But the point is that they did not let farmers know the rules, and you can read the brochures, Mr. Speaker, and they're not in there. What they're doing is cutting people out on purpose in order to save the government money at a time when the money is so desperately needed, and especially when they have paid for the program. I'll have to remind the government members that rain simply does not follow our RM lines.

We have reports of rural municipalities who had as high as nineteen and a half or 19.8 per cent of their indemnities . . . or of their liabilities paid in indemnities in two consecutive years, but they don't qualify because the government said 20 per cent. We've had farmers who have had drought and had crop insurance claims for three and four years, but because they're in the block they don't qualify.

And the farmers calling me say well, it doesn't make much sense; I mean I paid for this program, why don't I qualify? And I simply don't have an answer other than the fact that this government is trying to save money for themselves and so they're disqualifying a number of people.

They were enticed into individual coverage last year saying, this is the way of the future, this is the way we're

going to be going in crop insurance. And I'm not condemning that. But they were promoted . . . the government was promoting individual coverage through the crop insurance program.

And what happened to those people who went from area coverage in 1988 to individual coverage in 1990? Those people on individual coverage in 1990 — or 1989, rather — are the maximum, possibly, of 80 per cent. So they don't qualify for the multi-year disaster program, even though they paid for a higher premium in '86, '87 and '88 through the area program; even though they paid an even higher premium in '89 under the individual program, they don't qualify. The government says well, you don't qualify because, well, we have an agreement with the federal government saying that we have a maximum of 80 per cent coverage. I'm sure those people would have been happy to have that told to them before they went into the program.

And what about the person who didn't go in in 1989? Nineteen eighty-eight had a drought, 1989 had a drought, so he would qualify under the multi-year disaster program provided, as I said, he was in this great four RM block. But if you combine the two years, he was covered for 70 per cent in 1988; he's covered for 80 per cent in 1989, but he doesn't qualify for the program. So if you add 70 and 80 you come up with an average of . . . that's 150 and divide that in two, that's 75 per cent. So he is losing 5 per cent of his coverage simply because he went into the individual program.

Now this government says, well that's okay because those are the rules. The SARM (Saskatchewan Association of Rural Municipalities) saw the error of the program, and they moved a resolution saying that those people involved in the individual . . . went into the individual coverage in 1989 and were in the area coverage 1988, should be increased by 5 per cent just to bring them on par with others, and that would be fair. But fairness simply is not part of the criteria of this government, unfortunately.

So, Mr. Speaker, that is another reason why we have to have this cash payment in the hands of farmers as quickly as possible. In fact it should have been there now.

I've talked a little bit about the spring seeding loan, but there's a couple more points that I would like to go over with that, with respect to the spring seeding loan.

When we questioned in this House, Mr. Speaker, the Minister of Finance, during interim supply on the rules of the spring seeding loan, he simply said that they are being negotiated. And if you check *Hansard*, he said time and time again, they're consulting with farm groups and they're deciding what the program is. And then a couple of days later we asked questions of the Premier, and he said, well we're consulting and we're developing the program.

But you know, about a day and a half later, Mr. Speaker, it's funny that on Thursday after we left this House, so that we couldn't question the government on their program, they made the announcement of the program. And I say that that is totally misleading this House, when last week

on two separate occasions we asked the government what their program was. They said it was . . . that they were consulting farm groups, and then a couple of days later they come out with the details of the program. Well that is a blatant . . . well I know the word I'd like to use, but they were totally misleading this House when they say they were consulting with those farm groups at that late date.

And why did they not consult with the farm groups last July, August, or September, when they knew last year there was problems getting operating capital? And there was no doubt about that . . . (inaudible interjection) . . . The member says it's more debt, and I agree with him, it's more debt.

And I ask the member, if it's more debt, why did you use that as your program? I mean you use that as a program to solve the problems in agriculture when the farmers were saying the last thing we need is more debt — the last thing we need is more debt. And what's the solution of this government? A spring seeding loan giving more debt.

Well I've been on the record already, Mr. Speaker, of telling this government just exactly what I think of their program. I think it stinks. Because I think that this program simply will not be used by the majority of farmers. It won't be used because, first of all, they recollect back to 1986 production loan and the grief and the hardship caused by that loan; and secondly, they say, I can't afford more debt . . . (inaudible interjection) . . . And the member says, don't give me that line. Well I'll tell you, Mr. Member from Kelvington-Wadena, where have you been? If you haven't been listening to your farmers, then you've had your ears plugged, because I'll tell you, that's exactly what they're saying, and you know that's what they're saying.

Some Hon. Members: Hear, hear!

Mr. Upshall: — So what the farmers will do, Mr. Speaker — and I think that you probably listen to your members out in your constituency, at least I hope you do — what they're going to do, what they're telling me is they're going to reduce the number of acres they put in; they're not going to go out on a limb and take a chance because there's no guarantees. If there was a long-term stability program that they could rely on, or if there was a debt restructuring program that they could rely on, then maybe the spring seeding loan would work.

You see . . . but they simply do not put the whole parcel together. The *ad hoc* program is the way of the Tory government. If they were to put together as . . . I remind the Premier, in 1985, he and the Prime Minister of this country said there was going to be a long-term stability program. If you had put that together and if you would have had debt restructuring . . . We called today for the government, a non-partisan motion, to have Farm Credit Corporation rewrite in land values at realistic values and to have 8 per cent interest on a long-term basis.

(1515)

And I'll tell you just, without going into great detail, Mr. Speaker, I'll tell if they did that, it wouldn't cost the

taxpayers of the province and Farm Credit Corporation any more money than they're writing off right now. And the farmers would be able to keep their land.

It is not a difficult thing to see through; it's not a complicated solution. But it's a solution that would keep farmers on the land. And that is not a choice taken by this government or the federal government in Ottawa — keeping farmers on the land is not simply the choice that they've taken.

So I say, Mr. Speaker, under the seeding program, seeding loan, farmers are going to cut back on their seeded acreages because they're not going to take the program and put themselves in debt. They're going to do without fertilizer if they have to; they're going to do without chemical if they have to, but they're not going to take another nail and put it in their own coffin. And that's what this government's offering them — another nail in their own coffin because of the more debt.

And as I said earlier and I will say again, the spring seeding loan could have been palatable had there been a certain set of other programs in place.

But you can't operate in a vacuum, and that's what they're asking farmers to do. How can any farmer plan? How can they plan a program that . . . how can they plan spring seeding, rather, when the programs are not such that they can rely on them, number one, and number two, know that there's any predictability in that program?

Same thing with the \$500 million, and that's what we're talking about here today. This Premier said he had a commitment for \$500 million. He said he had a commitment from the federal government. And I'm not sure what happened to that commitment, Mr. Speaker, but we certainly haven't seen results in the form of cash in the hands of farmers.

And I say again, it's not just the farmers we're talking about, it's the whole province of Saskatchewan — small-business people who have to rely on the flow of capital cash through the hands of farmers, through their business, to employ people, to keep people working, and to keep the whole economy turning. That's why we so desperately need these programs.

And I'll tell you, I've said many things along these lines before, Mr. Speaker, and I will continue to say them because we have a government here in Saskatchewan today who is so incompetent when it comes to standing up for the needs of farmers, but oh so very friendly when it comes to negotiating deals with Cargills of the world.

And I don't, I don't say that Cargill shouldn't put a fertilizer plant in Belle Plaine. I mean they're the largest, privately owned company in North America and if they wanted to do that, all the power to them. But simply what I'm saying, what the people of Saskatchewan are saying, is that why does the Government of Saskatchewan have to go out on a hook to the largest corporation in North America, privately owned, with sales of \$38 billion a year?

I mean what's the point of it, especially coming from a

government who's saying that there should be less government involvement; get the government out of the lives of people? I mean that's all just utter garbage because we see the fact that the government will get into the lives of such as Cargill and Chuck Childers and the Weyerhaeuser. But when it comes to Saskatchewan farmers needing a few dollars an acre cash it simply drags on and on and on and on.

And the fact is, Mr. Speaker, that I think this is a political football. We've seen this government play politics with lives of Saskatchewan farmers for years now, and it's no different. We can assume nothing has changed because as I said, this program should have been out before seeding. It should have been in the budget so the . . . federal budget and the provincial budget, so we'd know where we were at. How can the farmer plan when he has no idea what's going to happen?

