

April 24, 1990

The Assembly met at 2 p.m.

Prayers

ROUTINE PROCEEDINGS

INTRODUCTION OF GUESTS

Mr. Lautermilch: — Thank you, Mr. Speaker. I would like to introduce to you, and through you to members of this House, three guests in your gallery. Two of your guests are from my riding, the riding of Duck Lake, Prince Albert-Duck Lake, Mr. and Mrs. Eugene Tournier. They're accompanied by their niece, Isabelle Mahé.

I would like to say just a couple of words about Mr. Tournier. Mr. Tournier had served the RM of Duck Lake as reeve for a number of terms. He served his community well and has gained the respect of the residents of his community and of his area. I would want to say that I've sought his counsel on many occasions. His wisdom has certainly helped me to do my job, and I would ask all members to give them a warm welcome to the legislature.

Hon. Members: Hear, hear!

Mr. Muirhead: — Mr. Speaker, it is a great pleasure this afternoon to introduce to you and to members of this legislature a group of students from Hawarden School, Hawarden, Saskatchewan. They are 23 in number and they're sitting in your gallery, Mr. Speaker, the Speaker's gallery. These students are comprised of students from grades 4 to 8. I'll be meeting with them, Mr. Speaker, after question period for drinks and questions and pictures.

They are accompanied, Mr. Speaker, by teachers Shelley Steinke, Don Remizowski — I ask for forgiveness if I didn't pronounce these names right — and also chaperon Annette Jess. I ask all members of the legislature to join with me in welcoming this group to Regina, to the legislature today, and wishing them a safe journey home. Thank you.

Hon. Members: Hear, hear!

Hon. Mr. Martin: — Thank you, Mr. Speaker. I too would like to introduce some students to you, and through you to the other members of the House. In your gallery, Mr. Speaker, some 27 grade 5 students from Wilfrid Walker constituency — grade 5 students, Mr. Speaker. For many of them it will be the first opportunity for them to be in this House. We'll have an opportunity to talk about that a little bit later on. I'll be joining them for pictures and for drinks some time after question period.

Mr. Speaker, I'd like to ask you and all members to join me in welcoming the grade 5 students from Wilfrid Walker School to your Assembly today.

Hon. Members: Hear, hear!

ORAL QUESTIONS

Federal Funding for Agriculture

Mr. Upshall: — Thank you, Mr. Speaker. Mr. Speaker, my

question is to the Premier, the Minister of Agriculture. Mr. Minister, you said you had a commitment in funds for hard-strapped farmers. Mr. Mazankowski says the money's on the table and negotiations are under way. He also says that there will be agreements with individual provinces, and the federal government will be flexible in terms of giving credit for provincial programs.

Well, Mr. Minister, you and Mr. Mazankowski may know what's going on in regards to this, but the farmers simply have no idea. Can you, Mr. Minister, tell this House today and tell Saskatchewan farmers at what stage this province is at in terms of negotiations of deficiency payments with Ottawa.

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Mr. Speaker, I'll thank the hon. member for the question about agriculture. I will inform the hon. member that just yesterday or the day before I sent a letter and a telex, and it's been public, to the Minister of Agriculture for Canada, Mr. Mazankowski, outlining again our resolution here in the legislature, supported by yourself, both sides of the House, that indeed the federal government provide \$500 million cash now, \$400 million in the fall, and a billion dollars in a contingency fund to fight the commodity wars that are going on.

In discussions with other agriculture ministers across Canada, I have complete unanimity that the provinces cannot match the federal government one to one in an expenditure ratio. In fact, I'm finding it now from the ministers of Health and the ministers of Education and other provincial counterparts, that it is just a very difficult precedent for the province to say, now it'll be one to one; we are just as big or just as strong or have just as much capacity as the federal government.

I've said this to Mr. Mazankowski and to federal cabinet ministers with the complete support of all the provinces, saying, we've put our money up; we have a loan program as you know, \$500 million; it'll cost us \$40 or \$50 million; now they can put their money on the Table. So we've made that very, very clear, Mr. Speaker, to the federal government and have complete support and almost unanimity, even in the farm groups, maybe except for one, that we hold the line. And even the Saskatchewan Wheat Pool, if I could quote Mr. Glenn McGlaughlin, for example, says: "The prairies can't afford to match the federal aid." So I . . .

Some Hon. Members: Hear, hear!

Mr. Upshall: — Well, Mr. Minister, while you are sending little notes back and forth to Ottawa, Saskatchewan farmers are having one awful time getting enough money to get their crop in the ground this spring because they won't take their spring seeding loans.

Some Hon. Members: Hear, hear!

Mr. Upshall: — You talk about negotiations. Mr. Minister, it didn't take you very long to negotiate a deal with Weyerhaeuser or Pocklington or Cargill or Chuck

Childers, but when it comes to negotiating on behalf of Saskatchewan farmers, time seems to be no factor for you.

Mr. Minister, I ask you one simple question. On behalf of the farmers of rural Saskatchewan, can you tell this House when they can expect to see cash in hand with regards to this payment?

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Mr. Speaker, there's nobody in Canada that wants to see money in the hands of farmers, and particularly Saskatchewan farmers, than I do. I want to see it there now and I want to see it federal money. I don't believe that we should tax Saskatchewan people any more to try to bail out the federal government.

As you know, Mr. Speaker, the state the North Dakota does not fund the export enhancement program; the state of Montana does not pay for the deficiency payments. Saskatchewan people cannot take borrowed money and compete with the German treasury or the United States treasury or other treasuries. We've made that point very, very clear.

So we expect the federal government, if they have the money available — pay it. And I think it's fair to even say that an MP from Saskatchewan, that you would probably know, stood up and said the very same thing. Look it, the provinces have got their programs out — pay your money out. I agree. I want to see the federal government to pay the money out right now, Mr. Speaker.

Mr. Upshall: — Mr. Minister, the problem is you should have had this deal negotiated long, long ago.

Some Hon. Members: Hear, hear!

Mr. Upshall: — All I'm asking you is to let Saskatchewan farmers know where they stand. Can you just give us some indication today, first of all, if that's your bottom line, that you're going to put no money in? And secondly, just give the farmers an indication of whether or not they can expect to see cash in hand before the beginning of June or after the beginning of June.

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Mr. Speaker, I'll just say to the hon. member, because I know, and let's make it very clear, that he has said and his leader has said to others that we should bail out the federal government. Now I'll just make it very clear. We are now paying for a good part of crop insurance. We paid a good part of the production and drought program. We're seeing off-loading with respect to several other programs, Mr. Speaker. And if the NDP want us now to take over the federal responsibility — I know by their silence that they must have agreed now to forgive the production loan program which is \$500 million. By their silence they admit to a five-year moratorium which the credit unions don't like.

Mr. Speaker, the resolution in this House, agreed to by everybody, is where I stand. If you're getting weak-kneed, that doesn't mean we are. We are going to stand behind the farmer and ask for federal money, and we're not going

to cave in to anybody else.

Some Hon. Members: Hear, hear!

University Tuition Increases

Mr. Rolfes: — Mr. Speaker, I have a question for the Minister of Education.

Mr. Minister, like many people in this province, I was shocked and dismayed to hear the University of Regina indicating that they will increase student fees by 9.7 per cent. And it's contemplated that the University of Saskatchewan will have to increase tuition fees by a minimum of 10 per cent.

Mr. Minister, let me remind you that tuition fees since 1982 in the College of Arts and Science has gone up from \$815 to \$1,478 with the anticipated increase, and in dentistry has gone up from \$1,200 to \$2,184. Mr. Minister, that's a whopping 82 per cent increase.

My question to you, Mr. Minister, is this: how do you justify the policies of your government which simply makes it impossible for many of our students, many of our young people, to get a university education? How do you justify that, Mr. Minister?

Some Hon. Members: Hear, hear!

Hon. Mr. Meiklejohn: — Mr. Speaker, I point out to the member opposite that any increases in the tuition fees at the universities in Saskatchewan are well in line with increases at other universities throughout Canada. There's no doubt about it that costs are going up in the operations of our universities. But I would also add that the contribution that students are making is still somewhat in the same neighbourhood of 16 per cent of the total cost of their year at university. And I would suggest, Mr. Speaker, that that is the same as what it was when that party was in power.

Some Hon. Members: Hear, hear!

Mr. Rolfes: — Mr. Speaker, new question to the Minister. Mr. Minister, if you want to, you go to the university students at the U of R and the U of S and you justify an 82 per cent increase to the students of this province. You justify that to them.

Mr. Minister, let me remind you that the tuition fees at the U of R are the highest, are the highest in the prairie provinces. That is before the increase. The tuition fees at the U of S are the second highest, second highest in the prairie provinces. Mr. Minister, don't tell the students of this province how lucky they are because tuition fees have only increased by 82 per cent. The warped priorities of your government, Mr. Minister, is forcing our students, is forcing our students not to get a university education. I'm asking you again, Mr. Minister, when will you stand up for the young people of this province and guarantee them a university education which is affordable and attainable? When are you going to stand up and do your job?

Some Hon. Members: Hear, hear!

Hon. Mr. Meiklejohn: — Mr. Speaker, it's interesting when the member opposite stands in his place and rants and raves, but there's clear indication that higher tuition fees have not had a detrimental effect on students attending university. All he has to do is take a look at the increase in the enrolments that we have had.

And I would also point out, Mr. Speaker, I would also point out that a study that was done in this country not so long ago, Mr. Speaker, clearly pointed out that there is no evidence that higher tuition fees, there is no evidence that higher tuition fees will keep people out of universities or that lower fees will encourage greater participation. Mr. Speaker, this is a study that was done in universities all across this country.

And I would also point out, I disagree strongly with the information that he is giving us here today with regard to where we stand in comparison to other universities in western Canada. Not too long ago, I believe the University of Calgary announced that their tuition fees were going up 15 per cent.

This is something that is not just unique to Saskatchewan. We understand that our operating costs are going up. The operating budgets, the grants that we have provided for the universities are also going up. This government has also provided an enhancement fund and a University Renewable and Development Fund that has gone towards the university, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Rolfes: — Mr. Speaker, new question to the minister. I'm very glad that I've finally drawn out from the minister that he is in favour of much higher tuition fees for the students of this province. Eighty-two per cent, obviously, Mr. Speaker, isn't enough for this minister. How much, Mr. Minister, do these tuition fees have to go up before they can satisfy you and your philosophy?

Mr. Minister, your underfunding of universities has caused crowded class-rooms — has caused crowded class-rooms. Mr. Speaker, the funding of the universities has meant that we have quotas and accessibility of university students has been denied.

Mr. Minister, I'm asking you again: where is the fairness? Where is the fairness to our young people? Where is your commitment to the young people, and when are you going to stand in your place as a Minister of Education and support our young people and a future for our young people in this province, not in another province where they have to attend university?

Some Hon. Members: Hear, hear!

Hon. Mr. Meiklejohn: — Mr. Speaker, I certainly am not in favour of seeing tuition fees grow out of reach. But at the same time, Mr. Speaker, I am realistic to the fact that tuition fees have to increase somewhat each year to help meet the increasing costs of university. And that's being fair, Mr. Speaker.

I would also like to quote, Mr. Speaker, that Brian Tinker,

vice-president of finance at the University of Calgary and a former vice-president at the University of Saskatchewan, has agreed that in times of financial restraint by provincial governments, universities can rely more upon tuition fees without jeopardizing accessibility.

Now when this member stands in his place and talks about crowded space, maybe it would have been a good idea when that group was in power back in the 1970s when the economic times were pretty good in this province, they should have been building a little bit of space, Mr. Speaker, because it's resulted from in expenditures in that particular time, putting money into holes in the ground, buying potash mines instead of investing in education in this province.

Some Hon. Members: Hear, hear!

Private Vocational Schools

Mr. Prebble: — Mr. Speaker, I have a question for the Minister of Education. Mr. Minister, last year you put \$22.2 million into student loans for students attending private vocational schools. And at the same time you've restructured the student aid program so that, as you well know, virtually no university students are now eligible for forgivable loans. But at the same time, because private vocational schools are charging tuition rates in the range of \$4,000, many of those students are eligible for forgivable student loans. And of course that money is a public subsidy to the private schools, many of which are of questionable quality.

Now my question to you is this, sir: how do you justify subsidizing the excessive tuition rates at private vocational schools, while public post-secondary education in this province goes begging? You are in effect funding the privatization of education at the expense of our young people who are trying to get a university education.

Some Hon. Members: Hear, hear!

Hon. Mr. Meiklejohn: — Mr. Speaker, this government has done much more for the provision of education for some of those people who are in need than that party ever did. Let's be sure of what we're talking about here when we talk about student aid fund and the amount that's going to private vocational schools.

Private vocational schools have been around this province for many, many years and providing very, very good service.

I've indicated in here before that we realize that there are some problems and we are addressing those problems, that not too long ago we closed one of the private vocational schools because they were not following the rules.

Mr. Speaker, I've also indicated that we're in the process of developing new regulations. They are now in the drafting stage. We are also going to be bringing in new criteria as it pertains to student loans. But I would say, Mr. Speaker, that we have been more than fair in the student

loan program that we have had in this province in making it accessible for people and also allowing them ample opportunity to attend some of our post-secondary institutions.

Some Hon. Members: Hear, hear!

Mr. Prebble: — Well, Mr. Minister, if you're looking for the shortfall in this province for dollars for university education, you'll find a good part of it in the money that you are putting into subsidizing private vocational schools in this province.

I have a supplementary question to the minister, Mr. Speaker, and it relates to his remarks at the STF (Saskatchewan Teachers' Federation) convention last week that his government is looking at tightening up on student loans. Will you give this House your assurance, Mr. Minister, that if you take that course of action you will tighten up student loans going to those privatized education operations which are of questionable value, that you won't look at tightening up student loans for university students, many of which, Mr. Minister, face a situation where you haven't even indexed their loans for inflation in the last several years.

Some Hon. Members: Hear, hear!

Hon. Mr. Meiklejohn: — I think, Mr. Speaker, we could almost have an indication from the member opposite that if the time should ever come they're in power, they would close all the private vocational schools.

Mr. Speaker, as I have . . .

The Speaker: — Order, order.

Hon. Mr. Meiklejohn: — I indicated earlier, Mr. Speaker, that we are looking at making some very severe changes to the student loan fund and particularly as it applies to the private vocational schools. What we're doing as far as the student loan fund, or student aid fund for university students, we're going to be making it much easier, I think, Mr. Speaker, for some of them to get loans.

We recognize the fact that there are some conditions that have been difficult for students to meet in these tough economic times and we are making changes, Mr. Speaker, to help those who are going to our technical institutes and our universities.

Some Hon. Members: Hear, hear!