You know, just on a lighter note, Mr. Speaker, I was given a little quote here. When I was talking to one farmer about what the government was doing and why it was doing it, and he was a little irate to say the least, and he pulls out a little rhyme here. And I want to read it to the House today because I think it sums up . . . it sums up the situation in rural Saskatchewan and it sums up what I think is the attitude of farmers in the rural communities towards this government. And by the way, we're talking about the federal government too, but I like to relate it more to this government. But they were talking about federal-provincial governments and their incompetence. And it goes like this:

We, the unwilling, led by the incompetent, have been doing the unbelievable for so long with so little, now we attempt the impossible with nothing.

And that's just about what's happening in rural Saskatchewan, Mr. Speaker. They've been driven so long and so hard by a government that is unwilling to co-operate with them, unwilling to stand up in their regards, all the while mouthing their rhetoric how they're the government of the farmers. The leaders of this government who are incompetent, incompetent at negotiating a deal with the federal government to allow farmers to receive much needed assistance, and doing the unbelievable — that's the line that I like, the unbelievable — they've been doing the unbelievable, Mr. Speaker, because . . . I just want to go off on a short little tangent here.

In 1986 this government came in by offering people many gifts, gifts they didn't have money to pay for. And over the years they've driven themselves down with a \$4 billion or four and a half billion dollar debt now, a total debt with the Crowns and the Consolidated Fund of some \$13 billion.

But they won government in '86 by offering all these jewels to the people. And now in 1990 they say, oh, well, we're going to change. We're going to do away with the incompetence and the mismanagement and we're going to tighten up our belts. We're going to tighten up the salaries and we're going to tighten up other programs; we're cutting back on programs. And they said, because

we're such good guys now, you want us to vote for you . . . or we want you to vote for us again, rather.

But you can't have it both ways. You can't buy an election in 1986 with gifts that you didn't have money to pay for, and ask the people to vote for you again in 1990 by taking away those gifts because you're supposed to be a responsible government. I mean, people can see through that. And that's exactly what they're asking people to do. Well I think that we need in Saskatchewan a government that is going to be competent and going to be able to lead Saskatchewan people through this economic mess left by these people. And the only way to do that, Mr. Speaker, as I and my colleagues have said many times, is to change the government.

And speaking of change . . . (inaudible interjection) . . . Well the member from Cut Knife-Lloydminster says that I'm not going to be elected in Humboldt. Well that remains to be seen. I'll tell you, in 1986 I came into this House and people in my constituency were seeing through this government at that time, and that's why I got elected. They saw the double-talk, they saw the rhetoric, they saw the political football being played with their lives. And I'll tell you, there's more people that in Humboldt constituency now seeing that.

And in fact, I've been around to many other constituencies . . . in fact, in your constituency — Mr. Speaker, I would like to remind the member from Cut Knife that in his constituency the federal Minister of Agriculture was out speaking to some of the students and he didn't get a very friendly reception. And that member there is tied in with that minister because he and his government are the ones supposedly negotiating the terms of this \$500 million. In fact, they booed the minister, and the member knows that. And people simply are no longer putting up with this.

But I want to talk, Mr. Speaker, a little bit about change. This government has had the opportunity to change this province, and they have had the opportunity to manage the change in this province. We see since 1982, to date, the fact that there has been hardships in agriculture. There has been hardships in the economy in general around the world. But instead of tackling this, or taking this province and tackling that, like that was done in 1944 where we created our own environment and our own economic structure, and we still traded with the world but we developed within a combination of corporations, Crown corporations, small business, co-operatives, joint ventures — that's what they did in years gone by when things were tough. And this government has had a similar opportunity because times in the world became tough again.

But instead of taking on the challenge of change, this government has buried its head in the sand. And it said, the only way to go is the private sector because Maggie Thatcher's doing it in Britain, Ronald Reagan did it and Bush is doing it in the United States of America, and that's what's good for Saskatchewan.

Well I'll tell you, Mr. Speaker, they simply do not understand how Saskatchewan was formed and how Saskatchewan was built and the traditions that have been

maintained to today. And I ask you, Mr. Speaker, and I ask the government members opposite, if you look around Saskatchewan in 1990 — and I'm talking particularly about rural Saskatchewan, the area that I know best — you look around rural Saskatchewan and the small towns and tell me what you see.

You see a credit union, you see a co-op store, and you see a Saskatchewan Wheat Pool. And in the majority of places in rural Saskatchewan, those three factors comprise the town. Those are the three pillars that were built from in the 1930s and '40s in order to maintain an economy over a number of years through hard times and good times.

But instead of this government looking out there and saying, yes, maybe there is a role for combining small business, co-operatives, joint ventures, Crown corporations, they have had their blinkers on. They say, no, times are changing; we have to go to the private sector. We have to privatize everything in order to keep up with the world.

Well, Mr. Speaker, I tell you that has failed and failed dismally because in every privatization we have seen a loss of jobs; we have seen plant closures. The result is that we have seen a vast depopulation of rural Saskatchewan and Saskatchewan in general.

So this government has had the opportunity to manage change, but instead of looking at what works in Saskatchewan and either developing that or broadening it, they tried an altogether new path. They tried to take a new path that they thought would work for Saskatchewan because, well, it's the way of the world. It's global village. We got to look at diversification and privatization and deregulation.

All those terms, Mr. Speaker, have been detrimental to Saskatchewan. Whether it be privatization, deregulation, globalization, every time that happens, those factors influence Saskatchewan, Saskatchewan people lose. We see SaskPower being privatized and we see people being killed and injured on the job. We see megaprojects versus small business and people losing their livelihoods. We see working people fighting hard to maintain jobs or, if they get injured on the job, fighting hard with workmen's compensation because they simply are squeezing them out of their right to collect compensation.

We see rural people in small business suffering because they can't pay their bills because farmers don't have the money because the economy is drying up. And the problem is, what's happening, Mr. Speaker, is that this government, once they drive people down to a certain level, the people start, like this government, pointing fingers at other people. And it's sad but true fact.

So the government tries to get the small-business people blaming the farmers or the labourers blaming the small business and blaming the farmers. Instead of trying to knit, instead of trying to knit together an economy with a social structure, to provide an environment for jobs, security, an environment to raise your family, they simply have gone on and destroyed the fabric that we have known in this province. They've destroyed the fabric, and

I'll tell you, Mr. Speaker, it is sad and tragic because the hardest part of my job — and I can say this in all honesty — the hardest part of my job is when some farm family comes in or phones in and says, I'm losing my land. Or when a small-business person comes in and says, what do I do? I have to move my family and close my business. And they ask me: what can I do?

Well I tell you, Mr. Speaker, that a pretty hard question to be asked. And you see the grief in their faces after they've built, over the years, either a good business or a good farm, and seeing measures taken by this government and by the federal government to either bring down their livelihood, make them pay more, but what they're doing basically is destroying them.

And they have had options. Don't let anyone tell you, Mr. Speaker, and members opposite, you haven't had options. In fact, I just want to go through a little list of options that you've had, options that you could have done something about along with your federal counterparts in order to maintain rural Saskatchewan and to maintain this economy, the economy of Saskatchewan.

(1530)

And I've gone through these before but I want to go through them again, Mr. Speaker, because I think they're so vitally important to point out the difference between this side of the House and that side of the House; the difference of how we would manage change and how they would manage change; and the difference of attitude when it comes to programs to support agriculture in this province.

And I want to start by talking about the two-price wheat program. The two-price wheat program, Mr. Speaker, put in \$240 million into the economy of western Canada. But because of the great negotiating skills of the federal government and the support of the little cheer-leader from the Premier's office in Saskatchewan, we see that the free trade agreement made it such that we had to eliminate the two-price wheat system — \$240 million a year coming to western Saskatchewan.

Now that was a choice they had. They could have chosen to stand on their hind feet on behalf of the farmers of western Canada, and Saskatchewan in particular, and demand that that two-price wheat system stay in place because it benefitted the rural community.

And now we see it's gone. So, I mean, if you're talking about this in straight layman terms, you'd say because the millers didn't have to put out \$240 million, well \$280 million in Canada in general, that the price of the product should come down. Well that simply has not happened. So we've seen \$240 million evaporate from the pockets of Saskatchewan farmers who grew the product, into the hands of the millers and all those other people down the line. And this government chose to remain silent and not stand up and fight for that.