Mr. Prebble: — A supplementary question, Mr. Speaker. Mr. Minister, if you're asking us would we close down private vocational schools that are ripping off students and providing second-rate quality; those that do, yes we will, Mr. Minister, unless they meet our new strict regulations.

Some Hon. Members: Hear, hear!

Mr. Prebble: — We want to see private vocational schools in this province strictly regulated. And my question to you, Mr. Minister, is this. You've been talking about new regulations now in this province for three

years. We urgently need them. And my question to you, Mr. Minister, is when will we see you introduce in this Assembly, give us a specific date when you will introduce regulations for private vocational schools that will have strict requirements with respect to the training and qualifications of teaching staff and with respect to the quality of the curriculum that's going to be offered in this province.

Some Hon. Members: Hear, hear!

Hon. Mr. Meiklejohn: — Mr. Speaker, I'm fully aware of the three major concerns that have to be addressed in the change to the regulations. We have to ensure that the teachers that are teaching in the private vocational . . .

The Speaker: — Order, order. I'm going to have to interrupt the hon. minister. There are several question periods taking place simultaneously, I'm afraid. Let's stick to the one, the original one, and the Minister of Education is replying.

Hon. Mr. Meiklejohn: — Mr. Speaker, I am well aware of some of the major concerns that exist with private vocational schools as it relates to quality of the instructors, the quality of the programs, and also the entrance requirements to get into some of the private vocational schools.

Mr. Speaker, private vocational schools are providing for the most part a very good service in this province, and will continue to do so. What we have to ensure is that we do protect those students who are enrolling in them. As I've indicated in the past, and I'll say it again, the regulations are now at the drafting stage, and as soon as they're ready I will be very happy to provide the individuals on that side of the House with a copy of those regulations.

The new regulations, Mr. Speaker, will address all of the concerns that are being raised by that member opposite.

Some Hon. Members: Hear, hear!

Student Job Program

Mr. Pringle: — Thank you Mr. Speaker. Mr. Speaker, my question is for the minister of the families. Mr. Minister, six months on the job now, at a cost of some \$240,000 in salaries alone, yet what is truly important for Saskatchewan families is being undermined, Mr. Minister, and that is opportunities for young people.

As thousands of students begin to look for summer employment to help pay for their education with the increased tuition costs, your government is cutting these opportunities again, Mr. Minister. My question is: why have you cut the opportunities program for students by some 21 per cent, with a loss of 600 jobs, Mr. Minister?

Some Hon. Members: Hear, hear!

Hon. Mr. Martin: — Mr. Speaker, the minister who ordinarily would answer that isn't here. We have the opportunities . . .

The Speaker: — Order, order!

Hon. Mr. Martin: — Mr. Speaker, we have I think this year, one of the most interesting programs this province has had in many, many years. And that's the environmental program, Mr. Speaker, in which a great deal of money is being spent to hire young people to go around this province and in a youth corps, as it were, Mr. Speaker, to deal with environmental issues around this province. I know that the young people of this province will be terribly excited about this opportunity, Mr. Speaker, and I am delighted to have the opportunity to answer the question.

Some Hon. Members: Hear, hear!

Mr. Pringle: — Thank you very much. New question, Mr. Speaker. Mr. Minister, that will create 100 jobs, according to your minister. Mr. Minister, it's time for you to be accountable. Your job is to assess the impact of government policies on young people and families, and with respect, you have failed that miserably, Mr. Minister.

Now listen, over 65,000 people have left this province since 1985, half of those under the age of 34. Your government's policies are forcing families and young people to leave Saskatchewan. You have done nothing, your department has nothing to reverse this trend. My question is, how many young people are going to have to forego a university education, or worse, leave the province, Mr. Minister, to find summer employment?

Some Hon. Members: Hear, hear!

Hon. Mr. Martin: — I am delighted to have the opportunity to speak about the Family Foundation. Since we've been in this office since October 3, I've met with literally, well I can almost say thousands of people around this province, many of them young people — young people who have talked about the problems, Mr. Speaker, that they're having in their communities. Young people of this province, Mr. Speaker, are telling me that the biggest single problem they're having in the province is communication with their parents. They're not talking about jobs, although we are addressing the jobs. And I am delighted to say, Mr. Speaker, that the Minister of the Environment will very shortly be announcing the environmental program, the youth corps for environment, Mr. Speaker, around this province.

But let me speak for a minute about the family foundation and the family forums that we've been having around the province. Recently, Mr. Speaker, I had the occasion to be in Gull Lake, Saskatchewan — just between Swift Current and Maple Creek, in that area — and, Mr. Speaker, there were a thousand people there on this Tuesday morning in Gull Lake High School to talk about the problems that they were having in their particular school, Mr. Speaker. A thousand people, many of them young people, who wanted the opportunity to talk about their problems, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Pringle: — Mr. Speaker, a new question to the Minister of the Family. That is the most irresponsible answer . . .

The Speaker: — Order. Question period is almost ended. If hon. members would just relax, we could all get through it and the member for Eastview could put his question and the minister he's putting it to could answer. But we're having difficulty at this point.

Mr. Pringle: — Mr. Speaker, my question is to the Minister of the Family. Mr. Minister, that is the most irresponsible answer I have ever heard in this House.

Some Hon. Members: Hear, hear!

Mr. Pringle: — You've got money for Chuck Childers, you've got money for Cargill, you've got money for GigaText, but you've got no money for summer students, Mr. Minister. And it's time you were responsible for that.

Over the last four years, your government has cut summer employment by one-third, Mr. Minister. At the same time you have put many restrictions on the hiring of summer employment, summer students. Why do you continue to exclude municipalities and non-profit organizations, two sectors which have been very successful in creating summer employment? Why do you continue to restrict them from your provincial program?

Some Hon. Members: Hear, hear!

Hon. Mr. Martin: — Mr. Speaker, on two occasions now I have spoken about the youth core for environment that'll be around the province this year. We have not cut the funding. As a matter of fact, Mr. Speaker, we have increased the funding in student hiring this summer because a lot of that money, the money that formerly just went to student jobs, is now going to the youth core for environment.

Mr. Speaker, let me talk about drug abuse. For the first time in the history of this country, for the first time in the history of this country . . .

The Speaker: — Order, order. I'm going to give the minister the opportunity to conclude his remarks.

Hon. Mr. Martin: — Well, Mr. Speaker, he asked a question about youth problems. Okay? All right.

The Speaker: — Order, order.

Hon. Mr. Martin: — Thank you, Mr. Speaker. With any luck at all I'll get an opportunity to answer the question. Apparently they don't want to hear the answers, Mr. Speaker, because the problems of youth were addressed in this province several years ago. The first time in the history of this country an adolescent drug clinic was opened at Whitespruce in the Yorkton area. During the years that they were in power, there was just as much drugs, perhaps even more; they didn't address the problem.

Mr. Speaker, there are a number of job opportunities for students this summer. If we had an opportunity to diversify, which we'd like to do . . .

Some Hon. Members: Hear, hear!

The Speaker: — Order, order. I know the weather's nice, and I'm not sure if spring fever has come to the Legislative Assembly as well. But I'd just like to ask you to please refrain and allow the business of the day to carry on.

INTRODUCTION OF GUESTS

Mr. Shillington: — Thank you very much. Mr. Speaker, we have in our gallery 17 students from SIAST (Saskatchewan Institute of Applied Science and Technology) who are here visiting us . . .

The Speaker: — Order, order. Leave, I assume, is granted.

Leave granted.

Mr. Shillington: — Mr. Speaker, we have 17 students from SIAST who are visiting with us today, accompanied by their teacher, Sheila Cressman and Ruth Quiring. I trust they found question period enlightening. And I don't know whether or not the same standards of behaviour apply in their class-room as apply here, Mr. Speaker, but I hope they enjoyed it and found it interesting.

I regret very much that for reasons beyond the control of any of us I will not be able to meet with them afterwards.

Hon. Members: Hear, hear!

TABLING OF REPORTS

The Speaker: — Before orders of the day, I would now like to table the Commonwealth Parliamentary Association, Saskatchewan Branch's 21st annual report, 1989.

ORDERS OF THE DAY

GOVERNMENT ORDERS

MOTION UNDER RULE 16

Construction of Fertilizer Plant at Belle Plaine

Mr. Hopfner: — Thank you, Mr. Speaker. It gives me pleasure to rise today and move, seconded by the member from Shaunavon, this motion under rule 16. From what we've seen in question period, Mr. Speaker, and from members of the opposition in their carrying on in this legislature during question period and opposing all various applications for its diversification in this province, it's no wonder why we have to speak about such a motion in this Assembly.

Let me just say that this is a pleasure for me to move such an important motion, a motion which symbolizes the commitment of this government to keep on building this province even during difficult economic times.

Mr. Speaker, I do not have to go over the litany of difficulties facing Saskatchewan. It would be sufficient to say that these are very challenging times — times which require leadership and vision. And as we plan for today and prepare for tomorrow, I can say with confidence that the Premier of Saskatchewan and the government he leads are just doing that, sir, meeting that challenge

head-on.

Mr. Speaker, this government recognizes the need to establish a climate conducive to economic development and investment. This government has continually encouraged the growth and diversification of Saskatchewan business and Saskatchewan industry. And the Saferco fertilizer plant scheduled for construction at Belle Plaine is a perfect example of that commitment — a commitment, Mr. Speaker, which will result in new industry, new jobs, new revenue, and economic growth for the families of this province.

Our strategy, sir, is to build and diversify here in Saskatchewan, process our natural resources at home, and preserve for this province the benefits of those natural resources. Mr. Speaker, that's what the NDP are against, and that's what the NDP stand for as they oppose such diversification.

Mr. Speaker, I would like to point out to you that this province has between 45 and 50 per cent of all farm land in Canada. Almost half of all Canadian farm land is right here in Saskatchewan, and we are the fastest growing consumer of nitrogen fertilizer. Mr. Speaker, agriculture and natural gas are two of our primary industries, so it follows that producing our own fertilizer makes good, economic sense. By building Saskatchewan's first fertilizer plant, we will be bringing an entirely new industry to Saskatchewan, an industry that builds on our two major resources. Mr. Speaker, the Saferco plant will provide a boost to our hurting economy, and it will assure a ready supply of locally produced fertilizer for our farmers.

Saferco will also provide a significant new market for Saskatchewan's natural gas industry, and by utilizing the services of Saskatchewan's energy for gas procurement, Saferco will allow Saskatchewan gas producers of all sizes to participate in supplying the plant.

The bottom line, Mr. Speaker, is that it makes good, economic sense. Saferco, a Saskatchewan based operation, will involve thousands of Saskatchewan people in the development of their province and will bring the benefit home to our province where they belong.

And let me elaborate. It will provide between 600 and 1,000 new jobs during construction. It will permanently provide 130 jobs after completion. It will provide an additional 500 spin-off jobs. And, Mr. Speaker, the Buy Saskatchewan policy is in place for all phases of the project to maximize the benefit for Saskatchewan.

By capitalizing on the natural potential of this province and by building on the province's natural strengths, Saferco will enable Saskatchewan to diversify and expand its economy, and in doing so, will build a better future, not only for Saferco but for all of Saskatchewan.

And that's just the beginning, Mr. Speaker. The government partnership with Cargill allows us to ensure that the benefits are reserved for Saskatchewan. By guaranteeing the loan for Saferco, this government successfully competed with other jurisdictions to bring

that plant to Saskatchewan. Just as Saskatchewan wants a fertilizer plant, so does Alberta, Manitoba, Montana, and Germany. With the guarantee, Saferco can borrow money at a lower interest rate than otherwise possible and this makes the project even more economically viable.

The loan guarantee is a simple means of reducing the cost of the plant without really risking anything, and, Mr. Speaker, it costs the government nothing to guarantee this loan. It is costing us absolutely nothing, Mr. Speaker. In fact we are gaining by guaranteeing this loan. Saferco will be paying us, the Saskatchewan government, \$1.6 million a year for insuring their loan. It costs Saskatchewan nothing and yet we will be paid 1.6 million every year just for insuring the loan.

Saferco will also be paying the province of Saskatchewan \$21 million during construction and another \$24.8 million every year once the plant is fully operational — \$24.8 million a year, Mr. Speaker, in the form of corporate income taxes, capital taxes, personal taxes, natural gas royalties, and loan guarantee fees.

Mr. Speaker, we invested \$64 million in this project. Once Saferco is fully operational, our investment will be paid off in two years. With Saferco paying the province almost \$25 million each and every year, and by paying off our initial investment within two years, Saskatchewan will have an injection of some \$25 million into its budget every year — money which can be better spent on health care, on education, and on farm protection and development.

And, Mr. Speaker, that does not include the millions of dollars in extra taxes that will be produced by the \$300 million in new economic activity each and every year.

Mr. Speaker, yes, this is a sweetheart deal for the people of Saskatchewan.

Some Hon. Members: Hear, hear!

Mr. Hopfner: — A sweetheart deal because it is the families of this province that will benefit from the construction of a fertilizer plant.

This is a sure-fire situation, sir. By entering into a joint venture with Cargill, Saskatchewan immediately has access to the company's tremendous experience in fertilizer production. Cargill also, sir, has a solid business reputation and a reputation for quality products. Cargill also processes financial strength and stability, sir. So there is no fear that there will be a default on the loan.

And most importantly, sir, because Cargill is a multinational company, it has an instant distribution network of grain elevators in the United States. This means that Saskatchewan will have a large new market for Saskatchewan-made fertilizer. This means that Saskatchewan will unquestionably be able to compete with the rest and the best in the world.

Mr. Speaker, we are doing all of this without risking anything to the taxpayers of Saskatchewan. We are not risking their money. We are not risking their health. Mr.

Speaker, in fact Saferco will be one of the most environmentally safe fertilizer plants in the world.

Some Hon. Members: Hear, hear!

Mr. Hopfner: — Saferco has worked closely with the Department of the Environment, and they have incurred additional costs to ensure that this will be one of the most environmentally safe nitrogen fertilizer plants anywhere in the world.

We can also rest easy knowing that the selected contractor for this project is UHDE. Mr. Speaker, UHDE is a world-renowned leader in technology in plant construction. They will implement the proven state of the art technology to ensure that absolutely no liquid effluent will leave the plant site, none. Mr. Speaker, zero effluent, which is a good deal more than I can say about members opposite, and I think we ought to consider maybe an environmental review of the effects of the discharges of the NDP over their everyday works in this Assembly.

Mr. Speaker, Saferco will ensure that all regulatory requirements set by Saskatchewan Environment and Public Safety are stringently met. And we are not taking any chances with the health of Saskatchewan people and their environment. We are producing urea instead of an ammonia as primary product of Saferco.

(1445)

Mr. Speaker, urea is becoming the product of choice, both for health and safety reasons, and for environmental reasons. By replacing ammonia, Saferco will contribute strongly to the environmental protection, not only in Saskatchewan, but everywhere in the world that our fertilizer is needed and used.

Mr. Speaker, it escapes me how anyone could possibly have the logical justification for opposing this project, and I'm sure we're going to hear it today. There are no logical objections. There are the political reasons of the members opposite, of the NDP, the vain reasons they have, but there are no sane reasons, sir.

Mr. Speaker, this government has recognized the challenges of building a stronger and more diversified economy, and in Saskatchewan we are building. We are building a new and stable economic future for the people of this province through a new approach to an economic policy. An approach will result in new business, new jobs, new revenue, and economic growth for Saskatchewan, an approach that will keep our kids here, keep our dollars here, keep our government programs secure.

Mr. Speaker, a project such as Saferco reminds me of a project that is now going on in my own riding in the Cut Knife-Lloydminster constituency. We have an upgrader being built there right today as I stand here speaking to you. That project has been an agreement between the federal government, two provincial governments, Husky Oil. And I want to indicate to you, sir, that that too, an environmentally sound project which has created and will be creating thousands of jobs for the next years to come, will keep our people at home.

And I just want to indicate to you, sir, that by these comparisons and drawing this together in the diversification, it gives me great pleasure, sir, to move:

That this Assembly commend the Government of Saskatchewan for its commitment to develop our natural resources by building Saskatchewan's first fertilizer plant at Belle Plaine, which will provide a boost to Saskatchewan's economy, supply a significant new market for our natural gas industry, assure a ready supply of locally produced nitrogen fertilizer for our farmers, which will result in the development of 600 to 1,000 jobs during construction, and 130 new permanent jobs after completion.

Further, that this Assembly commend the Government of Saskatchewan for implementing the Buy Saskatchewan policy for all phases of the project, which will create additional spin-off jobs and will be of considerable benefit to the Saskatchewan economy.

I so move, sir.

Some Hon. Members: Hear, hear!

Mr. Gleim: — Thank you, Mr. Speaker. I'm proud to be here today to second the motion moved by my colleague, the member from Cut Knife-Lloyd. I was pleased to see this motion because it gives me the opportunity to get all the facts about the fertilizer plant at Belle Plaine on the table for all of Saskatchewan people to see.

I am sure that when Saskatchewan people see all of the facts, they will be quick to recognize that the Saferco plant is a sweetheart deal for the people of Saskatchewan. It was what the opposition called it, a sweetheart deal, and I'm sure that all the people of Saskatchewan are going to agree with it.

It is a deal for the people of Saskatchewan that does very important things, Mr. Speaker. It creates jobs, Mr. Speaker, an enormous amount of economic activity and the revenue for the province, and it does this by building on two of our major resources, Mr. Speaker. Those major resources are agriculture and gas resources.

Let's look at the facts, Mr. Speaker. The Government of Saskatchewan is investing \$64 million in this project, Mr. Speaker. During construction Saferco will pay the province of Saskatchewan \$21 million. Once operational that plant will directly pay the province \$24.8 million every year, Mr. Speaker.

That \$24.8 million breaks down as follows, Mr. Speaker: \$11.5 million for corporate income taxes; \$1.6 million for loan guarantee fee, Mr. Speaker. And I want the members opposite to pay close attention to that figure, Mr. Speaker. The province of Saskatchewan is receiving \$1.6 million every year for a loan guarantee. We have put no money down, yet we will get \$1.6 million every year for a loan guarantee, \$2.1 million in capital taxes, and \$7.6 million in natural gas royalties.

Our investment will be paid off two years after the plant is operational and be earning at least \$24.8 million each and every year for the province of Saskatchewan. Only two years to get a return on an investment of \$64 million, Mr. Speaker. I know of very few investment opportunities which can match that . . . (inaudible interjection) . . . Just pay attention, just pay attention. In fact, I can't name any, and I challenge anyone to come forward if they can.

This is a tremendous deal for the province of Saskatchewan, Mr. Speaker. During construction, there will be an average of 600 people employed on site, and that will peak at 1,000 Saskatchewan people working to build that plant.

Once operational, there will be 150 people working at that plant, Mr. Speaker, receiving an annual payroll of over \$20 million — \$20 million to spend in Saskatchewan business every year. That \$20 million is part of the \$100 million that Saferco will spend in Saskatchewan every year on natural gas, water, electricity, chemicals, supplies, and freight. And that means jobs, Mr. Speaker — \$100 million directly injected into the Saskatchewan economy every single year.

But that's just the beginning, Mr. Speaker. Total economy activity generated in Saskatchewan by this plant during construction will total \$600 million and \$300 million each year and every year after the plant is operational.

I know the people across the way think that's peanuts, but that means jobs and that's activity into the province of Saskatchewan.

Mr. Speaker, given the facts I have listed here today, I challenge anyone to make a rational and convincing argument against that plant.

Some Hon. Members: Hear, hear!

Mr. Gleim: — If you say no to Saferco plant, you are saying no to hundreds of more jobs, and hundreds of millions of dollars more in economic activity for Saskatchewan, and more dollars for the provincial treasury. Are you against that?

This plant will pay off the government's investment in just two years and return at least \$24.8 million to provincial coffers every year after that — \$24.8 million more a year to build hospitals, Mr. Speaker, to build schools, Mr. Speaker, and to help farmers, and whatever else needs doing. And that does not include the millions of dollars in extra taxes generated by the \$300 million in new economic activity that will be generated each and every year. Mr. Speaker, this is a no-lose situation for Saskatchewan people. There are no down sides.

Mr. Speaker, we will be using our natural gas to make fertilizer for our farmers and for export to provinces and to countries that are providing agricultural dollars right now. They're profiting from our agricultural dollars right now.

That is something different than to people across the way. They never used our natural gas. They saved it; we don't know what for. We don't know what they saved the

natural gas for. They could have been using that same natural gas as what we are deciding to use it for today and that is for fertilizer in the agricultural business.

We are introducing an entirely new industry with all its new expertise and technology in this province. We are doing all this at a huge profit for the people of Saskatchewan. Instead of giving the profit to the people outside the province of Saskatchewan, it is now going to the people of Saskatchewan. If any of you people over there realize, and I'm sure the people when I look across the way over there, there's none of them realize, never use the true fertilizer, what I'm talking true fertilizer, to make, to do, to grow things for, to feed the people of the world. That's a different fertilizer than what you people are used to.

I'm going to repeat the figures again, Mr. Speaker, because I want the people of Saskatchewan to know what a sweetheart deal they are getting, and I want the members opposite to put aside their lust for power just for a few minutes, Mr. Speaker, and put the interest of the province first. If they do, I know they will be voting in favour of this resolution.

Six hundred million dollars' new economic activity in the first year to Buy Saskatchewan policy in place to help Saskatchewan people maximize their share of \$435 million in construction cost; \$300 million in new economic activity each and every year. A full return on government investment in only two years, and at least \$24.8 million paid to the provincial treasury every year after that.

Mr. Speaker, a peak of 1,000 jobs during construction and up to 150 permanent jobs once the Saferco plant is operational; an estimated 500 additional permanent jobs created by the extra economic activity in the province.

And what does this cost Saskatchewan people? Nothing. In fact, they make a healthy profit. Mr. Speaker, the Saferco plant at Belle Plaine will be one of the best things that has ever happened to the province of Saskatchewan. That means buying our fertilizer in Saskatchewan and processing it. That means jobs. The facts and figures prove that, and all the political posturing and bickering in the world cannot change that.

I am proud here today, Mr. Speaker, to second the motion and call on the members opposite to put aside their politics, read the figures with their best interests and Saskatchewan in mind, and vote in favour of this motion, Mr. Speaker. Thank you very much.

Some Hon. Members: Hear, hear!

Mr. Solomon: — Thank you very much, Mr. Speaker. At the conclusion of my remarks I'll be moving the following amendment to this motion:

That all the words after the word "Assembly" be deleted and the following substituted therefor:

condemns the Government of Saskatchewan for its misplaced priorities, and for committing up to \$369 million in provincial government financial

assistance to Cargill Grain at a time when it is failing to address the severe hardship being experienced by farm families, small businesses, working people and hungry children.

Mr. Speaker, I rise to speak on this motion and I wish to propose an amendment at the conclusion of my remarks on the basis that here we have a megaproject put forward by the members opposite, funded by the taxpayers, a deal that was sought after and entered into by the PC government opposite.

And when you look at that aspect of it, Mr. Speaker, it's a bit ironic that they would do this kind of a project when they're selling off our profitable assets at fire sale prices through the privatization of our very lucrative Crown corporations.

And as most people know, megaprojects are not the most efficient way to create jobs. But that's the PC vision, Mr. Speaker. A quick fix megaproject costing hundreds of millions of dollars of taxpayers' hard-earned money, rather than co-operate with a company like Canadian "88" energy who wants to do a community-based project at the risk of investors as opposed to the risk of taxpayers. This government chooses to side with Cargill Grain.

(1500)

And it's absolutely incredible, Mr. Speaker, that in the midst of record bankruptcies, cut-backs in education and health care, and a massive, crippling deficit and record out-migration, this government sees fit to align themselves with the largest private corporation in the United States. And I want to just share with members opposite exactly who is Cargill.

Who is this massive corporation? Well, Mr. Speaker, Cargill is the largest private corporation in the United States. In 1988, sales of Cargill, revenues to Cargill totalled \$47 billion — 47 billion Canadian dollars in 1988, Mr. Speaker. Those sales were equivalent to the total budgets of the four western provinces combined, plus another 50 per cent on top of that. The profit alone for Cargill international was \$330 million, Mr. Speaker. That's a surplus of \$330 million.

We have Cargill is a multinational corporation with a global command post of a multinational commonwealth with 140 affiliates or subsidiaries in 36 countries around the world. This is how many affiliates this Cargill has around the world, Mr. Deputy Speaker.

Its head office is located in Minnetonka, Minnesota. They have about 1,000 employees at the head office alone, occupying a large brand-new edifice, 350,000 square feet. And on top of that their top executives occupy a building which is referred to as a castle. It's a 63-room replica French chateau right next to this massive edifice of a head office. And in that castle alone, just the small castle with the top, the presidents and vice-presidents in, has 13 fireplaces and 16 tiled bathrooms.

Now Cargill has also a record in Canada. They've donated \$77,000 between 1983 and 1988 to the Conservative Party alone. The Canadian vice-president in

charge of the Saferco project, Kerry Hawkins, has donated \$1,000 a year to this Conservative Party.

And you know, Mr. Speaker, Cargill is a multinational agri-business, agricultural multinational business, that understands that when you plant a seed, a political contribution to the Conservative Party, and you fertilize it with further contributions, that it'll produce great dividends. It'll harvest a wonderful crop. And we've seen, Mr. Speaker, is Cargill harvesting a very significant crop in terms of benefits accruing thereto.

Now Cargill has a group of very sharp business people in its head office with their sole job and occupation is to survey the world, look at governments with deep pockets and difficult circumstances and weak minds, and they send out this crew and they obtain, Mr. Deputy Speaker, great, significant bargains.

And I want to talk to you about this deal. There's a number of things involved with this deal that many people don't understand. Now the member from Shaunavon has referred to all the wonderful profit figures that he will not substantiate nor will the government.

But here we have a deal that was struck in the midst of the SaskEnergy debate. It was struck, Mr. Speaker, when the Conservative government were sitting in this Legislative Building hiding from the people of the province, while the NDP MLAs were around the province obtaining a consensus in opposition to the privatization of SaskEnergy.

For them to deflect some of the difficulty and some of the heat that they were getting on this privatization, this insane transplanted privatization policy of theirs, they announced a press conference project, this Cargill deal. And at that time, in the midst of the SaskEnergy heat, what the government opposite did was say, well it's a deal. The details aren't signed; the i's aren't dotted, and the t's aren't crossed, but as soon as we get that deal, over the next month or two, we'll let you folks know. And they said, it's going to be a 50-50 project; it'll cost \$350 million.

Well we . . . At that time I said that the press conference project was a dangerous way to make a deal, and certainly a very *ad hoc* and ineffective method of undertaking economic development. It was dangerous to commit to a project publicly as a government, then bargain with Cargill after you've stuck your neck out in terms of making a commitment.

And what's happened, Mr. Deputy Speaker, is that this deal is a sweetheart deal for Cargill, and it's a bad deal for the taxpayers of Saskatchewan. Cargill receives 50 per cent of the equity on the basis of a 15 per cent injection of capital, and we're not sure whether that's cash or whether that's land or whether that's something else — technology. But they will commit \$65 million of something towards 50 per cent of this project, or towards 15 per cent, and they will obtain the control of the corporation.

Saskatchewan, on the other hand, the taxpayers of this province, will put up \$64 million cash and will risk

another \$305 million on a bank loan. And that may not be so bad if there's some kind of documentation which provides who is going to be responsible for further costs. But on top of that, there's a marketing agreement which provides Cargill with a marketing fee of total production of fertilizer in this plant of between \$2 and \$3, and some say \$5 a tonne. If that's the case, Cargill will receive, whether this plant makes money or not, between \$7,000 and 15 to \$16,000 each day it's in operation. So if it doesn't make any money, who's going to make up that marketing fee? Obviously we're concerned it might be the taxpayers and will require future financial obligations of the treasury which could run into the tens and hundreds of millions of dollars.

We are also told, and the government won't answer by tabling the agreement, that there's a guaranteed rate of return on investment for Cargill, but their \$65 million will likely get a guaranteed rate of return of 20 per cent.

So, Mr. Speaker, there's all kinds of unanswered questions. There's the question of the natural gas subsidy to this operation, and there's the question of the environmental impact statement which is incredible that they wouldn't do one. This project will consume 15 per cent of Regina's daily water supply and will discharge effluent from the water that they will use, as well as it'll work with all kinds of ammonia, which, by the way, is very poisonous.

So, Mr. Speaker, we're very concerned on this side that it's a bad deal. There'll be future obligations to the taxpayers of this province, and we want the deal tabled in this House so that we can, Mr. Speaker, ensure that the best interests of the public are maintained.

Therefore, I move:

That all the words after the word "Assembly" be deleted and the following substituted therefor:

condemns the Government of Saskatchewan for its misplaced priorities, and for committing up to \$369 million in provincial government financial assistance to the Cargill Grain at a time when it is failing to address the severe hardship being experienced by farm families, small businesses, working people and hungry children.

This is seconded by my colleague, the member from Humboldt.

Some Hon. Members: Hear, hear!

Mr. Upshall: — Thank you, Mr. Deputy Chairman, or Deputy Speaker, rather. Mr. Speaker, I want to say a few words about this motion and the amendment because I think it is very important that we explain exactly what is going on to the people of Saskatchewan, and they are very, very interested in this Cargill deal.