Well I'll tell you, Mr. Speaker, we didn't remain silent on this side of the House, because we and our federal counterparts in Ottawa hollered loud, long, and clear that

the two-price wheat system was essential to maintain the rural economy that we have; essential that we have farmers receiving that money so that they could continue their operations. But not the government — they chose to be silent.

They also — no, I shouldn't say chose to be silent on the next issue — they also endorsed the next issue that they had a chance to stand up and fight for Saskatchewan farmers on, and that was the interest-free cash advance payment.

I mean, this government said, well yes, it's okay to have interest payment on cash advances. And some of the reasoning used was because — and I just forget what member it was — but he said, well, you know, that interest-free cash advance, it didn't get the grain in on time because farmers would take that cash advance and they'd have the money and they'd just wait till the weather was right or till they could get the . . . wouldn't have to start the tractor in winter time or the truck to get the grain out. Well what a feeble excuse, Mr. Speaker, what a feeble excuse or reason to eliminate the interest-free cash advance.

Well I'll tell you, we on this side of the House were not silent on this issue either, because we hollered loud, long, and clear that this cash advance should remain interest-free, because it was one small advantage the farmers had. They could predict that every year if they needed this cash advance, they could have it; on delivery, they would get the return.

Then, Mr. Deputy Speaker, there was the 30 per cent increase in transportation rates. This government chose to support the transportation rate increase while we did not. Because again . . . and we see the next burning issue, and I say it's a burning issue because this next issue, that one of the method of payment of the Crow benefit, is going to have a greater impact on rural Saskatchewan, I think, than almost any other issue in the next five or six years. Because the attitude now is that we're going to get rid of the method of payment, or get rid of the Crow benefit and pay it out to farmers. And I can see this government and its friends promoting the fact that they should get rid of the . . . make the payment in one lump sum or over a period of 3 or 4 or 5 years.

Well at current transportation costs, Mr. Deputy Speaker, when you figure out what it would cost, or what the farmer would gain, by paying out the method of the Crow benefit over five years. and what that farmer, same farmer would lose after that payment had been completed, you will find out that if the Crow benefit was paid out to farmers over five years, they would pay that back and more in two and a half years after that program was eliminated, because the transportation rate . . . that's at current transportation rates. And this government is supporting that. I shouldn't say they're supporting it; they have some tangled web that they're trying to weave about making half the payment to Saskatchewan or giving it to Saskatchewan and they'll decide what to do with it.

But the point remains that that payment has to be . . . continue to go to the railroads because that's the only benefit Saskatchewan farmers are going to receive from it.

And they will be lured by the fact that they could have big dollars in their pocket in the short term. Well I'll tell you, Mr. Deputy Speaker, in the long term they will surely lose and I think most farmers understand that.

On rail line abandonment this government supported . . . hey didn't stand up for Saskatchewan farmers when the federal government was eliminating the rail line program, \$400 million a year.

The farm fuel rebates, well they were part and parcel of that at a time when farmers could least afford it; when we were saying no, leave the programs in place at least until the farm economy turns around, then decide what you're going to do with them.

And we had a motion today on interest rates. There was a motion that sat on the order paper all last year calling on the federal government to do something about interest rates and this government did not even choose to bring it forward for debate.

And we continued to ask and ask and ask, as we are continuing this year, with motions like I brought up today: to have the Farm Credit Corporation revamp their whole policy, rewrite the loans at current values of the land, and give the farmers 8 per cent interest.

That's the type of program that would give some . . . would help farmers sustain themselves. But this government chooses not to do that. Crop insurance, I've already talked about how they negotiated the crop insurance. Now Saskatchewan farmers have to pay higher premiums.

The method of payment, beef and hog stabilization, where they promoted the tripartite, and all the producers now are wishing that they had never changed from the beef stabilization program and the hog . . . and the SHARP (Saskatchewan hog assured returns program) program. Free trade — they stood up for free trade. We see the implications now. We were hollering against it.

And the list goes on, Mr. Deputy Speaker: the goods and services tax; the federal green paper on agriculture. Very important, very important initiative that this federal government has taken. The federal green paper on agriculture basically says that farmers have to be market-oriented; they have to suffer the whims of the market, get government out of things.

An Hon. Member: — You don't even make sense.

Mr. Upshall: — Well the member for Cut Knife-Lloyd says I don't make sense. Well I can see now, I understand now why they haven't been standing up for Saskatchewan farmers, because what I've been saying . . . I've been listing issue after issue that every farmer knows about. And I'm just basically repeating what farmers are telling me, and he says I'm not making sense.

Well obviously this government, and that member in particular, is so far out of touch, and I think that will be reflected in the next election, if they ever have the nerve to call it.

I just want to talk, Mr. Speaker, for a minute about the green paper on agriculture. Now this program, this program . . . I'm sorry, Mr. Speaker, I can't help but laugh at the member from Cut Knife-Lloyd because he's babbling on from his seat.

But the federal green paper on agriculture, Mr. Deputy Speaker, is a program initiative by this federal government. It's a flow. If you look at a flow chart, in 1971 the Liberal white paper called upon the government to reduce the number of farmers, said they could reduce the number of farmers by about 80 per cent, I believe, in western Canada.

Then a few years later there was the Nielsen task force report that said farmers have to become more self-sufficient, more dependent, get out of agriculture programs. And the big thrust of the Nielsen task force report was the deregulation process. I mean, that came on the heels of Otto Lang trying to get rid of the Crow rate and the method of payment debate that we're in now. All that was blown up in the Nielsen task force report.

And now we see the federal green paper on agriculture. Well this federal green paper on agriculture, Mr. Deputy Speaker, is one paper that I wish that these members would read. And I assume that they haven't read it if they're sitting in their seats and not condemning that report, because what that report says is that we're going to cut you loose, boys. We're going to cut the farmers loose and let the market-place prevail.

Well I wish they'd think about cutting Dome Petroleum or Chrysler or Cargill or Chuck Childers loose, or the Royal Bank, because that is the problem that we're having. They're saying, farm boys, you can just go on your own; we don't want any intervention; we don't want to mess up your life by having government intervention, despite the fact that the United States and the European Common Market are destroying the price of grain and we're suffering because of it.

Well, Mr. Deputy Speaker, this green paper on agriculture — and I simply don't have time today to go into that because it's another two-hour speech in itself, how detrimental this paper is going to be. The whole thrust, the whole thrust and the way of thinking of government as it relates to farmers is changed now to the fact that they're going to simply let the market-place decide; do away with orderly marketing supply management, because that is a control system that can't be tolerated; get rid of the Canadian Wheat Board; do away with any subsidy programs or programs that benefit farmers, whether it be direct or indirect, and let the market-place prevail.

Well, Mr. Speaker, that . . . I'll tell you, that'll solve the problem. That'll solve the problem in agriculture, but I don't like to think of the results of the solution. Because you and I both know if that document is put forward, we will see many, many thousands of more people leaving Saskatchewan. Not only farmers, but small communities — they'll be wiped right off the map.

So, Mr. Deputy Speaker, I want to tell you that there are many, many issues. The spring seeding loan, we disagree

with this government. The long-term policy, we take a different stance than this government, because they don't have one and we do. The federal green paper on agriculture, all the other program changes that have taken money.

And what I haven't done . . . and what I've done in the past, Mr. Speaker, when I talk about these programs, is just add up the cost of all these cuts to farmers. Whether it be two-price wheat or the fuel rebates or the method of payment or the interest rates, they add up, Mr. Deputy Speaker, to as much as we've received from the federal government in the past years.

So what they're doing is, they're putting it in one pocket and taking it out the other, and the farmers realize this. And that is why I think in Saskatchewan in 1988 farmers totally rejected the Tory government in Ottawa, and I think if this group has the guts to call an election in 1990, they'll totally reject the Tory government in Saskatchewan.

Some Hon. Members: Hear, hear!

Mr. Upshall: — With that, Mr. Speaker, I would like to move, seconded by the member from Quill Lakes:

That this Assembly deplores the blatant manner in which both the federal and provincial governments have continued to tie the essential \$500 million agriculture deficiency payment to self-serving political considerations at a time when many Saskatchewan farmers desperately need this payment prior to spring seeding in order to continue their farming operations.

I so move.

Some Hon. Members: Hear, hear!

(1545)

Mr. Koskie: — Well thank you, Mr. Deputy Speaker. One will note in reading this motion:

That this Assembly deplores the blatant manner in which both the federal and provincial governments have continued to tie the essential \$500 million agriculture deficiency payment to self-serving political consideration (and it goes on) . . .