As I go around rural Saskatchewan and phone and people phone me, talk about agriculture, that is always one of the topics that comes up is the Cargill deal. And the question inevitably is: why is the government going forward with a deal to a corporation — the largest private corporation in

North America, as we've heard, with sales of \$47 billion, 1988 — why is the government going forward with a deal, guaranteeing \$305 million to Cargill, putting in \$64 million of Saskatchewan taxpayers' money for 49 per cent share, while Cargill puts in \$65 million for its 50 per cent share?

We must remember, Mr. Deputy Speaker, that when this deal first came forward, the Premier of this province was going around saying, well, it's going to be a 50-50 deal. And you'll remember that well. And it turns out the 50-50 deal reminds me of a story about a fellow in France who invited his neighbour over for horse and rabbit stew. And they got eating it, and the guy said, you're sure this is a 50-50 stew? And he said yes, one horse, one rabbit. And that's exactly what this deal is. You got people in Saskatchewan putting the lion's share in, and the government called it 50-50 deal.

Mr. Speaker, in Saskatchewan we have Cargill fertilizer plant potentially proposed for Belle Plaine.

We also have the government putting forward programs, as you see. We have heard the spring seeding loan. The spring seeding loan, \$525 million for farmers — that was the headlines.

But when you look into the differences, you look into the support, whether it be for a multinational corporation as opposed to Saskatchewan farmers, you will see where this government's thrust lies. We all know that Cargill, if it chooses, can walk away from this plant at any point they want to and we the Saskatchewan people are left holding the bag for all the money.

But when Saskatchewan farmers have difficulty this government takes them to court. Now that is definitely a paradox when it comes to how this government treats the people of Saskatchewan.

We've seen the spring seeding loan announced, as I said. This spring seeding loan, Mr. Deputy Speaker, will be a commitment from this government on a thousand acre of farm of about 33 cents an acre. A tremendous response for the \$6 billion of debt out in rural Saskatchewan. All the while, the Premier plays political football with the \$500 million deficiency payment that was supposedly committed to the farmers of Saskatchewan.

What I want to say today, Mr. Deputy Speaker, is that there are two types of people in Saskatchewan according to the Tory government. There is the corporate type and then there are all the others. And if you're a corporate type, you can make deals and get contracts almost instantaneously. You write your own deal and this government signs it if you're a corporate type.

But if you're the other in Saskatchewan, and that is basically all the working people in Saskatchewan, whether you're in small business, whether you're in farming, whether you're in the co-op sector, whatever you are, all the other people are treated differently because this government has its pockets lined by the corporate sector. I mean, if that's the way things work, that's fine, but I don't think that's what the commitment was by this government when it was elected.

If you recall, Mr. Deputy Speaker, there were many promises made. One of those was in 1985, and I just use this as an example. In 1985 the Premier of this province said he was going to have a national farm stabilization program in place, and I can . . . I haven't got it with me but I can show you the letter that came out in the mail in 1985.

And here we sit in 1990, after we have had five years of depressed prices, many years of drought, and spiralling debt. Five years later, nothing has happened. In fact, we are sitting here in April, when people are getting ready to seed, and you ask yourself, what have the Governments of Saskatchewan and Canada done to ensure a crop this year?

Well this provincial government, as I said, put out a spring seeding loan. A spring seeding loan, Mr. Deputy Speaker, is not going to be used by very many people. They simply are telling me they're not going to use it because we had a production loan in '86 that's been a thorn in their side since 1986. And now they want to give them another one.

People won't take it; they're going to cut down the number of acres seeded, even though in some areas of this province this year the moisture is better than it's been for several years. So the potential is there for a crop but they can't take the chance because they don't have the dollars to put it in. This government has not supported them.

And then there's the federal-provincial football, as I say, over the \$500 million. In the middle of April, getting towards the end of April, we see this Premier of this province and the federal Minister of Agriculture tossing the ball back and forth, as we heard in question period today, writing telexes back and forth, stating each other's position.

And the Premier goes on and says, talks about all the things that he can do. Well he does it quickly for Cargill. He does it quickly for Cargill, as witnessed by the Saferco deal. But when it comes up to standing and ensuring that farm families in Saskatchewan get their share of assistance that's so desperately needed, nothing is happening.

(1515)

And as I heard the Premier today say, well, he was telling us untruths about the policy of the New Democratic Party again. And if that's all he's got to talk about, well that's fine. But tell the people of Saskatchewan that that's all he's got to talk about. Don't say we have a commitment of funds when you don't have a commitment of funds; or if you do have a commitment of funds, don't wait for political timing to put it forward.

The point I make here, Mr. Deputy Speaker, is this. If you're a corporate type, there is no problem getting a deal from this Tory government. There is absolutely no problem. Witness by Weyerhaeuser, witness by Pocklington, witness by Chuck Childers and others getting contracts for three and a half million dollars for five years, with no cuts to it. Witness by Cargill fertilizer

plant. If you're a corporate type, then there's no problem.

But, Mr. Deputy Speaker, there is more to Saskatchewan than that. Saskatchewan has to depend on agriculture; it has to depend on working men and women to generate money through the economy. But there is no support from the government there. I ask this Premier how he can justify, how he can justify telling people that he is going to stand up for Saskatchewan farmers when it's obvious that he is doing nothing but trying to save his own political hide. And the problem is, he has no money to do it; and secondly, I don't think he knows how to do it.

And that's the dilemma we're in — the double standard set by this government. The double standard set when they give 3 cents a day to hungry children; when the working people are struggling hard to maintain their lives and their families through their jobs because the jobs are being cut, their wages are being cut, there's roll-backs; when farmers are suffering desperately, needing restructuring of debt, income stability, and land transfer programs. Are those things being addressed by this Premier? Absolutely not.

What is he addressing? He's addressing what this government calls diversification. But diversification for who? A hundred and thirty jobs, they say, in the Cargill fertilizer plant. I ask the members opposite: where is there any guarantee that, number one, fertilizer will be cheaper; and number two, that there is going to be a guaranteed supply? There's no guarantees. But the cost of that is \$370 million of potential cost.

So the people of Saskatchewan are asking why is there a need for the Cargill fertilizer plant? That's a basic question. Why do we need to put that money into Cargill? There were other opportunities — fertilizer plants coming into Saskatchewan. Those were all ready to go with very little, if any, government support. But this government chose the corporate route.

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

Some Hon. Members: Hear, hear!

Mr. Muirhead: — Thank you, Mr. Speaker. At the outset I would like to commend my colleague, the member for Lloydminster, on the timely and appropriate motion he has brought before the House today. And I am pleased to have this chance to stand in my place and to support those arguments made by him, and by other colleagues who have spoke before him. Our discussion today has centred around the history and benefits of the fertilizer plant at Belle Plaine and I will continue with that trend in my address to the members of this Assembly.

In a very short while, construction will begin on this fertilizer plant. It will be a world-class facility producing a world-class product for both domestic use and for export. This is something that a good many people in this province are very excited about, and for good reason, Mr. Speaker.

The construction of the plant at Belle Plaine from this spring until mid-1992 will generate 2 million man-hours

of work, an average of 600 people on site, peaking at 1,000 in 1991. The Buy Saskatchewan policy is in place for the entirety of the construction phase, and there is 435 million that Saskatchewan supply and service companies will have first chance at securing.

I haven't even touched on the effect of this one operation, but this operation will have on our economy after it is up and running, and already the benefits are quite obvious. Who can argue with this, Mr. Deputy Speaker? Who can argue with these numbers? Who can argue with the jobs for people in the province? Only the members opposite can argue when it comes to us promoting jobs, Mr. Deputy Speaker.

Well I won't answer that question because we know who it is that seems to think that jobs for the people of Saskatchewan poses some type of problem, and it certainly isn't any of the members on this side, Mr. Deputy Speaker.

On average, for the first 20 years, some 100 million per year will be spent by Saferco in the province of Saskatchewan on goods and services alone. Natural gas producers, who will see direct benefits as producers of the raw material for fertilizer, are excited about this project.

Business people and workers in the construction supply and service sector are excited because they know that Buy Saskatchewan is going to be in effect, and that can only help them as this plant goes into the construction phase. Farmers across the province who stand to see lower input costs for their crops because this Saskatchewan fertilizer won't be subject to transportation costs, like the fertilizer they buy, they're excited about this, Mr. Deputy Speaker.

And I have to say, Mr. Speaker, that people around the province are excited about this project because there is a great deal of pride to be had in knowing that we'll be taking Saskatchewan natural gas to the Saskatchewan industrial facility that will by and large be constructed by Saskatchewan hands, and turning it into a finished product that will be sent into world markets.

This is a great opportunity for the province and the people, Mr. Deputy Speaker. It should make all of us very proud to think about the fact that we won't be sending our natural gas and our money out of the province so that some other facility can turn it into fertilizer.

We'll benefit from the jobs created and charges to purchase that product — a product made from a raw material we have in abundance right here in Saskatchewan. The critics of the Saferco fertilizer plant don't seem to realize that when our farmers buy fertilizer that was made by another firm somewhere else, they are naturally sending their money out of the province.

If we have the raw materials and the know-how and the desire and a market in which to sell the end product, if I may be so bold, it is practically insane, practically insane not to produce it and sell it at benefit for all of that ourselves. We must benefit ourselves, not the people outside of Saskatchewan.

There is something that I would like to take a moment to address, and that is the allegations of the members across the floor have been going on and about this project being a sweetheart deal. They've been saying, Mr. Deputy Speaker, that it's a sweetheart deal. Well I've been giving it a lot of thought, and I think for once they are absolutely right.

Just look at a couple of things that make this a sweetheart deal for Saskatchewan. First of all, there are the immediate benefits that will come just from the construction phase. And I went through those once. They totalled \$600 million injection into our economy. I'd have to agree that sounds pretty attractive and a sweetheart deal for Saskatchewan.

After construction, Saferco is estimated to spend an average of some 100 million per year on goods and services like natural gas, water, power and so on. Sounds even more attractive.

And there is more, Mr. Deputy Speaker. When the plant goes into operation and starts producing fertilizers we will have the following: corporate income taxes of 11.5 million per year; the loan guarantee fee of 1.6 million per year; capital tax of 2.1 million per year; natural gas royalties of 7.6 million per year and personal income taxes of 2 million per year, for a total of 24.8 million. Let's say for round figures, 25 million per year coming directly into the provincial coffers from this one operation.

This is very serious money, Mr. Deputy Speaker. Who could stand in opposition to that kind of cash flow? It doesn't take much to figure out that. Based on the 25 million per year that will be flowing directly into the province, our original investment of 64 million will be paid off in less than three years. Under three years, and 100 per cent of our money has been returned. That fact in itself makes this a great deal for the province.

Mr. Speaker, the really bottom line of all this is that the members opposite are going throughout Saskatchewan calling it the Cargill fertilizer plant. That's what they want to call it, a project which the NDP like to refer to as a tidy deal for Cargill Grain. And I know, Mr. Deputy Speaker, that the members opposite really believe that this is a good deal; they know it is. But will they say that publicly? No.

They use their scare tactics, Mr. Deputy Speaker, the same as they did on medicare. They go throughout this province and saying this is a tidy deal for Cargill, and they do not give the facts. They are saying, not even close to the figures, they're saying that we're giving, giving \$500 million to Cargill Grain. Mr. Speaker, this is absolutely false, absolutely, and we must make the public aware of these facts.

The government entered into the following agreement. Cargill owns 50 per cent of the shares; government owns 49 per cent; 1 per cent is left open. Government put up 64 million; Cargill put up 65 million. Government guarantees the loan of 365 million. If you can tell me how you can take a guarantee and spend that money some place else right now, because you haven't even got it or you haven't even spent it yet, I mean they're just . . .

And the Saferco project, a world-class operation producing a world-class fertilizer to be marketed the world over, is the type of effort that is going to take to do that, Mr. Speaker. And the partnership that the government has forged with Cargill satisfies all of the components that are needed to make this concept work.

They have the expertise in the production of fertilizer. They have world-wide markets, Mr. Speaker, and this broad distribution network is crucial to the success to the operation. They are a financially stable corporation, and that means that we have very little to worry about in the way of them defaulting on the loan the government is guaranteeing for them.

But, Mr. Deputy Speaker, if for some unforeseen reason Cargill did default on the loan and withdrew — let's make this very clear — Cargill would have to forfeit their original 65 million. The government would take over all payments, which would be the 365 million that the government guaranteed. But let me make it very, very clear that the government and the taxpayer would own 100 per cent of that project.

The main reason that the member from Regina North West, I believe it was, that spoke prior, or I guess he was the first speaker over there, Mr. Deputy Speaker, he went on and talked about the billions of dollars that Cargill are worth, the billions and billions. And that's why it makes them . . . the more they're worth the better . . . the more they're worth, Mr. Deputy Speaker, the better chances of survival they've got.

They would like to have it to do it themselves. What they would have done is done it themselves and gone broke like all other companies that they've done and they've put together in this province for over 40 years.

Mr. Deputy Speaker, it will provide another opportunity for Saskatchewan to participate in world market and it will continue the building of this province that has been going on since 1982. And it's the type of building, Mr. Speaker, that is necessary if we're to have any more hope of stemming the flow of people and potential in this province.

In ending my remarks today, Mr. Speaker, I would like to close with an interesting quote from one of the members of the official opposition.

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

Mr. Prebble: — Mr. Speaker, I'm pleased to enter into the debate and particularly to speak in support of the amendment which members on the opposition side of the House have put forward.

Mr. Speaker, I found it rather difficult to follow the arguments that were being put forward by the member for Arm River. One would have to assume, Mr. Speaker, that if Cargill is a large, wealthy, U.S. based multinational company, privately owned, the largest private company in the United States, and that there is no risk of a default on the loan, Mr. Speaker, one would therefore have to

wonder why the loan guarantee is necessary. Why is it that the province of Saskatchewan, the people of Saskatchewan are being asked to put up a \$305 million loan guarantee on this plant if there's no risk of default, Mr. Speaker?

I would beg to argue, Mr. Speaker, that there may well be a real risk of default. All one has to do is look at the fertilizer market, which I invite members of the government to do. And they will be well aware that many other knowledgeable experts in the fertilizer market have predicted that there will be a surplus of fertilizer in western Canada of about 3 million tonnes a year after this plant has been built, in 1993 and thereafter, Mr. Speaker.

(1530)

And I therefore suggest that there is a real risk with respect to the loan, and that's why Cargill has come looking for the guarantee. If this is such a good deal for Cargill, Mr. Speaker, and there's no risk of a default on the loan, then maybe government members can explain to the public why Cargill is being guaranteed a daily profit on their operations by way of the marketing fee that the Government of Saskatchewan is guaranteeing them.

Mr. Speaker, I think we have to conclude that there are real risks associated with this project, and the people who are being asked to bear the risks are not Cargill. Primarily, Mr. Speaker, the people who are being asked to bear the risks are the people of Saskatchewan. The people of Saskatchewan are being asked to put up \$390 million . . . I'm sorry, \$369 million on a project whose total cost is \$430 million, Mr. Speaker. So the vast majority of the risk is being borne by the people of Saskatchewan.

And we say, Mr. Speaker, that when we look at other potential uses for that money, other priorities that the government should be considering, that this investment in Cargill is not the way that public money should be being spent at this point in time in the province of Saskatchewan, Mr. Speaker.

And one of the points that we make in our amendment, Mr. Speaker, that we have put forward, is that all the government has to do in terms of looking at priorities is to consider whether it ought to be putting money into this loan guarantee or putting money into ensuring that the children and all people of this province, Mr. Speaker, are adequately fed, and that there is a full employment policy and a full employment strategy in place to help ensure that that happens. And, Mr. Speaker, I suggest that the government has abandoned that priority in exchange for priorities like financing Cargill.

And, Mr. Speaker, I want to relate to members of the House for a moment, a visit that I made to Prince Albert last week with the member for Prince Albert, my colleague in the Assembly. First of all, Mr. Speaker, we visited the Prince Albert food bank, and we were given the latest numbers with respect to people using the Prince Albert food bank. In March 1985, Mr. Speaker, 619 people a month relied on that food bank. Today, Mr. Speaker, in March of 1990, 1,631 people relied on that food bank, and half of them were children, Mr. Speaker, half of them were children.

What has the government got for hungry children in this province, Mr. Speaker? A total allocation in the budget this year of only \$740,000, the equivalent of the salary that Chuck Childers is receiving from the Conservative government opposite.

Mr. Speaker, we visited in Prince Albert several community schools including Queen Mary community school, Mr. Speaker. Well they used to, when the NDP was in office, operate a snack program for the children in that school from kindergarten to grade 6, Mr. Speaker. This government has frozen moneys available for that feeding program now for nine years, and as a result of that, Mr. Speaker, Queen Mary School is only able to feed children with a snack in kindergarten to grade 3 instead of kindergarten to grade 6.

We visited Riverside community school in Prince Albert, Mr. Speaker. They don't have any money from this government to finance a meal or a snack program for children. All the money for the program that they're running is coming from donated food, whether it be from the Kinettes or from the local Prince Albert food bank or from local churches in the community. No help from the Government of Saskatchewan, Mr. Speaker.

This government, Mr. Speaker, has cut the family income plan in this province for low income families, working families with low incomes, Mr. Speaker, who have children. Those families, Mr. Speaker, have found that instead of an allocation of \$20 million for the family income plan as there was in the 1986 budget of this government, there is now only an allocation of 13 million, Mr. Speaker, and in fact the budgeted money isn't being fully spent every year, as we saw last year.

Well, Mr. Speaker, these are the kinds of priorities that the government has neglected in favour of the loan guarantee for Cargill. And, Mr. Speaker, in addition to that, Mr. Speaker, the other priority that I mentioned was that the government had abandoned the principle of full employment in favour of, Mr. Speaker, these large subsidies in effect for their corporate friends, Mr. Speaker, in this case a large, private, U.S. based corporation that finances right-wing governments, not only here but around the world, Mr. Speaker.

And, Mr. Speaker, I invite members of the public to look at the number of jobs being created on a permanent basis from this plant — 130 permanent jobs, Mr. Speaker. If you include the loan guarantee, Mr. Speaker, we're talking about \$369 million of public money for 130 permanent jobs, Mr. Speaker. By my calculations that works out to about \$2.7 million of public investment per permanent job.

Now, Mr. Speaker, I ask members of the Assembly and members of the public watching, if someone gave you \$2.7 million, could you create one permanent job? And I venture to guess, Mr. Speaker, that everyone watching on television could think of a way of creating one permanent job with \$2.7 million. In fact I venture to guess, Mr. Speaker, that they could think of a way of creating 10 permanent jobs with \$2.7 million.

And, Mr. Speaker, the point I want to make here is that if the Government of Saskatchewan were to work with Saskatchewan small business in this province, and work co-operatively with them to create permanent jobs in this province, a lot more jobs could be created with the money that they're putting into Cargill, if they instead directed that money into a co-operative working relationship with small business in the province of Saskatchewan, Mr. Speaker, or if they were to work with co-operatives in this province, Mr. Speaker.

That's the direction this government should be taking. Instead, they choose to enter into a partnership with the largest private U.S. company in the United States, Mr. Speaker, and we say shame on the government, Mr. Speaker. That's not the way to create a full employment program for the people of Saskatchewan.

Why didn't, Mr. Speaker, this government take some of that money and say that they would work in co-operation with Indian and Metis people in this province and make that a high priority in terms of economic development, because there's massive unemployment in that community? I venture to say, Mr. Speaker, we won't even see 10 Indian and Metis people working on this job in terms of permanent employment at the Cargill plant.

And finally, Mr. Speaker, I want to say that in terms of the warped priorities that we're trying to bring public attention to today, if members of the public want to see in a nutshell what this government is all about, all they have to do is look at the government's decision to do away with the food transportation subsidy in northern Saskatchewan, Mr. Speaker — cost about half a million dollars.

Instead, Mr. Speaker, they abandoned that, while at the same time alcohol is . . . the transportation of alcohol to northern Saskatchewan is being subsidized every day. So this is a government that's prepared to subsidize the transport of alcohol to northern Saskatchewan but is not prepared to subsidize the transport of food.

I say, Mr. Speaker, that demonstrates this government's warped priorities and that's why I'll be supporting the amendment and voting against the main motion. Thank you.

Some Hon. Members: Hear, hear!

Hon. Mr. Swenson: — Thank you, Mr. Deputy Speaker. It's a pleasure for me to get into this debate, and I see that time is limited, left to me, and I just want to make a few points. It's a pleasure for me to enter into this because the proposed site of the plant at Belle Plaine happens to reside in my constituency.

The fact that as Energy minister the use of natural gas by this particular plant falls right in with some of the things that this government has been trying to do, as far as economic diversification in our province, and using natural gas as a value-added commodity to add economic activity to the province of Saskatchewan.

My colleagues have laid out, I think sufficiently, Mr. Deputy Speaker, some of the economics that go along

with this particular plant and why it is indeed a good project for the province of Saskatchewan.

On the natural gas side, Mr. Deputy Speaker, I think that people in this province have to realize that under the former NDP administration in this province, that gas activity was pretty well nil and void. Most of the gas used in this province was brought in from the province of Alberta, which we in turn, as the province of Saskatchewan, paid heavy royalties to that particular province.

Under our administration, the gas industry has indeed flourished. We have seen nearly a thousand wells drilled in the last year, and probably will go over that figure in the coming year. This particular plant will use some 18 billion cubic feet of natural gas a year, and that will amount to about 16 per cent of the natural gas used in the province of Saskatchewan.

You have to put that in relationship, Mr. Deputy Speaker, to the fact that nearly \$40 million in royalties from natural gas accrued back to the people of this province last year. When you add a significant player like Saferco will be, you can see that the numbers and the return to the people of this province simply in royalties on natural gas will be very significant. Those royalties in turn are used for our educational system, our health care system, and some of the other things that we in this province cherish as citizens of our province.

The other thing, Mr. Speaker, that I think is very important to talk about is, and it's always passed over by members opposite when we talk about the investment of the people of Saskatchewan in this particular facility, is that there will be many hundreds of related jobs that are associated with the 130 permanent, full-time jobs at this particular plant. This will of course be on the service sector and the trucking industry and the transportation area, in sales and distribution, all across western Canada and indeed in the United States.

There will be many jobs created with the marketing of the kind of product that'll come out of this plant. And I think that's one reason that, when you choose a partner for an endeavour like this, you want someone with a good background in sales, a wide distribution network. Because obviously at no point in time will the province of Saskatchewan ever use all of the production that would come out of that particular plant.

It gives us the opportunity to earn hard currency dollars in other jurisdictions, both the United States, eastern Canada, and offshore. And I think it's one of the reasons that this government is so proud of this plant, because it follows in the steps of many other projects in our province which build on that theme. We take our natural resources, we add value to them, and then we export them to other parts of the world. And I think, Mr. Deputy Speaker, it is one of the things that certainly was a failing in our province prior to this administration taking over in 1982.

When the members opposite talk about jobs and the ability of people to sustain themselves economically in our province, you have to realize that infrastructure,

industrial infrastructure, is all important. The fact that manufacturing in this province is up 600 per cent since 1982 over what it was before shows that we are going in the right direction.

The member from Saskatoon University made light of the fact this would not be an employment generating endeavour in our province, and I would ask him to go to the city of Moose Jaw and surrounding area and talk about it. I have here the *Times-Herald* from March 22, 1990, and some of the comment by one of the reporters there and says:

Hundreds of welders, drillers, pipe fitters, electricians, plumbers and carpenters will work on the project between this spring and the fall of 1992 when this operation will be completed.

Well I'll tell you, for southern Saskatchewan, Mr. Deputy Speaker, that is a pretty significant benefit. And as I mentioned before, once the plant is open, there will be hundreds more jobs on the supply side.

And I only think of the Kalium potash mine which is directly across the road from the proposed plant. And even though Kalium does have a significant employment on its own, let me tell you there are actually hundreds of associated jobs that go along with it. And you can only go into the CPR yards in Moose Jaw and look at the number of trains of potash that come out of that mine every year and they're routed through those Moose Jaw yards, providing employment. You only have to look at some of the machine shops in the city of Moose Jaw and in Regina and the amount of work they do associated with that particular potash mine.

Well I can tell you that this particular endeavour will generate the same kind of spin-off, and we won't be talking about those 130 permanent jobs, but probably another 4 to 500 spin-off jobs that'll be related to it.

Mr. Deputy Speaker, in getting near the end, I would just like to say that I'm very sorry that the two Moose Jaw members aren't in the Assembly today because I know that people in my own community, Mr. Deputy Speaker, have asked me a lot of questions as to where members of the New Democratic Party, local members of the New Democratic Party, stand on this.

And I would just like to read into the record, Mr. Deputy Speaker, from the *Moose Jaw Times-Herald* of March 23, 1990. And in this particular article, Mr. Deputy Speaker, the editorial reads, it says:

But even the local New Democrats are muted in their criticism of the deal — and for good reason. (The member for Moose Jaw North and the member for Moose Jaw South) know as well as anyone what it will mean for Moose Jaw to have nearby a project which requires as many as 1,000 construction workers.

And I would be happy at any time, Mr. Deputy Speaker, to share a platform with the two members mentioned and discuss the merits of this particular economic development project anywhere in Moose Jaw and area

and, for that matter, Regina. Because we all know that there will be many benefits accruing back to people in our part of Saskatchewan.

(1545)

Mr. Deputy Speaker, any time that you can take one of our natural resources, manufacture it, add value to it, create hundreds of construction jobs, hundreds of direct and indirect jobs after the project is up and running — much like Weyerhaeuser — that this province is moving ahead, that we will be providing the infrastructure for future generations.

And the very fact that we have picked a partner who is putting up \$65 million of their money, and we are putting up \$64 million of ours, a partner who has a vast experience in doing business around the world, the very fact that the guarantee on this particular operation will cost the taxpayer of Saskatchewan absolutely nothing, I think shows the diligence and the regard that this government has for providing for future generations.

And, Mr. Deputy Speaker, there is nothing, nothing about this particular project that goes against any particular sector in our society here. This simply builds and builds and builds on the strength that we've always known existed but no other government ever had the courage to bring forward and build upon.

And it's for that reason, Mr. Deputy Speaker, that I will be supporting the main motion, voting against the amendment because of its lack of vision. It's simply the same old diatribe that we've heard from members opposite for so many years. And, Mr. Speaker, with that I close my remarks.

Some Hon. Members: Hear, hear!

Hon. Mr. Petersen: — Thank you very much, Mr. Speaker. I'm indeed pleased to join in this debate today. I'd like to just make a few comments about Saskatchewan, its people, the diversification that's available to us if this project goes ahead, when this project goes ahead.

And what I'm telling you is that people in Saskatchewan have got to understand that it is come to the time now when we have to make up our minds. The NDP opposition stand there and they say, oh it's not a good idea, you shouldn't do it, it's terrible, you shouldn't do it.

But, Mr. Speaker, they have to make up their mind. Do they want to process our natural products here or don't they want to process the natural products here?

Some Hon. Members: Hear, hear!

Hon. Mr. Petersen: — The resources that we have, Mr. Speaker, for too long have been shipped south of the border and off of either of our east and west coasts to other countries, other provinces, other states. Jobs go with them. The jobs go with them, Mr. Speaker.

We have to make up our mind. We have a resource here that is in abundance. The NDP chose to sit on it, Mr.

Speaker, when they were in office. I believed all the time that I was going to school that there was a magic line that went down the border of Alberta and Saskatchewan. I thought God said, down this line there is no more natural gas or oil. Zap. Right to the centre of the earth. I believed that that had happened and I thought that was why the border was where it was.

Well, Mr. Speaker, you can imagine my shock and amazement when after a few years in office we found that we do not have nine gas wells in the province of Saskatchewan, but literally hundreds of them being drilled. It's quite amazing.

I'm sure the NDP were quite amazed because, Mr. Speaker, I don't think that they deliberately stopped development of this product in the province of Saskatchewan. Do you think that they would do that? Do you think they would keep Saskatchewan . . .

The Speaker: — Time has elapsed.

Some Hon. Members: Hear, hear!

MOTIONS

Resolution No. 3 — Need for Fund to Fight International Grain Price Wars

Mr. Muller: — Thank you, Mr. Speaker. I'll keep my comments very short on this because I have, as you know, I guess, I have some problems with my throat. But the seconder will certainly be picking it up and making comments on behalf of all the members on this side of the House. So I would move:

That this Assembly, noting the responsibilities of the Government of Canada to effectively and forcefully represent the interests of Canada internationally, demand the federal government immediately make provisions for securing Canada's position in the international price wars by a commitment of not less than \$1 billion to Saskatchewan farmers for this purpose.

With that, Mr. Speaker, I so move, seconded by the member for Arm River.

Mr. Muirhead: — Thank you, Mr. Speaker. Personally, I feel very badly that I didn't have another 30 seconds on rule 16 to make that quote pertaining to the member from Quill Lakes. And I went and made the mistake by already taking that remark. I don't think I even have it here. But I could go by memory and do a good job.

Mr. Speaker, at the end of my address I will be seconding the motion brought before the House by my colleague, the member from Shellbrook-Torch River. As this is the third private members' motion involving agriculture to come before the House at this session, and beyond these motions, agriculture has been discussed at great length in this Assembly over the past few weeks, we're all by now quite familiar with the terrible difficulties that Saskatchewan farmers have been dealing with for the past few years.