Let there be no doubt, Mr. Deputy Speaker, that while this addresses the political game that is being played in respect to any payment that may be coming from the federal government, let it be perfectly clear that even if we were to get the \$500 million from Ottawa when it was needed at seeding time, like right now, the problem in agriculture would still not be addressed by the provincial or federal government as it must be.

If one takes a look at the state of agriculture, and I've put it before the legislature before, and I take some of the statistics that were prepared by the Premier of this province and he indicates the massiveness of the crisis that exists in agriculture. And I'm going to deal with this

solution of coming forward.

The Premier has said that debt is a major crisis, and I read when he was down East and he said this. He noted that 20,000 farmers, one-third of the entire province, are faced with financial ruin if an immediate cash bail out of \$500 million is not received immediately. That's partly right.

Five hundred million dollar cash pay-out will not solve the crisis of the 20,000 farmers that are in a financial crisis. Because if you pour the \$500 million across to 60,000 farmers, you still have 20,000 farmers that are ridden with debt and will not survive no matter what.

Take a look at the state of agriculture. It is a crisis of a proportion that is almost unbelievable and still, the Tory parties, both Ottawa and here, continue to glibly play politics with the lives of rural Saskatchewan.

Saskatchewan in 1982 had less than \$4 billion of debt and farm capital assets of over \$33.8 billion. The capital assets have fallen 28 per cent to 24.5 billion and the current debt is somewhere near the \$6 billion range.

This is the crisis as set out in this paper by the Premier. He says interest expenses for Saskatchewan farmers in 1989 were \$473 million. And he says interest rates are 4.25 per cent higher than the United States, and the Farm Credit Corporation has increased them four times within the last two months. And we move a motion here to ask, and to support the farmers of Saskatchewan in asking the federal government to cut back on the increases, and the members opposite refused.

What is more shocking, as a result of foreclosures in this province, almost one million acres are in the hands of financial institutions. Now their agricultural policies must really have been working — one million acres of land held by financial institutions. I worked that out. On the average of 299 RMs, that means that there are five sections of land in each and every municipality across this province that is held by financial institutions. An area of land five miles by five miles by five miles held by financial institutions.

And boy are their agricultural policies working. Well do you realize that the Premier says, I'm going to fight another election on winning the election for the Tory party on an agricultural policy. Well I want to tell you, the farmers of Saskatchewan have news for him. Do you realize that the net income for 1990, almost a year ago was in fact projected to be a negative income. It turned out a little bit better. But almost \$9 million — that was the projection, a negative net income. And here we are in the midst of seeding and we have no decision in respect to agricultural programs, while they're playing around.

So what one has to do is see what the game they're playing, because that's what is apparent to the farmers across this province — that there's a political game being played. And all they have to do is to go back to 1985-86 and today they will see pretty well the same scenario.

Now let's take 1985-86. Did we have the crisis that we have in agriculture that we have today, just by a few of the

statistics that I've indicated? No we didn't. Well what did the Premier decide to do and what did the federal Tory party decide to do? Well he had to get elected so he said, well we'll throw out a production loan to every farmer that just walks into the elevator, signs a promissory note. Money, he said, cash without hassle; we're going to give it to everybody, whether they need it or not. He said, we're going to reward success.

And many of the farmers then were in good financial shape. And they walked in, they took the money, and they put it in the bank and reinvested it. That's what they did, and they earned interest on it.

Those were the policies of the Tory party — crass, dishonest, deceitful — solely for the purpose of winning an election, not for the survival of agriculture in this province.

Some Hon. Members: Hear, hear!

Mr. Koskie: — Now we have this Premier, this so-called friend of the farmer, running around this province, saying, well I might not be able to save all you farmers. About 20,000 of you are going to hit the dust. We can't save you. And I'll get into his little scheme that he has for seeding, helping farmers with seeding requirements, loans.

And yes, let's take a look at that program. He says that . . . end of *ad hoc* programs. That's what the Premier said. He said it in 1985. He said, we got to get rid of *ad hoc* program; we got to put in a long-term agricultural policy. And when we proposed it to him . . . We've even written to him, we've set it out for him, and he absolutely refuses.

And today, what have we got? We've got exactly . . . we're no better off in 1985-86 when we didn't have the magnitude of the problem that we have today, with the same absolutely *ad hoc* programs, with except a couple of exceptions. Instead of a production loan which was \$25 an acre in '85-86, they've now cut that in half to twelve and a half dollars a cultivated acre.

And instead of 6 per cent, they have now said ten and three-quarters. So they've put out half the amount of money at twice the interest rate and they're going to give it to half of the farmers, not to those who are in desperate straits. That's exactly what is happening.

And what is the other program? Well in desperation in the late nights when he was losing the election in '86 — and the press has confirmed this — the Premier in desperation was heard to be phoning Brian Mulroney, the Prime Minister, and said, for Heaven's sakes! bail me out, I'm losing the election; promise me a billion dollars.

And he got . . . Yes, and somebody said, it worked. Ah, it worked once, my friend. But the farmers of Saskatchewan will not be deceived again. Hypocrisy and deceit and dishonesty will not be tolerated by the Saskatchewan farmer any longer, and come the next election, regardless of their *ad hoc* programs, they'll be turfed out of office.

Some Hon. Members: Hear, hear!

Mr. Koskie: — I want to say to the farmers of

Saskatchewan: we've had really ups and downs in agriculture. But I'll tell you, we have had two major crises in agriculture. We had a crisis in 1929-34 when we had a Tory government in Saskatchewan under Anderson and we had a Tory government federally under R.B. Bennett. And I'll tell you, we got a agricultural crisis in Saskatchewan today, because we got a Tory government provincially and we got a Tory government federally. That's why we got the crisis.

And I want to say that there is a game being played. This game is being played out for the hucksters that are deceiving the farmers of Saskatchewan. Provincial commitment, they called, in their budget to agriculture, a provincial commitment to agriculture.

Well I did a little bit of figuring. The average size farm in Saskatchewan is a thousand acres. So at twelve and a half, at twelve and a half dollars per acre, on a thousand acre farm, you could get \$12,500 as a loan. If there is a 5 per cent subsidy of interest on \$12,500, that would be \$625 for the year. But the farmer has it for about half a year. So on a thousand acre farm, the total benefit to the farmer is \$312.50.

Now I'll tell you, that's a commitment to agriculture — \$312.50 to an average size farm in Saskatchewan. That's what it amounts to and that's the commitment of the Tories and the Premier and the Minister of Agriculture to Saskatchewan and the Saskatchewan farmers — \$312. Isn't that a tremendous commitment to agriculture?

Well I'll tell you, the game continues. Now they're talking about the \$500 million. Oh, the Premier says, I have a commitment. Boy, I have a commitment. And you ask him, a commitment for what? Oh, I got a commitment. Well is it for 500 million? I never said that. Well have you got a commitment, because it was in the throne speech and it was in the budget?

So we don't know what commitment. But you know why you don't have a commitment . . . (inaudible interjection) . . . Well just be quiet there, eh. You go work on your speciality — Tory financing. They're going to make you the next Finance minister. You're just heading for the next Finance minister. And at the performance of any of the front benches, you probably would do as well.

The member says, the member says, where, what would you do and where would you get it?

Well I'll tell you, Cargill wouldn't get 370 million bucks — 370 million bucks to Cargill, and to the average farmer and his family, \$312.

I tell you I wouldn't give Chuck Childers \$750,000. I would send it and give it to the Saskatchewan farmers who built this province, not ruined the province.

Some Hon. Members: Hear, hear!

(1600)

Mr. Koskie: — Isn't that a commitment, Mr. Deputy Speaker? Isn't that tremendous, putting the financial treasury behind agriculture — that the average farmer in

Saskatchewan of a thousand acres, out of this program, at best could get \$312 as a benefit. What a tremendous commitment.

Well let's just go a little further here, Mr. Deputy Speaker, because it's kind of bothering them down there. And well it should, because when you try to be dishonest with the people of Saskatchewan and they suddenly realize it, of course you have to be uneasy.

It must be difficult for the Tory members to go back to their ridings, trying to play the same old game that they played in 1986. And the farmers are saying to them, and their pollsters are saying, do you know what the difference from '85-86 to '90, this year? The farmers don't believe them. No matter what they offer, the farmers don't believe them.