And I would like to say, Mr. Speaker, that I do not take issue for one second with the extensive discussion of the agriculture situation in Saskatchewan because as far as myself and my colleagues are concerned, we are going to keep talking and discussing and working on this one until we get our farmers some special, extra money from the federal government. We're going to work and we're not going to stop until we get it. And the only way we're going to get it, Mr. Speaker, is if we get unanimous, absolutely unanimous support from everyone in this province of Saskatchewan.

The member from Quill Lakes sits there and giggles like there's something wrong with him — thinks it's a joke going down to Ottawa asking for money. It's just too bad, Mr. Speaker, that the members opposite will never be in power to ever be able to be down there and have any clout. It'll never happen to them. They've been trying, Mr. Speaker, since . . . Mr. Speaker, they have been trying since 1939 to try to get some clout beyond Winnipeg and they haven't made it yet — 51 years. I feel sorry for them.

Mr. Speaker, we've already heard a fair bit about the condition of our farm economy and the difficulties many farmers in their communities are up against. We have a situation in agriculture today that has our farm families questioning whether or not they and their children will be able to choose the farming way of life.

This is serious, Mr. Speaker. And as my colleagues have said in previous debates, the circumstances that these people are facing is not a result of something that they have done themselves; it's not their fault, Mr. Speaker.

The situations that we're seeing across the province and that all of us here have been among our constituents and our friends and our families — we've gone through with them with the droughts, the grasshoppers, the high interest rates, and especially, specially, Mr. Speaker, the international price wars. Not one person in the province of Saskatchewan who is feeling strained from many of these difficulties is in any way responsible for the things that have happened to them, Mr. Speaker.

And I know that we could, all of us, get together and share stories of the people in this province who have been victims; it's just like going back listening to the people, Mr. Speaker, from the '30s. They can get together and tell their stories about being victims.

And who have been the victims? They have been the victims of high interest rates, set at a level that benefits a small part of the country and hurts the rest. That's what's going on, Mr. Speaker. In the East they have inflation, and the high interest rates will curb more borrowing, but in Saskatchewan we're in a recession, and we all know that. If the members opposite would just all work together with us, we can maybe do something to solve this problem. Instead, Mr. Speaker, they want to play their political rhetoric and see if they can be government here and take no message to Ottawa.

And I am sure we could spend a good deal of time talking about the people in this province who have truly been victimized by the unfair subsidy war that is going on between some of the richest, most powerful

grain-producing countries in the world. Mr. Speaker, I say victimized because these grain-producing countries have pumped billions of dollars into the market, leaving the rest of us to suffer from the resulting low grain prices.

We have seen the results of these low prices about . . . across the province as our young farmers leave the land in frustration. And we have seen the hurt and despair on the faces of those farmers, good farmers, Mr. Speaker. They had worked so hard to try and make things happen and just can't do it because they can't get a fair price for their crop. All of us are aware that this is happening in our province, and I know that it frustrates and angers all of us to see this happening to good people of Saskatchewan.

The members of this Assembly represent people from all over the province. Our constituencies are as diverse in character as they are in number. Each constituency is unique; it has its own strengths and weaknesses.

But, Mr. Speaker, it is obvious that the current state of this province and the set of challenges that we face, facing us, sharing the problem of agriculture is a common denominator. Something else we share, Mr. Speaker, and I'm talking to both sides of the House here because this too was agreed upon in the passage of that emergency resolution — something else we share is the belief that it is the Government of Canada who is ultimately responsible for providing assistance to counteract the effects of these international issues.

It has been said before, but I would like reiterate the position of this Assembly with respect to the agriculture of our province. This Assembly strongly feels that the cost of assistance to our farmers and farmers all across western Canada should be borne by the federal government. It is their responsibility. And, Mr. Speaker, it may please the members of this Assembly to be reminded that their position is supported by many of our farm leaders and rural organizations. We have a lot of people who have vested interest in solving farming problems on our side, and ready to back our fight to get the required assistance from the federal government.

And I'm talking individuals in farm industry, Mr. Speaker. The wheat pool supports and agrees with our position. SARM (Saskatchewan Association of Rural Municipalities) supports and agrees with us, as do the people of this province. And the ministers of Agriculture of the western provinces, Mr. Speaker, they all agree with us. And, Mr. Speaker, I would . . .

An Hon. Member: — Everybody agrees with you.

Mr. Muirhead: — Thank you. Somebody over on the other side, Mr. Speaker, said, everybody agrees with me. Well that's . . .

An Hon. Member: — Except for the voters of Saskatchewan.

Mr. Muirhead: — Well we'll find out in 1991 what happens to the member in Quill Lakes.

Mr. Speaker, I have been to Ottawa on behalf of farmers many times. I wonder if the member from Quill Lakes

could even get into an office down there or know where it's at, because he's probably never been there, had no reason to go. Nobody would know who he is.

Mr. Speaker, I'd like to re-emphasize this. Both sides of the House are in agreement. We are in agreement. The member of Quill Lakes is definitely in agreement of the federal government paying \$1 billion dollars. He knows he is . . . (inaudible interjection) . . . Mr. Speaker, did we hear that? He's not interested, I guess, in the \$1 billion that we have to work together as citizens and voters and young people, old, seniors, everybody in the province of Saskatchewan, to plea to the federal government to come across and help us. He just says no, I'm interested in just a vote, the voting in the next election.

(1600)

That's what the member from Quill Lakes says, voting at the next election, getting rid of the Tories; that's all he's interested in. He's not interested, Mr. Speaker, he's not interested in the farmers. He's interested in just getting himself elected; that's all he's thinking about. And they'll do it any way they can.

Despite the fact that we don't have the money to provide the degree of financial assistance our farming sector requires, it isn't our responsibility to do so in the first place. The unfair trade practices occurring in world market right now are a national and international problem.

And I'm sure that everyone here will agree with me. It is not the place of the provinces to bail out the federal government in this situation. The \$1 billion commitment that we are seeking from the Government of Canada is needed for the purpose of securing our position in the international price wars. And because of the international nature of this problem, it is widely held position that the responsibility for this assistance lies with the federal government.

I have spent some time, Mr. Speaker, discussing the problems and views that all the members of this Assembly share on this important issue, and I'd like to impress upon everyone here the extreme importance of the agriculture sector of our economy. What happens in our farming sector affects many of us directly, and every citizen in Saskatchewan indirectly.

I would particularly like to address the official opposition on this issue and encourage them to consider what is at stake here for the province and for the people, because the problems of agriculture are close to the hearts of many. Some members opposite have given in to the temptation to turn this issue into a forum for political gamesmanship.

For fear of my comments being interpreted in a partisan light, I really don't wish to get into an itemized account of the events that lead me to believe that this is what is going on across the floor.

But to set the record straight, Mr. Speaker, I feel a certain obligation to bring before the House and the people of this province the lack of co-operation, and more than that,

the blatant attempts to undermine the efforts of the government and the farm leaders of this province that they've been making towards securing federal assistance for our farmers. They stand here in the House and says, we need a billion dollars and then go out in rural Saskatchewan and says, I hope you don't get it. They're afraid if they get it they might lose the next election, Mr. Speaker. And they know we're going to get it, so they know they're going to lose the next election. That's why they go to desperate moves.

The members across the floor know, Mr. Speaker, they know that they agreed to the provisions made in the emergency resolution that was sent to Ottawa. They know they agree. They know that the spring seeding program, what they criticize so hardly, was the same as the one their leader put forward in the proposal to Mr. Mazankowski. They put it right in writing. Then soon as it come out, soon as we done it, they were against it.

They claim to know how important this whole situation is to the province of Saskatchewan. They have constituents to represent too, Mr. Speaker. Yet they go so far as to orchestrate an event, purely political in nature, that saw people who had come to the legislature in hopes of talking their ideas over with their MLAs, only, Mr. Speaker, to discover that they had been duped by their organization and they had been duped by the SGEU (Saskatchewan Government Employees' Union).

And who is behind all this, Mr. Speaker? Who is behind it? Well far from me to point fingers at anybody. I wouldn't do a thing like that. None of us over here could help but notice certain people emerge from the Leader of the Opposition's office.

Mr. Speaker, I just want to say how disheartening it was for the Premier, myself and my colleagues to see this whole situation develop. This was sad that we had these people come into the legislature to talk to MLAs and was orchestrated and taken out of our hands and orchestrated by the members opposite.

And I'll tell you something else. There were a lot of really disillusioned, disappointed farmers who left the building feeling they had been used. And that's fair, Mr. Speaker, because they were used. I had seven people, Mr. Speaker, in my office from the NFU (National Farmers Union), and an hour later I met with six more, and the majority of them, especially the one group from Yorkton and Kamsack, they did not know, Mr. Speaker, that they were to be in 218 at 11 o'clock, and they felt very sorry that somebody had misused them.

And so, Mr. Speaker, I say very, very sincerely that the members opposite wanted this to happen. They wanted to make an issue here in the legislature for the Leader of the Opposition to get up and jump on the Premier and say, you won't meet, you won't meet, you won't meet with them. But we sit there, I sit there myself, Mr. Speaker, in room 218 from 11 o'clock until 20 to 12, until we realized there wasn't one person going to come. They had no intentions of coming because the people that orchestrated it had no intentions of coming, but the good farmers that were there were never told.

These people were used to fulfil the political needs of the members across the floor. That's what they were used for. I've had letters, and I wish I had one here because I've got a letter from an individual that day, and he sure doesn't support this government. But the letter — I wish I had it here to read it, Mr. Speaker, because he said, I was used; I apologize that I wasn't in room 218; I apologize, and I will never vote for the NDP again. Because this came right out of that office.

The bottom line, Mr. Speaker, that there is no time for this time of dissension. Mr. Speaker, if I produce the letter, and which I will definitely show them, they would be disappointed because it doesn't come from the member from Quill Lakes' constituency; it doesn't come from the other members over there; it comes from the Yorkton constituency. So I can just say that in that family there's three more votes for the member of Yorkton.

Some Hon. Members: Hear, hear!

Mr. Muirhead: — For once, Mr. Speaker, I encourage the members opposite to get their priorities straight, drop their political games and help us — help us and themselves and the farmers of Saskatchewan and help all the constituents. We need to work together, not against one another.

I've sit in here for 12 years, Mr. Speaker, and I've watched politics play its game. But now as a farmer myself and my two sons on a farm and their sons and relatives on farms, this is as serious as it was in the '30s. It's time we all worked together for the good of the farmer — and not just for the good of the farmer, good of each and every one in the province of Saskatchewan — that we work together.

It is completely irresponsible to waste precious time playing games with people's lives, and that's what they're doing, Mr. Speaker. Because that is what's happening out there. We could argue and debate and discuss and blame each other until we all turn blue, but there is no way that they want to get along with us to try. Why doesn't, Mr. Speaker, why doesn't these members opposite — they're just an MLA like I am — why don't they get on their trains and planes and go down there and sit in Ottawa and do like some of the rest of us are trying to do? If we had unanimous support from every organization, from . . . They should be talking to their city people here in Regina, Moose Jaw, all over, because we're all provincial. Because our lives and our future of our lives depend on agriculture in this province.

But their lives and their future depend on unions, and we all know that, Mr. Speaker. And that's where they're trying to get their votes from. They're not wanting to get the votes from rural Saskatchewan, because they know haven't got them, because . . . I hear them out in my riding, saying, don't, don't, scare tactics. Don't pay your production loan. They say that, don't pay it. They want to write it off. But they will not stand publicly and say it. They wouldn't stand publicly and say it to anyone because they know that their city brothers and sisters would vote against them.

They know it. It requires unanimous approval of each and every member in this House if we're going to get this job

done. Just a few short weeks ago every member in this House stood together and called on the federal government to honour its commitment to Saskatchewan farmers. Each and every one of them done that.

Unfortunately, Ottawa has yet to come through with the assistance, and we need to help our farmers through this crisis. We must work together. So again, I'm asking for the co-operation of every member of this legislature.

I'm asking that we stand together in this House and demand — demand — everyone demand that Ottawa live up to its responsibilities; that the federal government provide \$1 billion to maintain Canada's share of international grain markets.

Mr. Speaker, it is clear that world grain prices have plunged and Canadian markets have been lost because of subsidized grain sales. The United States is putting up nearly a billion dollars to subsidize American grain going into our traditional markets, and the Europeans have just provided a large subsidy on grain to the Soviet Union.

As you can see, grain subsidies have led to more grain subsidies and now the international agri-food arena has erupted into an economic war; an economic war, Mr. Speaker, financed by some of the world's largest and wealthiest nations; an economic war which has Saskatchewan farmers caught in the cross-fire. These markets, distorting subsidies, combined with years of high interest farm debt is devastating, Mr. Speaker. For the first time since the Dirty Thirties, the forecast is for a realized net farm income of a minus. This is sad, Mr. Speaker. Not zero farm income, but a negative total farm income.

Mr. Speaker, the farmers of Saskatchewan can no longer bear the economic and emotional strain caused by this economic war. It is affecting our communities, our towns, our families, and our businesses. It is destroying the Saskatchewan way of life.

Mr. Speaker, our farmers only ask for fair access to world markets. They are asking that the price of grain be determined by the quality of the product and not by the size of the nation's treasury. They are asking for a chance to compete. The federal government has a responsibility to the agriculture sector of Canada.

Mr. Speaker, if we're going to defend our farms, our homes, and our communities, we must have immediate action. We have farmers shouldering some \$525 billion worth of debt. The net farm income in 1989 didn't even touch the interest, more than 30 per cent of the interest on the total debt.

These farmers are trying to pay for machinery. They're trying to pay for their homes and their farms, and they're trying to feed their families. They are trying to do what seems impossible with a \$525 billion debt load and with artificially low grain prices. What they are trying to do is take on the world. It's not just that they've got to take on the members opposite, they've got to take on the entire world, Mr. Speaker.

It is not the responsibility of the individual farmer to

shoulder such a burden, especially when they can least afford it in this decade now. No, it is the responsibility of the Government of Canada to protect and defend the Canadian agriculture industry from international subsidy wars.

And I want to point out that rural Saskatchewan farming, Mr. Speaker, is . . . (inaudible interjection) . . . Somebody said over there, why subsidies? Well I sure agree with the member opposite — why subsidies? When I was in Ottawa at one time, Mr. Speaker, in 1980 I had a meeting with the federal minister, the Hon. Mr. Whelan. And we talked about different aspects of agriculture, and the minister says, we got some things coming out that's going to be great, but you as a Conservative won't agree. You won't agree with subsidies. You won't agree.

I said, what makes you think I won't agree? I says, I didn't agree until just a couple a weeks ago when you, the Liberal government, just give out \$350 million to Chrysler, you give it to John Deere, you give it to Massey Harris, you give it to the big corporations. You give it to the world. I'm not going to call it subsidy; I'm going to call it a fair dollar and cent back to the producer.

So we're using the word subsidy. One of the members over there says, subsidy, we use that word. But it's not really a subsidy to farmers. It's giving them a little bit of something that they produce for feeding the world.