You know, just a little thing that should be mentioned. These people came in and some of them rode to power on their great promises in 1982. Never again, the Premier of this province said, will anyone have to pay tax on gasoline as long as I am Premier. And you know in 1982 they deceived the farmers again. They went around and said, that's going to apply to your farm fuel too. We're going to take that 42 cents off. But it was only 29 cents. That was a little bit of a . . . you know, twisting the truth if you want to put it in parliamentary terms.

And you know what has happened today? Saskatchewan exactly back in the same state in respect to taxation on gas as they were in 1982. The only difference that you have in respect is that farmers in 1982 used purple gas; today they don't. And if you ask the farmers they say this doesn't make sense. If you're going to exclude the farmers from paying the tax, then you better have purple gas because there'll be a fair market going in the use of farmers' gas in a lot of vehicles around the province, and they say that themselves.

But the game must go on. The game must go on, and I call it not just a game but the con game of the Tory party must go on. And you know what they're talking about — \$500 million the Premier asks for. He didn't ask for it; the Saskatchewan Wheat Pool asked for it and demanded it on behalf of farmers across this province. And as you ask the Premier, how much is your commitment? He said, who knows? If you ask the federal government how much, well the federal government says we got a criteria — 500 million, little less, for all of agriculture across Canada; that's the commitment that we have. And you ask, well how does that apply, and the Minister of Agriculture federally says, well there might be about 250 million, somewhere in that neighbourhood, for Saskatchewan.

But in order to qualify for \$1 that the feds put up, the province has to match. And the Premier says, we're broke, and it's demonstrated by his programs in respect to agriculture. No one denies that he has bankrupt the province; that's the one truth that he has said.

Now the federal criteria changes. Now the Minister of Agriculture, playing his game with his counterpart here, not concerned with the welfare of the farmers, he said, well, we might have a new criteria. Ha! We might pay, he

said, and argue later as to their contribution. What amount? Farmers don't know yet. Is he going to say that he's going to pay both the 250 plus the 250 matching and then seek it from the province later, or cut back on other transfer payments? Or is it simply he'll pay the 250 and seek back the 125 million?

Well they don't know yet. But the Minister of Agriculture, the Premier, he's been down there. You know, he spends just about every weekend — at least that's what he tells us. And so you ask, what amount will be paid? Don't know. When will it be paid? We don't know. It was promised for spring seeding and spring seeding is here. At least the essential planning for spring seeding is under way, and farmers should know. And what is happening is that this political game goes on.

You know what? I say to any farmer across this province that may be watching, and I know there will be a lot: I will bet you that if an election is called, say for June, that any federal payment will be made during that election. Political gain. Do they care about the welfare of the farmers? Of course not. Is that a good process for the hard-pressed farmers? Of course not. Is that a good politics? Well, the two Tories, federally and provincially, think it may get them elected. But they can't fool the farmers a second time.

I can say that their motive is to try to buy the farmers again. And they say, if we play this game, they're desperate, and we're not solving all their problems and we're not giving them any long-term solution. And if we play this game skilfully enough, and if they're desperate enough and if we make some obscure promises besides this money, we think we can buy them again. And what will happen after that? We'll get back in and they're gone and away and our problem is gone because those 20,000 will be wiped out, just as is happening today.

So the game must go on. The Tory party takes precedence over farm families and the future of agriculture here in Saskatchewan. And I make an unequivocal statement here today, in any event, with this here program that the Premier put out, and I want to just touch on who's eligible. Ha! Not the 20,000 that are in trouble. They haven't done a thing for them. They said, you can't get the money.

Because when you look at program eligibility, those most in need are excluded. That's exactly what's happening. And there's no doubt that there's some 10,000 people that have received notices of foreclosure and probably more than that. They can't deny it because those are figures that were released.

All farmers will be eligible to apply. Isn't that a great statement? Very positive. I'll tell you, the Associate Minister of Agriculture, you couldn't have drafted it better or more positive.

All farmers will be eligible to apply for the spring seeding program. Well isn't that gracious of you that you would allow everyone to apply? Isn't that nice of you? You should be proud that you allowed everyone to apply. I think that you should have been proud if you were dealing with the problem.

Let's look and see the rider behind that statement. It says: "However, applicants may be excluded."

Include those whose loans are in demand, loans in demand, foreclosure or judgement status, those who are in bankruptcy proceedings, those who are seriously in arrears with other government programs, or those who have been rejected from the Saskatchewan counselling assistance to farmers.

Well I'd like to ask the minister of, or associate deputy minister, or whatever you call that office, whether you have . . . I'd like them to be honest enough to come out and we'll see whether or not, because they got the statistics. There is no doubt; the government knows how many demand notes have been called. The government knows how many foreclosure in judgement status. They know how many bankruptcy proceedings are on. They know how many programs are in serious arrears, and they know how many have been rejected by the CAFF (counselling and assistance for farmers program). So they know that it's not going to apply to thousands of farmers in the worst financial position. No, no debt restructuring. Oh, we're going to study that. We're going to study it, at the same time that the Farm Credit Corporation is jacking up the interest rate in respect to the loans.

And so I say that the political game of the Tory party has to go on. But in any event, whether we get \$250 million or \$500 million, I'll tell you that isn't addressing agriculture. That is welcome money, but the fact remains that the federal and provincial government are refusing, not because they haven't done the analysis, but they're refusing to restructure debt in order to keep our youngest and brightest farmers on the land.

Some Hon. Members: Hear, hear!

Mr. Koskie: — And so what we have going, Mr. Deputy Speaker, is the Tory con game, the political game. You know, they put in a seed program and they say, \$525 million commitment to agriculture. And I read it in one of the local papers. Ha!

Do you realize what that costs? Do you know what it costs? The federal government is prepared to give you recognition of new money spent on agriculture of \$20 million, because thousands of farmers are not going to be able to qualify. And anybody has the audacity to go in because the money comes from the banks and the credit union and all you're doing is subsidizing and even using their exaggerated figures of 40 million. That's what they should be saying they're putting into agriculture, not 525 million. Deceitfulness — but the farmers won't be fooled and the farmers can no longer be fooled.

And so the question has to be asked is, what is the inevitable result of the agricultural policies as devised by the Premier or Mr. Agriculture himself? Well I'll tell you what's going to happen. All of those, as identified by the Premier, he noted that 20,000 farmers, one-third, are faced with financial ruin.

And I'll tell you, not only are they not going to address that, they don't even have the decency and the integrity to

come forward with a program that they know is going to be in place, because they want to play politics. They want to play politics with the lives of Saskatchewan farmers while at the same time trying to pretend that they're the friends of the farmer.

I want to say Mr. Deputy Speaker, that while we move this motion and to draw the attention to the politics that is being played with the requests for some federal deficiency payment. And as I indicated, we don't know what it will be, when it will be. In fact, what are the criteria? But we know one thing: is that the Tories here and the Tories in Ottawa are playing politics with it.

But regardless of whether we get it or not, the solution of agriculture is not within that deficiency payment. We need that deficiency payment but we need a long-term agricultural policy that will guarantee to the farmers across this province some income stability.

And I want to say . . . and I've talked to farmers in respect to our agricultural program which I and the member from Humboldt worked with our federal counterparts in putting together, and farmers are saying, we recognize that ad hoc programs as delivered by the Tory party are not working.

And I was out talking to farmers and they say there is a possible solution. If we could have a guaranteed price for an x number of bushels. We used in ours 8,000 bushels at say, \$6 a bushel guaranteed to the farmer if he has an operation that can produce that amount, and you take his averages and so on, his productive capacity. But using that example, he would . . . every farmer who produced it . . . (inaudible interjection) . . .

Just a moment there, we got a yapper in the crowd that we don't need, because he's scared. Because if you had a policy whereby a farmer were guaranteed x dollars, say \$6 a bushel for 8,000 bushels of wheat, and you can make it apply to other crops as well. It doesn't have to, but just for simplicity purposes so you can understand it, I used wheat and I'm going to stay to wheat and I'm going to use round numbers so you can understand it easier. Eight thousand bushels, say at \$6 a bushel, it would guarantee an income to farmers across this province.

(1615)

And I'll tell you, the larger farmers had flexibility because they can go into specialty crops. They can go into other forms of crops. And certainly small farmers can't because small farmers have very difficult time in rotation in respect to rape, because you can only use . . . put rape, sow rape, and then subsequently have to wait from three to five years before you can reseed it.