I want to point out, Mr. Speaker, that rural Saskatchewan, farming, Mr. Speaker, is very important, not only to Saskatchewan but to the entire country . . . (inaudible interjection) . . . Too bad all the farmers in Saskatchewan couldn't hear what the members from Quill Lakes or Regina Elphinstone, one of them just said that they're going to call it welfare. I wonder if all the farmers, Mr. Speaker, would be pleased with any help we can get from the federal government now or from the provincial government, is going to be called welfare? Just think what they said. So I'm going to cut that out of my *Hansard* and I'm going to carry it around for the next year and a half.

(1615)

An Hon. Member: — It's not in your *Hansard*.

Mr. Muirhead: — Well it'll be in my *Hansard* all right, because I just repeated it. You said it. Mr. Speaker, let's have it very clear to the people at *Hansard* that I want it written in there what the member from Quill Lakes stated, that any money coming from the federal government is going to be called welfare, social aid to farmers. Now, boy, I call that a disgraceful, despicable statement. I can't believe it. Welfare.

I just finished saying, Mr. Speaker, that money that we're asking from Ottawa is to help us compete with the American-European treasuries. That's what we're asking for. They're doing it, and they're the biggest free enterprise states in the world, the United States. They're doing it, but it's easier for them to doing it. They got 275 million people eating bread and paying taxes. In Canada, we got 25 million people eating bread and paying taxes, and it's tough. But I still believe, Mr. Speaker, I still believe that our federal government will come through.

I'm absolutely sure that they will.

An Hon. Member: — When? Next week, Gerry?

Mr. Muirhead: — Well the member from Elphinstone said, when? Next week? I'll be satisfied any time in 1990 because they've never let us down in 1985. They never let us down in 1985, they never let us down in 1986, they never let us down in 1987, they never let us down in 1988, and they never let us down in 1989. And 1990 is not here, not over with yet.

They're just hoping, Mr. Speaker, the members opposite are just wishful thinking and hoping that there's no money comes west from the federal government so they can go out and say to their voters at election time, we told you wouldn't get any. We told you. Now vote for us.

But, Mr. Speaker, I'm sorry to disappoint them. I'm sorry, I'm sorry to disappoint them, Mr. Speaker. But there's help coming from the federal government; they'll never let us down. There hasn't been a government in the history of Canada that would let any area down that's in a situation like we are in Saskatchewan. There isn't a government's ever done it. And this government will not either, Mr. Speaker. They have that responsibility.

As I said many times in remarks, that's their responsibility to the farmers of this country and of this province. And we fully expect them to honour their commitment and provide assistance. Mr. Speaker, the federal government must establish a contingency fund to fight the Euro-American subsidy wars, to combat the United States export enhancement program, to maintain Canada's share of the international grain markets.

Now, Mr. Speaker, I'm not saying that farm assistance is the whole responsibility of the federal government. This government has a duty to the farm families of this province as well. And we have fulfilled our commitment to the best of our abilities. The Premier has said, I'll use my treasury for the farmers. Well I'll tell you, the treasury is dry and it's mostly gone to farmers in this province. And we must stand up with our Premier that has done everything he can with that treasury and now we have to go to the federal treasury. We have implemented the production loan program, provided livestock cash advances and drought assistance. We created the Agricultural Credit Corporation of Saskatchewan. We introduced the guaranteed vendor mortgage program, and we established the farm security Act.

Where in the history of this government, ever, has a farmer ever lost their land and could go back to the government and apply for a loan to re-establish their farm. Never has ever happened. It's only happened under the Tory government, and it's the only way it's continue to go to happen is the Tory government will be saving those farmers.

All the members opposite will be doing is looking towards their voter and their supporter, and that's their union leaders, on what direction to go, the same as they did, Mr. Speaker, on the day that we met in 218 when the poor farmers were shoved aside by the SGEU. They were shoved aside and the spokesmen were the SGEU.

We are also protecting farmers through programs such as crop insurance, insurance programs for beef and pork producers, for providing tax exempt farm fuels, and money for food and agricultural research. We are spending an additional \$400 million in spending and tax assistance to our farming sector to protect our farm families, to help them through these difficult times.

Mr. Speaker, this government has dug deep into its pockets and we have tightened our belts so that we could address the immediate crisis in agriculture. We have put money into the hands of Saskatchewan farmers. We have dedicated almost \$1 billion to protecting farm families, and now the federal government wants us to assume their responsibilities and put additional hardship on the people of this province by increasing our debt.

Just a few weeks ago when the federal budget was introduced, the additional pressure was put on our province. The immediate effect was a drop of \$33 million to transfer payments from the federal government.

Well, Mr. Speaker, the federal government is expecting this province and this government to shoulder even more, and we say, no more. We say we can't do it, Mr. Speaker. The problem in agriculture today is caused by the international subsidy war and it's the federal government's duty to protect its citizens from this war. Simply put, if the federal government wants an agriculture industry in this country, if they want farmers to compete in the global economy, then they are going to have to act fast.

They're going to have to make immediate provisions for securing Canada's position in the world market by a commitment of not less — not less, Mr. Speaker, than a billion dollars for Saskatchewan farmers alone. Not a billion for all of Canada, a billion for Saskatchewan farmers.

We would like to do more for our farming sector, but the plain and simple truth is we cannot afford it here in Saskatchewan. This government has gone to the wall to protect our farm families. We cannot compete with the budgets of the United States and the European Economic Community.

Now if the members opposite, Mr. Speaker, do not agree with this, then all they've got to do is get in touch with rural Saskatchewan as much as I have in this last six months, and talking to people, having meetings in houses, having hall meetings, community meetings.

I was in a meeting in the town of Craik one week ago tonight. A hundred and ten farmers, it wasn't even advertised, come out to voice their opinions. I asked them two things that I wanted to take back to my caucus. One was the moratorium; the five-year moratorium the Leader of the Opposition says that we must have to protect the farm families. Even the NDP supporters in that hall, Mr. Speaker, got up and says no, that'll close my credit union down. Mr. Speaker, I just wish for the sake of the demise of the NDP Party they would keep on talking moratorium, because that's what's going to happen to them.

Mr. Speaker, we'd like to . . . this government has gone to the wall and we know they've gone to the wall. They've done everything they possibly can. I don't know what else we can do, other than safety nets. There's no more money left.

If we keep on putting money from our treasury, it'll soon dig into the other departments. The Environment will be cut back, Rural Affairs would be cut back, highway projects would be cut back . . . (inaudible interjection) . . . They are not cut back, Mr. Speaker. I've been sitting in this legislature for 12 years and I have never seen any cut-backs. I haven't seen them.

The only cut-backs I've ever known in this here legislature, Mr. Speaker, is the moratoriums that they used to put on building hospitals and senior citizens' homes for the aged in rural Saskatchewan. That's the only cut-backs I've seen in my 12 years representing Arm River, Mr. Speaker.

The only place they wanted to build for the seniors, they wanted to bring the seniors to Regina. They started building high-rises in Saskatoon and Regina, and let's bring all the people in from the little communities and put them into . . . to put the farmers that lived all their life out in the community, put them into Regina. And what'd they do that for? Hoping they could control their vote for more future elections.

Mr. Speaker, 1 million people cannot possibly take on the treasuries of western Europe and the United States. We cannot do it alone. We need Ottawa's help. Saskatchewan deserves to have this kind of support for agriculture industry that we see the U.S. and Europe do today.

Mr. Speaker, our farmers shouldn't be caught in the middle of these international subsidy wars. Fighting those grain wars, eliminating unfair advantages for other grain producing countries, that is a very important part of the solution to the farm crisis we are presently facing. This is an international problem, and it requires both federal and provincial action.

Presenting a disorganized front, like the members opposite would like us have do . . . They like us to present a disorganized front to Ottawa, and it's not going to get money in our farmers' pockets. That's why, Mr. Speaker, to get the money in the farmers' pockets, we must be unanimous, absolutely unanimous.

With those comments, Mr. Speaker, I would like to end my address. I encourage all present to consider my remarks and make efforts to provide a united front with which this province can rightfully demand that the Government of Canada live up to its responsibility in securing Canada's position in the international price wars by the commitment of not less than \$1 billion to the Saskatchewan farmers.

Mr. Speaker, it pleases me to second the motion put forward by my colleague, the member from Shellbrook-Torch River. Thank you very much, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Rolfes: — Mr. Speaker, it gives me a great deal of pleasure to participate in this debate. This is the first time that I can remember in the 15 years that I've been in this legislature where a mover of a resolution, first of all, Mr. Speaker, decides that he wants his resolution to be moved, that it's his decision whether or not he goes with that resolution, and then refuses to speak on the resolution.

An Hon. Member: — A point of order, Mr. Speaker.

The Speaker: — Order. What is the hon. member's point of order?

Mr. Hopfner: — Mr. Speaker, speaking to the point of order, I'd just like to bring to your attention and the member's attention that the mover of the motion had indicated that he was not feeling well; and in order for us to discuss the topic, he at least took the time to come to this Assembly and move that motion so that we could deal with it.

The Speaker: — The hon. member does not have a point of order — does not have a point of order. It was a dispute between members and the debate continues.

Mr. Rolfes: — Mr. Speaker, as I was saying, it was the decision of the members opposite, the government side, to go with another resolution if they so desired, and bring forward this particular resolution when the mover was in a healthy position to speak to this resolution.

As I was indicating, Mr. Speaker, it's the first time, as long as I can remember, where someone brings forward a resolution and then refuses to speak on it. And it tells me something about the members being split on this particular resolution. It tells me that they are split on this resolution.

I'll tell you why they are split on this resolution. Because, Mr. Speaker, you look at the resolution, the emergency resolution that was put forward by the members opposite and unanimously passed by this resolution, and we will find in the resolution today, we will find in the resolution today that the member from Shellbrook-Torch River, seconded by the member from Arm River, request that there be immediately — and I underline the word "immediately" — make provisions for \$1 billion.

But, Mr. Speaker, when you turn to the resolution that unanimously was passed by this House on March 20, did they say that the federal government should immediately make available \$1 billion? No, they did not. No, they did not. Why, Mr. Speaker? Why, Mr. Speaker, are they so schizophrenic about this whole situation? Because they have not developed, they have not developed any policies related to agriculture to come to terms with the serious debt that Saskatchewan farmers are facing today. There's a rift in the members opposite.

Let me read to you what they said in the emergency debate. In the emergency resolution that was passed in this House, moved by, I believe it was the Premier at that time, and it was . . . they said the following:

An immediate announcement of an injection of \$900 million to Saskatchewan farm families with \$500 million to be paid out prior to (spring) seeding and the balance of \$400 million to be paid in late fall.

In late fall. Now, Mr. Speaker, why would the members opposite do that? Why would they on the one hand bring forth a resolution today which says that we want an immediate injection of a billion dollars, and then on the other hand send a resolution to the federal government — to the federal government — a unanimous resolution passed by this legislature saying, no, we want \$500 million in the spring and we want \$400 million in late fall. Why would they do that?

(1630)

Well, I can think of several reasons why they'd like to do it. First of all, the member from Arm River says, let's not make this political, and then you listen to his speech and 90 per cent of what he said was political. Partisan politics misrepresenting . . . by the way, misrepresenting the position of the opposition. No place, no place will you find in the policies of the NDP, a five-year moratorium.

If he went out to his constituency, if he went out to his constituency and represented that as a policy of the NDP, I say to the member of Arm River, you live with that on your conscience, you live with that on your conscience because you know that you are totally misrepresenting, totally misrepresenting the position of the NDP on farm policy. In the resolution, Mr. Speaker, that was passed on March 20, we tried to strengthen that resolution and we moved a number of amendments, all of them turned down by the members opposite, all of them turned down by the members opposite. We said yes. We agree with some of the things you're bringing forward but there are improvements that can be made.

And if the members opposite, Mr. Speaker, were really concerned about the welfare of the farmers of this province, they would have accepted some of those amendments. Because one of those amendments says this: after consultation between two governments established by July 1, 1990, a national farm income stabilization program which would guarantee production and price shortfalls on delivery. That is exactly what some of the farmers in Saskatchewan need.

Right now, Mr. Speaker, we are not coming to grips with approximately 4 or 5,000 of the Saskatchewan farmers who haven't got the cash to put in their crops. They will not be eligible for the loan program that was made available, the seed loan program that was put into effect in the last budget. They will not be eligible.

So what we have asked for and asked the members opposite to join with us, to come to grips with the 4 or 5,000 farmers. And did the member from Arm River agree to that? No, he did not. If he really wanted to help those farmers in Saskatchewan, why did he not convince his members that it would be within the best interest of the farmers of Saskatchewan to support that amendment. He did not do that.

A second amendment, Mr. Speaker, that we brought forward is the following. We said, direct the Agricultural Credit Corporation of Saskatchewan to implement immediately a stop to foreclosures on farm land and its seizures of farm assets until the measures in items one to seven above are in place.

One third of the debt of Saskatchewan farmers is owed to ASC (Agricultural Credit Corporation of Saskatchewan). One third. And which agency, Mr. Speaker? Is it the credit unions? Is it the banks? Is it the Farm Credit Corporation that has taken action against farmers? Most of them haven't. Which is the agency that has been most aggressive? The agency that is controlled by the Minister of Agriculture, the Premier of this province.

He has initiated more foreclosures, he has sent more foreclosures to his legal people, to his lawyers, than any other agency in Canada. He is the man, the Premier of this province, who is taking the land away from our farmers. He is the man that is foreclosing. He is the man that is foreclosing on our farmers. And yet he stands in this legislature and says he has the welfare of farmers at heart.

Mr. Speaker, let me refer to some other evidence that this Premier really does not have the welfare of the farmers at heart. And there's ample evidence. If we, Mr. Speaker, go to the 1989 federal budget, which took some very drastic measures against farmers, cost the farmers hundreds of millions of dollars, and where did the Premier of this province stand? Did he criticize the federal government and say no, our farmers simply can't afford to pay any more?

No, he did not. What was his comment, Mr. Speaker? His comment was, Devine takes budget news calmly. And what was it? Agricultural spending will feel the axe. And this is an article written by Barry Wilson, who's *The Western Producer* reporter in Ottawa. And Mr. Wilson writes the following about the budget:

The federal government is proposing to spend \$140 million less on agriculture programs this year than it spent last year.

And what does the Premier of this province say? The farmers have been dealt with fairly. Let me read exactly what he said, by Deborah Sproat of *The Western Producer*, reporter. She said the following:

Premier Grant Devine says the province of Saskatchewan was treated as reasonably as anybody in the federal budget, yet hundreds of millions of dollars were cut from the federal agricultural budget, and the Premier, instead of standing up for farmers, said they were treated fairly.