So large farmers . . . But on the average what it would do, on average what it would do is to give to every farmer on an organized basis, an income that he could predict; an income that was assured to him; an income that he could plan, instead of these *ad hoc* political programs that the Tories have designed.

And also what I want to say, I want to say, Mr. Speaker, not only do we want income stability; we have asked for

debt restructuring. And just imagine if we have about \$6 billion of debt and over half of that \$6 billion is held by Farm Credit Corporation and/or ACS, and you think that they couldn't, as government organizations, restructure debt in respect to agricultural credit corporation and ACS if they wanted to? Of course they could.

But you know what the reality is? The reality is . . . this is written here in *The Independent*, Biggar paper: "ACS — is the headline — worse than the banks". This is headed up by the Premier.

And Kevin Hirsch, who delivers agriculture reports throughout this province, has analysed the operation of ACS, which the Premier goes around and says is the farmers' bank. He says, ACS, run by the Premier, by the Minister of Agriculture, is worse to farmers than the banks, and God help the farmers if they're worse than the private banks.

But that's the conclusion, because under ACS, if you are in arrears, there is no write down; you cannot negotiate a deal or write down. At least with many of the private banks, farmers had been able to do it. But ACS, set up by the Premier, headed up by the Premier, is worse than the most vicious private bank. And I'll tell you, private banks have never been friends of the farmers. They have been exploiters. And here we have the so-called farmers' bank being worse than the private banks.

So what I want to say, Mr. Speaker, the sham, the sham that is trying to be perpetrated on the agricultural community is blatant; it's exposed. The farmers know it. The farmers are saying, we're going to take their money but we're going to kick them out of office.

And I'll tell you, there is some evidence to that. During the last federal election . . . There's old smiley from Wilkie — he thinks that's funny. But I'll tell you, member from Wilkie, during the last federal election, they tried, the Tories tried to fool the farmers with a drought payment. Oh yes, they were going to give them \$500 million, and you know what happened? We had a federal election and 10 out of 14 seats elected New Democrats to the House of Commons. That's what happened.

Some Hon. Members: Hear, hear!

Mr. Koskie: — And throughout this province, as my colleague has said from Humboldt, the farmers are stating this. I talked to some of the farmers over the weekend and they had used their pencil too, and they said, will you check it out? Is it really true that if I have a thousand acres, that the most the government is subsidizing me is \$312? And I said, I'm sorry but that's true. I'm sorry, I said, but that's true; that's all they're prepared to help you out with.

And so, Mr. Speaker, as I say, the game must go on, this con game, this political game, this deceit, this dishonesty. Not by all; there are some honest members back there, but not many, not many. But I'll tell you, if you've got one rotten apple, you're going to have the whole works as a bunch of rotten apples very shortly. And anyone that will walk into a box and put a good apple in a box where there's a rotten apple deserves to become a rotten apple also, and that's what's happening over there.

There were some members who were prepared to stand up for agriculture. But now, you know what, they have been suckered in hook and line by the Premier, and they really believe that he's going to be able to be their saviour again. And the truth of the matter is that no longer can you fool the people of Saskatchewan and no longer can you fool the farmers of Saskatchewan.

And I say to you, Mr. Speaker, the game is up. It's exposed. The farmers of this province know it; the small-business men know it, and the people of Saskatchewan know that this government has lost its priorities. They don't care about those who struggled and built this province, the pioneers who, with axe in hand, toiled and cleared the land. And the pioneers that are losing their farms today because their only sin was to start a son or a daughter or a daughter-in-law up in farming. And then what they were faced with is these . . . that's the only sin that they have committed, is trying to help establish their children. Because the sin was, is, that they didn't anticipate how bad it was under two Tory governments.

Some Hon. Members: Hear, hear!

Mr. Koskie: — And they had lived through it before in 1929 to '34. Their priorities are all screwed up, Mr. Speaker — the government's priorities.

And the farmers are saying, ha! so he's got for 60,000 of us — and there's about four to a family on an average farm, 240,00 people — he's got about \$40 million at most. That's to 60,000 — people who have built and as the rock of the economic stability of this province.

And they say, but he's got other priorities. He's got no problems with Cargill — \$64 million in cash, bang! no problem. Three hundred seventy million or eighty million with cash and loan guarantees. He had no problem walking into Lloydminster when this problem was on, when he played the political game, wanting to get the Minister of Defence elected in Lloydminster. Two hundred and fifty million into Lloydminster upgrader; large sums from the Alberta government; large sums from the federal Tory governments.

And who were they subsidizing? Well Husky Oil is presently owned by a billionaire from Hong Kong. That's who we were helping there. And I'll tell you, if there is economic viability in it, that billionaire could build it. But when he sees a bunch of mismanagers — there's other words I could use but I wouldn't get away with them — but when he sees a group of people that can be taken for a buck, who comes to Saskatchewan? The fast mover, Guy Montpetit. He waltzed in here and instantly began on GigaText, sold them \$2.9 million worth of computers that weren't worth \$20,000. He got complete signing authority and he was an instant millionaire as long as it lasted.

And of course, I don't blame Cargill for coming in here and lacing it to these incompetents. They're in the business of lacing incompetents. And boy, are they lacing it. But regrettably, who pays? It's the people of Saskatchewan who are going to pay.

And what a future if you survive on the farm. And agriculture turns around, and God knows it will turn around and agriculture again will be strong and there will be a viable economy in this province, and there will be a government acting on behalf of the people of this province again. That we know for sure.

And I say to you, Mr. Speaker, when that comes, the awful reality of those who survived this mismanagement and waste of this government and political gainsmanship are those who survive, those who are successful. And any of the people out there that think they're successful and doing well, just remember that you are saddled for the future with a debt of over \$4 billion in operating loan, operating the government, Consolidated Fund, and about \$13 billion of debt on this province.

What a future. What a legacy that this government has bestowed on the future generations of this province. That's what they have given to the future generations and they're giving about equal to the farmers in their crisis.

What they're doing is not going to save agriculture and we're going to lose the 20,000 young farmers, the best and the most progressive, under this Tory administration. I say to you, Mr. Speaker, that it's time to throw away the politics and get serious because Saskatchewan is facing a ruin that may never be repaired. I think we have to get rid of this government, and I urge the farmers of Saskatchewan to take their cash if they offer it, but vote them out as they deserve.

Some Hon. Members: Hear, hear!

Mr. Sauder: — Thank you, Mr. Speaker. I'm pleased, Mr. Speaker, this afternoon to have an opportunity to enter into the debate on this motion — motion put forward from the opposition side of the House — a motion that has absolutely no other intention or meaning or purpose than to try and put the serious situation of agriculture into political terms; to make it into a political football for them to be able to kick around; to play with; to make light of and not to deal with the real problems; not to offer real solutions; not to stand with the farmers of Saskatchewan.

We've just witnessed a diatribe from that side of the House that I believe shows a very real and serious lack of understanding of the problem. It doesn't display any sort of competence or any kind of solution to deal with the problem that we're facing in Saskatchewan. Nothing more than a selfish, political move and an attempt to take advantage of those farm problems that we're facing.

Mr. Speaker, I find it especially interesting that the last speaker representing the members opposite would present such a motion, especially interesting when I consider the total front bench is representative of the government that was here in Saskatchewan prior to 1982; a government that was here when these problems were starting to build in Saskatchewan; a government that was here in the days when, yes, there was more cash available; there were better prices.

(1630)

Mr. Speaker, there was also much greater inflation, rapidly rising input costs. Mr. Speaker, they were the government who chose not to put anything away to deal with the situation. They were the government that chose to ignore the problems of high interest rates — much, much higher, 50, 60 per cent higher than they are even today. And their solution was: fix your own problems; we don't have anything to offer you; give the problem to somebody else; blame it on the banks; blame it on Ottawa. Mr. Speaker, they weren't prepared to put the treasury of Saskatchewan behind agriculture, or anyone else in Saskatchewan for that matter, except themselves, their outdated policies.

Mr. Solution, that's the front bench that proposed and implemented the land bank in Saskatchewan. Mr. Speaker, their solution to the problems of agriculture, the land transfer was to put, pit the young farmer — the starting farmer — against the government, against the treasury. Instead of putting the treasury behind the farmers, put it in his way, make it a blockade that he had to compete with and would find it virtually impossible to compete with.

Mr. Speaker, they didn't provide any help to farmers. They also, with all their calling and hollering, they didn't get any help from the federal government either, Mr. Speaker.

I think that it's important that people in Saskatchewan realize that and reflect on the assistance that was not given to Saskatchewan farmers by the NDP. Mr. Speaker, they had a real chance and they didn't give a red cent to the farmers of Saskatchewan. And yet today, yet today they have the gall to stand in this House and say that this government's farm policy is politically motivated.

Mr. Speaker, before 1982, before this party was in power, we outlined the concerns in agriculture. We outlined the problems that were there, and we offered solutions to them. Mr. Speaker, we, after the election of 1982 when this government came to power, they just didn't discuss them, but they implemented those solutions, those programs.

Mr. Speaker, this motion put forward by the members of the opposition is nonsense. They're more interested in a political show, political grandstanding, than they are in helping the farm families of this province.

Mr. Speaker, this government has done more in the way of assistance to agriculture . . . We've got more assistance from Ottawa, from our federal government than that opposition ever did in all their years in government. This government has delivered literally hundreds of millions of dollars; in fact there's been billions of dollars provided to Saskatchewan agriculture. We provided low interest protection, interest rate relief. There again, not only to Saskatchewan agriculture, but also to other citizens of Saskatchewan, our home owners, business people.

Mr. Speaker, we've done much to protect Saskatchewan farmers from the ravaging effects of drought and the low prices. Mr. Speaker, we've had our Canadian crop drought assistance program to which Saskatchewan has contributed. We had the farm purchase program with

interest rate rebates and relief, and the counselling and assistance for farmers program to assist those who've had difficulties getting operating money and loans from the institutions. There's been production loans, interest subsidy. One program alone — \$73.2 million.

Mr. Speaker, there's been other programs — livestock cash advances, interest free; Mr. Speaker, there's been many programs put forward by this government.

In reflecting and looking at agriculture, I don't need to go over the difficulties that have faced our communities over the past number of years, Mr. Speaker, many difficulties brought on because we've been totally dependent on one industry, and even within that industry, almost totally dependent on one crop. Mr. Speaker, it is a serious problem; there's serious conditions out in Saskatchewan agriculture, and we recognize that.

But I do want to emphasize that this government has vowed to stand with the farmers in these tough times, and we've vowed to do what it takes to find both immediate, short-term, and long-term solutions to the farming crisis in Saskatchewan.

Mr. Speaker, as I said before, we've had some programs that have been in place to deal with some of those problems, and they have helped. ACS has put programs forward more recently to assist farmers who have lost land, to give them the opportunity to get re-established in agriculture. I talked to a constituent of mine just last week who was very pleased with the success of that program. He said, I don't know what the future's going to hold, because I don't know what the market place is going to do or what the weather is going to do. But he was extremely appreciative of the fact that ACS had stood with him and provided assistance for him to be able to carry on with the family farm operation.

Mr. Speaker, this government has put forward the problems of agriculture, not just in Saskatchewan but all through western Canada and all of Canada, to the federal government. We've argued and had the arguments brought forth, for instance, in Geneva, the general agreement on tariffs and trade, to eliminate unfair advantages to small grain-producing countries. Mr. Speaker, we've recognized and I think everyone recognizes what a lot of the problems are.

The major problem is that there's not enough cash generated. The price of the product that is produced is not high enough. Directly related to the subsidy programs of the European community and the United States treasury, Mr. Speaker, the province of Saskatchewan is in no position and are not prepared to take on those major trading blocs in the world.

Mr. Speaker, we've always said that it's a federal government responsibility and they must accept that and deal with it. Mr. Speaker, this government, as I said, is committed to protecting farmers from things that are beyond their control.

Mr. Speaker, for a period of time when this session started there was a ray of hope perhaps, a glimmer, that even this opposition, the members opposite, to their credit, agreed

with the government on some of those issues, on some of those stands.

They agreed that cash for this spring seeding should come from the federal government. Mr. Speaker, just a few short weeks ago in this very Assembly we had a resolution that called on the federal government to keep its responsibility to the farmers of Saskatchewan and western Canada — a resolution, Mr. Speaker, I might remind you, that was passed unanimously by every member of this House.

Mr. Speaker, I thought at that time perhaps the members opposite were prepared to stand shoulder to shoulder with the farm groups in this province and with the government in calling on the federal government to accept its responsibility to set aside their political bias, their political ideas, and to work to some real solutions.

Mr. Speaker, those members opposite and their leader very, very clearly also called on this government to implement a spring seeding loan program; a program to make sure that the farmers of Saskatchewan would have the cash in hand to be able to do a good job of putting the crop in; to provide for the inputs: seed, fuel, chemical fertilizer, repairs for machinery, Mr. Speaker. That's what they called for.

Mr. Speaker, our Minister of Agriculture, the Premier of this province, and this government has delivered that to the people of Saskatchewan announced in our budget just a couple short weeks ago. Mr. Speaker, almost before the words were uttered by the Minister of Finance, members of the opposition had changed their mind. They'd somehow decided in their wisdom that now that wasn't what they'd needed. Mr. Speaker, they reneged on their calls and on their commitment to the people of Saskatchewan.

They don't believe that farmers should have that money in their hand in a loan program to provide for those inputs that are necessary for them to be able to do a good job. Mr. Speaker, we do have good producers in Saskatchewan. They can compete on a production basis with anyone, Mr. Speaker, but they can't compete with the treasuries of the United States and the treasuries of Europe.

Mr. Speaker, I think one of the most important things about this program is the fact that there was input by the various farm groups in Saskatchewan: the Saskatchewan Wheat Pool, the wheat growers, the National Farmers Union, cattlemen's association, and others, including Saskatchewan Association of Rural Municipalities. They called for such a program. They had input into designing the program and in setting the qualifications for it.

Mr. Speaker, by the motion that we have before us this afternoon from the members of the opposition, they have just demonstrated that they broke ranks with those very groups in Saskatchewan who are representative of the farmers and the producers of this great province.

Mr. Speaker, I believe that's despicable. I believe it is nothing more than cheap, cheap gutter politics, but then again, Mr. Speaker, within this province and after the number of years and the experience throughout earlier

years with the way they dealt with agriculture, the disregard that they paid for it, Mr. Speaker, perhaps we shouldn't be too surprised. They're only once again demonstrating what they've been so capable of doing in times past: say one thing, do another.

Mr. Speaker, I'd like to congratulate those groups of Saskatchewan who are providing that leadership, who are providing ideas to work toward solutions for Saskatchewan agriculture.

The bottom line, Mr. Speaker, is this program is going to give farmers the money that they need to get this year's crop in the ground. Mr. Speaker, our provincial commitment has not stopped there. It also contains an additional \$400 million in spending and tax assistance to our farm sector. That, Mr. Speaker, is in total almost \$1 billion for our agriculture sector in Saskatchewan.

Mr. Speaker, the members opposite want to holler from their seat. They don't want to hear about what is happening out in the rural parts of our province, and I don't believe that they really care. They want to only use the difficulties that some people find themselves in, to attempt to make political gain from it as opposed to work with them. They don't want to hear what has been done for agriculture; no, only politics.

Mr. Speaker, the people of this province, our farmers and the farm families, the people of our communities want more than politics. They want to see agricultural policy. Mr. Speaker, they've asked for help, they've asked for assistance, and this government has delivered.

(1645)

I believe that it's time that the members opposite took a responsible position, considered the seriousness of the situation out there, and accepted the responsibility that goes with the position that they have and join with the producer groups in Saskatchewan, join with the representatives of the farming community, the members of our communities, and to hold together with this government to deal with our federal government in Ottawa, to have them live up to their responsibility and their commitments to the farmers in western Canada and, more importantly, here in Saskatchewan.

Mr. Speaker, it's a time for unity, not a time to get in the gutter and play politics. Mr. Speaker, we have to have that with the government, with the opposition, and with the farm groups that are out there. It's time that all members worked together to find long-term solutions to the farm debt crisis and to bring greater stability to this province's farming communities.

Mr. Speaker, I believe it's incumbent to not only work on the problems of agriculture but also seek other ways to diversify our provincial economy and to provide jobs and to provide a better place for us all to live.

Mr. Speaker, as I listened to the previous members talk, it seems that there's nothing that's right out there. They don't have the faith in the people of Saskatchewan. They're against upgraders. Mr. Speaker, I don't know what the people of Lloydminster would say, but I suggest

that if the member from Quill Lakes went and suggested to them, as he did in this House a few minutes ago, that we shouldn't be building upgraders in Saskatchewan, they would likely throw him out of town. As well they should — as well they should.