In that budget, Mr. Speaker, each farmer had to pay another \$800 annually, annually. And what does the Premier say? Well that's okay; you're treated fairly. Even though you can't afford it, you're treated fairly. The federal government has to take away some of this money because they have a deficit to take control of.

And, Mr. Speaker, in that budget alone, in 1989 budget and that was repeated annually, there was taken away from Saskatchewan farmers a half a billion dollars. A half a billion dollars was taken away or added on to the expense of farmers. And what does our Premier say, the Minister of Agriculture? Saskatchewan farmers are treated fairly.

And today they stand in this legislature. Today they stand in this legislature, bringing forth a resolution which contradicts the resolution that was passed unanimously in this House, moved by the Premier, contradicts that resolution. Is it any wonder that the farmers out there don't know where the government and where this Premier stands on agriculture? One day he says one thing; the next day he says another thing. How can he say to the farmers of Saskatchewan that when the federal government adds on a half a billion dollars to the cost of farmers, that farmers are being treated fairly? That's absolutely nonsense — absolute nonsense — and the Premier knows it.

Mr. Speaker, that 1989 budget was repeated again in 1990 and is going to be repeated again in 1991; means that in two years an additional \$1 billion. And isn't it a coincidence. The farmers in two years were asked to pay another \$1 billion which, supported by the Premier, and now the Premier is saying, we need a billion dollars back. What kind of a game is he playing? Why wasn't he there in Ottawa and saying to the federal minister, the Hon. Mr. Michael Wilson, no, our farmers can't afford to pay the additional costs. You can't take those programs away from our farmers because they can't afford to pay \$500 million a year.

Let me remind the members opposite that in 1985 — and it was brought out very clearly in public accounts — very little work, very little work and very few regulations were worked on in the production loan program. Within a few weeks, within a few weeks because there was an election coming up, a provincial election, the members opposite brought forward the production loan program which gave \$25 an acre at 6 per cent to all farmers to a maximum of \$100,000 for one farmer, single farmer, or multi-operational farm to a tune of \$200,000.

And let me remind the people of the province of Saskatchewan that even the Premier took the \$25 an acre at 6 per cent. But the Premier was only making about 80 grand a year, Mr. Speaker. I guess he really needed it. And I'm told that other members on that side of the House, other cabinet ministers also took that production loan program, subsidized at 6 per cent by the poor people of this province, by the ordinary taxpayer of this province. You tell me that you can justify that?

And that wasn't all, Mr. Speaker. They also brought in the livestock cash advance program which was also a very generous program. And I'm told again that a number of the members opposite took advantage of that particular program. Didn't take them very long; didn't take two years or three years or six months to develop that program because there was a provincial election coming up.

And we all know what happened during that provincial election, when the polls very clearly indicated that they

were going down the drain, and it's reported by the media in Saskatchewan. What happened? Well the Premier got on the telephone and phoned his buddy in Ottawa, the Prime Minister, and said look, I'm down the tubes unless you come through with a billion dollars; you've got to save me. And the Prime minister did. Did it take six months? Did it take a year? No, it didn't. It took a couple of hours to make that decision.

And, Mr. Speaker, I can tell you that if the federal government and the provincial government can make those decisions when there is an election in progress, then for the sake of the farmers of Saskatchewan that decision could be made today. That decision could be made in Ottawa and that money should be on its way to farmers so they can put in their crops. One thing the farmers don't need is a program, a loan program which will increase their debt even further. They don't need that. As the member from Humboldt has often said, they need cash now. They need that money now to put in their crops.

And, Mr. Speaker, I am told, yes, the decision in Ottawa has been made; Mazankowski does have that money and all he needs is the okay of the Premier of this province and the money would be on its way.

Mr. Speaker, as I said before, why is it that we have two different resolutions? Is it that the federal government would gladly send out this money now but it's not within the timetable of the Premier of this province? The Premier doesn't want to go for an election in June because the polls don't show that he can win. So he'd like to make sure that some of that money, or a large portion of that money will come in late fall, October or November, because the Premier wants to keep his doors open for a provincial election. And then he can say to the people of Saskatchewan, you re-elect me and I'll get you that \$400 million.

And the member from Arm River says, well let's not play politics with this. Who is playing politics if it isn't the members opposite? Why was that resolution designed the way it was? Why did they have to put in the word, late fall, so the \$400 million will be coming in late fall? That's not by accident.

And now they come forward with their resolution, but I think they must have forgotten that they had this other resolution on the order paper. That's why the member from Shellbrook-Torch River didn't want to speak to that resolution. He knew, he knew there was a conflict. He knew that he couldn't justify that particular resolution with the one that we passed unanimously in this House. He was embarrassed. He was embarrassed about it and that's why he didn't want to speak to it.

Mr. Speaker, they didn't have to, they didn't have to bring this . . . I want to remind the member from Rosthern, unless he doesn't know, he didn't have to bring that resolution forward today. He could have waited till next week when the member from Shellbrook-Torch River felt better and could speak to this resolution.

But, Mr. Speaker, as I said, I know why they brought it forward, because there is a rift in the members opposite.

They can't agree. They can't agree on what is politically best for them, and therefore they have brought forth this resolution today.

Mr. Speaker, let me remind the members opposite, there is a lot of evidence, simply a lot of evidence available in the media and in the press releases that have been put forward by the government opposite that they really haven't got a policy for agriculture.

They have a policy when there is an election and that is to put forward either by themselves to the production loan program and through livestock advance program, or to convince the federal government during an election that they must make money available after the election. That's the kind of program they have. There is no long-term program.

(1645)

And, Mr. Speaker, we have often put forward what needs to be done to address the problem of the farmers in Saskatchewan. But is it coming back, Mr. Speaker, is the true feeling of the Premier coming back about agriculture in Saskatchewan? And we know, we know when he was a professor at the university what he thought of farmers. And in his research paper he clearly indicated that 80 per cent of the farmers were inefficient — were inefficient — and many of those farmers should not be on the farm at all.

Is the Premier, by not addressing the problem of Saskatchewan, of the thousands of farmers who will go bankrupt — is their Premier finally getting his wish? Is he finally getting his wish in getting rid of those farmers that he called inefficient? Is that his plan, Mr. Speaker? Is that what he is attempting to do? Otherwise, why doesn't he come to grips with the problem? He has had eight years to do so.

We have recommended to the government and to the federal government that there ought to be a debt moratorium until July 1. But in the meantime, Mr. Speaker, while that debt moratorium is on, that there should be cash in the hands of farmers immediately, and then there should be a restructuring of the debt.

And let's negotiate, not only with the Agricultural Credit Corporation of Saskatchewan but also the Farm Credit Corporation who owns the other one-third debt. And then let's go to the financial institutions and say, hey, look it, ACS is going to do its share; FCC, the Farm Credit Corporation, is going to do its bit. Now the financial institutions. Let's talk to them and let's restructure that farm debt.

That, Mr. Speaker, should have been started a long time ago. But members opposite, and the federal government — and it hasn't been advocated by the government opposite — have not picked up on this.

We need a long-term stabilization program in this country so that farmers know that they will have a guaranteed income for their commodities. We know that the price of their commodities right now, Mr. Speaker, is so low that the input costs are simply higher than the price

of that commodity. So there's got to be a floor price paid for these farmers.

Mr. Speaker, so we need some cash which we haven't received. We need a debt moratorium until July 1. And in the meantime, let's discuss restructuring of the debt with FCC (Farm Credit Corporation) and ACS and the financial institutions. And, Mr. Speaker, we need a long-term intergenerational transfer of land. That's what we need.

And in the meantime, Mr. Speaker, let's discuss, as I have indicated in this legislature, and I know that members opposite agree: why can't we revert, why can't we revert to a policy that existed in the '60s, where we say to the farmer, yes, there is \$250,000 available for you at a fixed interest rate for 30 years? Why can't we do the same thing for small-business people and for home owners? Home owners at 100,000; small-business people at 250,000.

If we had such a policy, then farmers would know what their interest charges would be and they wouldn't have to worry about the interest rates going up 3, 4, 5 percentage points and driving them out of business. Why aren't we advocating . . . why isn't the government advocating that to the federal government? Not a word, not a word on such a policy. That would address, to a large extent, a problem that a lot of the farmers are experiencing today. And I say to the members opposite, the resolution that you have brought forward here today simply does not address the problem. It doesn't address the problem again.

And I am disappointed that at least we don't have some conformity with the resolution that was unanimously passed in this House and sent to Ottawa. What is Ottawa to think? On the one hand, we unanimously send a resolution saying that we want \$500 million now; we want \$400 million in late fall. And now you come through with a resolution which says no, we want a billion dollars immediately.

That doesn't make sense. It just says to the federal government that you guys don't know what you're talking about. You don't know what you want. One day you want this; next day you want that.

Now I think, I think had we requested the billion dollars and had we said along with it a number of the recommendations that the members in the opposition put forward, and said to the government, the federal government, yes, we have a plan for farmers, a long-term plan, and here it is. Here are the seven points; this is what needs to be done. And for the immediate solution to the farm crisis, we will put a moratorium on foreclosures, a short-term moratorium. We will restructure your debt. We will talk to the financial institutions, in particular to the agricultural credit corporation and the federal credit corporation. We will restructure that debt. And we will, we will try and put in a long-term stabilization program and some mechanism for intergenerational transfer of land. And we will also address, and I address this to the Associate Minister of Agriculture, we will also address and recommend to the federal government something on fixed interest rates for farmers.

Now if you did that, then you'd have a package that you could take to the federal government from this legislature,

and they could say, yes, Saskatchewan not only has short-term problems and solutions, but they also have a long-term solution to the problem of agriculture and the debt, the huge debt that exists in this province.

But you didn't do any of that. It's simply *ad hoc*-ery with you guys. You did it in '86, you did it in '87, and you're still doing it today. You have not come to grips with the problem that exists out there. And in the meantime, thousands of farmers, thousands of farmers don't know whether they should leave their land, whether they should try and borrow some more — and many of them can't — to put in their crop, or whether they should just give up the ship and turn it over to you people.

You've given no hope out there for the farmer, and that is what you need to do. You need to tell them, yes, we understand that we have a huge debt but here are seven or eight points in our agricultural platform that we're taking to the federal government and we'll take to the other ministers of agriculture in Canada, and we will have a Canadian agricultural policy and platform that will address those problems. I think if we did that, then we could face that situation, the huge financial problem that we have, and we could at least give some hope to our people.

Mr. Speaker, I cannot, I cannot support the resolution that has been put forward, and I want to move an amendment. I move the amendment, seconded by my colleague, the member from Saskatoon Nutana, that the following words be added to the resolution moved by the member from Shellbrook-Torch River, seconded by the member from Arm River:

That the following words be added after the word "purpose" in the last line:

and further that this Assembly regrets that the federal government has failed to deliver the \$500 million in direct federal cash assistance to Saskatchewan farmers that is needed this spring.

Thank you, Mr. Speaker. I will not be supporting the main motion, but I will be supporting the motion as amended.

Some Hon. Members: Hear, hear!

Ms. Atkinson: — I'm pleased to be able to second the motion that was put forward by my colleague, the member for Saskatoon South.

Mr. Speaker, we in this legislature on many occasions have debated the crisis in agriculture, and it's interesting that the government, on March 20, I believe, introduced a motion that was supported by all members of the legislature, talking about various long-term and short-term solutions to the agricultural crisis facing Saskatchewan farm families, Saskatchewan business people and Saskatchewan working people.

Now this crisis that was debated on March 20 is not a new crisis. It's been around for some time. And if you look at the headlines in the various newspapers across Saskatchewan, you will note the following: "Mazankowski Promises Aid for Spring Seeding." This

article is dated February 27, 1990. "Farmers Face Crisis, Devine tells Bankers," March 17, 1990. "We Need Cash: Pool President" is another headline dated March 21, 1990 and then another one, March 21, 1990, "Officials Working on Farm Package."

Well today is April 24, 1990 and Saskatchewan farmers are still waiting for the \$500 million package that was promised them by the Premier of our province and the Deputy Prime Minister of Canada, Don Mazankowski.

Farmers are presently getting ready to go out onto the land. And while it's true the members opposite have introduced a spring seeding program that will allow farmers to borrow money to put their spring crop in, for many of the farmers facing the agricultural crisis in this province, they will not be able to go to the lending institutions and borrow the money, simply because they do not have, they are not in a financial position to go and borrow that money. So those people will not have access to this so-called spring seeding loan that the members opposite introduced in their budget.

But they might have had access to the \$500 million promised by the Premier and promised by Don Mazankowski, had that money become available some time this spring. And that simply hasn't happened.

The Premier, when he spoke to the bankers in Toronto, and it's reported in *The Globe and Mail*, he noted, and I quote: "... that 20,000 farmers, one-third of the entire province, are faced with financial ruin unless they receive an immediate cash bail-out of \$500 million."

I have to ask myself, what has changed since March 17, 1990? Nothing has changed, Mr. Speaker. Twenty thousand Saskatchewan farmers face immediate ruin unless they receive \$500 million cash bail-out from the federal government.

A spring seeding program isn't going to help those 20,000 farmers that face immediate ruin. But \$500 million would help those Saskatchewan farmers, \$500 million would. And so the members opposite, while it's true they've got a unanimous motion passed by this legislature, dated March 20, 1990, calling on the federal government for various short-term and long-term programs — the one thing that it called on was for 500 million to be paid out prior to spring seeding, and the balance, 400 million, to be paid out in the fall. And that simply hasn't occurred.

Yet the members opposite are Conservative members. The members that control the province of Saskatchewan, that govern the province of Saskatchewan, are Conservatives. And the government in Ottawa is Conservative. Now I find it odd that this government seems to be able to get money out of Ottawa whenever a federal or provincial election is imminent, but they can't get any money out of Ottawa, which was promised — 500 million — for this spring. So it obviously means that they don't anticipate an election in June of 1990. It obviously means, when they start to call for a billion dollars and the member from Arm River says some time in 1990, that we are looking at an election in 1991.

Well Saskatchewan farm families — and I think that was

quite evident when the farmers came to the legislature a couple of weeks ago — are tired of being used as pawns in anyone's political game. Whether that political game is Tory or Liberal or NDP, they're simply tired of it. They're simply tired of it.

They want money now. The crisis is now. They want the cash now. They don't want it when it comes to the next provincial election. They don't want to be part of anybody's agenda because they have their own agenda, and that agenda is one of survival.

Some Hon. Members: Hear, hear!

Ms. Atkinson: — And the member from Arm River should understand that more than anybody else in this House, that there are farmers facing imminent foreclosure and they're not interested in being part of the Tory agenda. They simply want to do what they've always done, and that's farm the family farm. That's what they want to do.

I note, Mr. Speaker, that we're now 5 and I would ask to adjourn the debate.

Debate adjourned.

The Assembly adjourned at 5:01 p.m.