Mr. Speaker, for the members to stand in their place and suggest that we should not diversify our forest industry and to help build on that resource for diversifying of our economy, I wish that they would go to Prince Albert. I wish the members from Prince Albert would stand up and speak to the motion of the member from Humboldt, who suggested that this has done nothing by building a paper mill to diversify the economy.

Mr. Speaker, I don't believe the people from Prince Albert and area would stand for that and nor should they.

Mr. Speaker, they don't want to talk about fertilizer in Saskatchewan. This province consumes and uses more fertilizer than any other place in Canada. We have the natural resources necessary to manufacture our own, and yet they're against that. They don't want to see farmers get lower input costs.

Mr. Speaker, they say, don't diversify. Buy it from someone else. Let the jobs go to Alberta. Let the jobs go to the United States. Mr. Speaker, I say that's wrong. I say we have an opportunity to build on our resources here, to provide a product that we need here. Mr. Speaker, I believe it's right and I believe the people of Saskatchewan agree with that.

Some Hon. Members: Hear, hear!

Mr. Sauder: — Mr. Speaker, it's only going to be through building together with the people of Saskatchewan, through building on our resources and our natural strengths, that we're going to have a diversified economy to meet the challenge of the future.

Mr. Speaker, if some of the diversification would have been done throughout the '70s, and the '60s, through the buoyant years of Saskatchewan's economy, we likely overall wouldn't be facing the situation that we are today, where we're still almost totally dependent on one industry. Therefore, Mr. Speaker, after considering this motion and the way it's put forward, I find that it's impossible to support.

Mr. Speaker, I would therefore move, seconded by my colleague, the member from Shaunavon:

That the words of this motion, "both the federal and provincial governments have" be deleted and substituted with the words "the official opposition has" and that all the words after the word "consideration" be deleted and the following substituted therefor:

by breaking solidarity with Saskatchewan farm families and by calling for a seeding loan program one day and opposing the same when implemented.

Thank you very much, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Gleim: — Thank you, Mr. Speaker. It's quite an honour to stand up here to speak to the amendment from the member from Nipawin.

I guess I can't tell you how it disappoints me to see this type of motion come before the motion by the member from Humboldt. It is not my intention to be at all partisan in my comments, Mr. Speaker, but I must say that given the dire straits for farmers, that the farmers are in, we can hardly afford to take the time to debate unfounded claims which, ironically, are highly political in both origin and intent.

In passing the all-party resolution, Mr. Speaker, with a respect to the crisis of agriculture, this Assembly agreed that the financial situation for farmers is critical right now and highly important to the province of Saskatchewan as a whole in getting the \$500 million payment from the federal government.

I must take issue with the allegations made by the members across the floor who say that the provincial government is involved in some type of conspiracy with the federal government in which farmers of this province and western Canada are pawns of.

As you know, Mr. Speaker, it is really disheartening to see the kinds of political games that are being played by the members across the floor. Playing games with the people of this province in times like this, Mr. Speaker, is unbelievable.

On March 29, criticizing the Saskatchewan seeding program, which they did — announced by the government — as being insufficient and irresponsible, while on February 26, Mr. Speaker, they were proposing an almost identical program to the federal Minister of Agriculture; using the needs and desperation of the NFU members, Mr. Speaker, bringing in the radical SGEU (Saskatchewan Government Employees' Union) members to tell those people who just wanted to try and make a difference what to do and what to say; using the need of these innocent people to their own end, Mr. Speaker, that is incredible too, Mr. Speaker.

And why, Mr. Speaker? It certainly isn't because the situation in agriculture no longer requires that concentration effort, Mr. Speaker. It's entirely due to the political mileage they figure to get out of this, Mr. Speaker. The unfortunate thing, Mr. Speaker, is that they, just like us, are supposedly representing the interest of their constituents — supposedly, Mr. Speaker.

And I'll ask you, does anyone who is seriously acting in their best interest of the people they represent in their organization, purely, I guess it's purely evident — and to distract from and undermine the unified position on the important issue of federal agricultural assistance, Mr. Speaker, a position in which we have faced the federal government with that many in this province have been working on for months. A united effort by, Mr. Speaker, that has all of us doing our best to get some federal money in the farmers' pockets this spring.

No, Mr. Speaker, the only interest that those members are tending to are their own, Mr. Speaker. And I tell you, Mr. Speaker, it is an outrage that they are doing their constituents such a disservice, and it is an outrage that they jeopardize the hopes and efforts of many to satisfy their own selfish agenda.

For months, Mr. Speaker, our Premier has been lobbying the federal Department of Agriculture in hopes of getting that money we so desperately need, Mr. Speaker. He has been putting financial pressure to help the farmers, and under the terrible debt load of their . . . (inaudible interjection) . . . Just listen. You'll get interested after a while here.

He has been consulting with farm groups and leaders of the agricultural industry and organizations who represent the interests of Saskatchewan people, not to mention other provincial ministers of Agriculture across western Canada.

I know this is not very interesting to the people across the way, but I guess I could even tell why, because, Mr. Speaker, they have no interest in the agricultural industry in Saskatchewan, and you can tell why.

Some Hon. Members: Hear, hear!

Mr. Gleim: — Mr. Speaker, I just want to say a few things about some of the things they talked about across the way over there just a minute ago, about the member from Humboldt and the member from Quill Lakes. They talked about income stability and grain; they talked about the disgrace of the \$525 million; they talked about disgrace of the Lloydminster upgrader; they talked about *ad hoc* programs, Mr. Speaker; they talked about deficit; they talked about interest rates.

I'm going to talk about all those things right now, Mr. Speaker, because I think they should be reminded of those things because those are some of the things that those people across there . . . There's probably five or six sitting there today that were members of the government at that time that didn't do anything, Mr. Speaker, about that.

Some Hon. Members: Hear, hear!

Mr. Gleim: — They talked about the \$525 million seeding program that we have out there, Mr. Speaker. They made a joke of the ten and three-quarter interest rate, Mr. Speaker. That is no joke, Mr. Speaker. If any of you people have ever loaned any money, maybe you don't owe any money. You maybe don't know what 6 per cent means or 7 per cent. It means a lot of money in all of our pockets, Mr. Speaker. Just because there's not a big long figure, Mr. Speaker, doesn't mean to say the people don't appreciate it, Mr. Speaker.

I'd like to remind the member from Quill Lakes and the member from Humboldt, they talked about *ad hoc* programs. *Ad hoc* programs aren't the answer, Mr. Speaker, but I'll tell you what — any program at all is better than no program at all, Mr. Speaker. And that's what they have, they have no programs, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Gleim: — They talked about the high interest rates. I don't ever remember — I repeated it last week — I don't ever remember when the 22 per cent interest rate was here, did anybody come to us and ask, do you need help? No, Mr. Speaker, nobody come and asked us for help, Mr. Speaker. They said, it is your problem, it is not our problem. It is the federal government's problem. Now they're saying, it's your problem; it's our problem.

They talked about fairness, Mr. Speaker, I never seen any fairness before 1982. I didn't see anything fair about the land bank program, Mr. Speaker. I didn't see anything fair about people bidding against each other on land, Mr. Speaker. And I didn't see anything fair about the government bidding against my neighbour, Mr. Speaker. If you call that fairness, Mr. Speaker, I guess I'm very disappointed in you people across the way.

The member from Humboldt talked about change. He says there's going to be a change. That is right, Mr. Speaker. They forgot about change. That's why the people said, we want a change, and they changed it in 1982, Mr. Speaker. That was the first thing they did, they changed government, Mr. Speaker, because there was nobody out there to help them.

Mr. Speaker, I want to remind you people across the way just some of the things we have done since 1982, Mr. Speaker. The member said we didn't spend any money. We didn't spend the public's money, but that we gave it back to the people that needed it. There's over \$8 billion, Mr. Speaker, between the federal and provincial governments that have given the people, the farmers of Saskatchewan, help with, Mr. Speaker.

There's \$944 million, Mr. Speaker, that was given out in provincial funds, Mr. Speaker, just to help the agricultural industry. The farm purchase program, Mr. Speaker. Mr. Speaker, I guess I could go on for another half an hour on just on this page here, Mr. Speaker. But being it 5 o'clock, I beg leave to adjourn debate, Mr. Speaker.

Some Hon. Members: Hear, hear!

Debate adjourned.

The Assembly adjourned at 4:59 p.m.