

The Assembly met at 2 p.m.

Prayers

ROUTINE PROCEEDINGS

INTRODUCTION OF GUESTS

Hon. Mr. Hepworth: — Mr. Speaker, I'd like to introduce to you, and through you to all members of the Legislative Assembly, some 72 visitors, some 72 students in your gallery, sir. These are grade 8 students from Weyburn Junior High School, and they're accompanied today by Janice Bernard and Gary Kruger, their teachers, and as well, Vance Peterson and Gary McKenzie who are the bus drivers.

This is an annual visit for the junior high from Weyburn, Mr. Speaker, who each year about this time of the year they make the journey to the legislature. And I just want to commend all the students and their parents and the bus drivers, and in particular the teachers, for making this annual trip and including as part of the students' education the trip to the legislature to get some sense of what parliamentary democracy is all about.

And I'll be meeting with these students, Mr. Speaker, after question period in room 218 to field some of their questions and to have pictures and a refreshment with them, and I would ask all members of the Legislative Assembly to join with me in welcoming these guests from Weyburn, Mr. Speaker.

Hon. Members: Hear, hear!

ORAL QUESTIONS

Tendering Process for WESTBRIDGE

Mr. Lingenfelter: — Mr. Speaker, my question will be directed to the minister in charge of privatization. Not being present, I would direct it to the acting minister, and it deals with one of your government's main privatization that has taken place over the last while.

I'm sure the minister will realize that the outstanding shares in WESTBRIDGE Corporation held by private investors would amount to a very, very low percentage of outstanding shares. I'm sure the minister would also know that WESTBRIDGE does about 75 per cent of the work for the province of Saskatchewan or about \$90 million worth of work for the province. That is about three times what the computer corporation of Saskatchewan used to get by way of revenue in terms of the computer work they used to do; and about three times the value of work that the Manitoba Crown corporation gets for doing all the corporation work and the department work in Manitoba, including health care.

Now I would like to ask the minister: what is the process of tendering for that \$90 million? That work, has it been tendered? What is the tendering policy for WESTBRIDGE? And will you table that tendering process at this time.

Some Hon. Members: Hear, hear!

Hon. Mr. Hepworth: — Mr. Speaker, on behalf of the minister in charge of the privatization initiatives, I'll take notice of that question.

Mr. Lingenfelter: — Well, Mr. Speaker, I direct my question then to the Minister of Finance who appears to be taking the question, and I guess that the minister who is in charge is not in the Assembly today, but I would then direct this question to the associate minister of privatization.

And the question to you, Mr. Minister, is this: When WESTBRIDGE was formed, the provincial government assets from SaskTel and SaskCOMP were transferred to the new corporation at book value. You will remember that when you sold off the assets of Sask Minerals, you said that you sold them off at less than book value because that was how things were sold in the industry. And the same was true of the potash corporation.

Mr. Minister, considering those two situations, can you explain why WESTBRIDGE acquired the assets of Mercury Group for \$4.9 million, more than twice the valuation of the firm at that time? How does that work?

Some Hon. Members: Hear, hear!

Hon. Mr. Hepworth: — Mr. Speaker, I'll take notice on that question as well and bring the details back to the hon. member.

Mr. Lingenfelter: — Well, Mr. Speaker, I really would like the associate minister, who gets the salary of a minister, to answer these questions because they're very pertinent and important to the taxpayers of Saskatchewan, especially the question that I'm going to ask now because it reflects directly on the government's administration abilities.

Now, Mr. Minister, you will know that the business wizards on your side of the House paid \$5.25 million to acquire Leascorp Western, a company with a valuation of 276,000. You paid 2.25 million for Lease Corp. Systems which had a valuation of minus \$231,000. You went on to pay 13 million to acquire Lease Corporation Limited which had a valuation of \$59,000.

Why did you pay this Toronto entrepreneur, Leonard McCurdy, a total of \$20.5 million to obtain his assets in Lease Corp. Group which had a value at the time of \$104,000? Why did you pay 200 times the valuation in order to get this company set up? Why did you have to do that?

Some Hon. Members: Hear, hear!

Hon. Mr. Hepworth: — Well first of all, I don't necessarily accept at all at face value what the hon. member has said, Mr. Speaker. Certainly we'll want to get and provide what details we can relative to that question.

But I would just make this general observation about valuations relative to privatization initiatives, Mr. Speaker, and ones that I recall in this House and recall

quite clearly. Some several years ago now we privatized the Sask Oil and Gas Crown Corporation, Mr. Speaker. And I remember at the time members opposite saying, oh yes, you underpriced that so it'll be a popular issue just to make your privatization look good. I remember it clearly; that's what they said, Mr. Speaker.

And what happened of course was the market is always right. You can't fool the market. And not only was that at the time it was a fair price, but it went down, Mr. Speaker, not up. So I would suggest that the NDP track record when it came to predicting or having some sense of what the value was for Sask Oil and Gas, they were no more right then than they were when it came to the potash issue this last year when the member for Fairview thought he had a better idea as to what the value of that corporation was worth. And once again the market-place was right and it'll always be right, Mr. Speaker. And that is the determining factor of the day, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Lingenfelter: — New question to the minister. This is very much a similar manner in which the government started out defending Guy Montpetit and GigaText when that issue was raised in the House.

But I want to ask the minister, and repeat the question to you: does it make any sense that you paid Leonard McCurdy \$20.5 million for assets that were values at 104,000? That was the question. I ask you to answer it right now.

Some Hon. Members: Hear, hear!

Hon. Mr. Hepworth: — I'll take notice, Mr. Speaker.

Mr. Anguish: — Thank you, Mr. Speaker. I would like to ask a question to the Associate Minister of Economic Development, as long as the Finance minister doesn't have his tongue, I'd like to ask the minister in light that Leonard McCurdy through another company which he owned — Lanek Limited, a company in Mississauga, Ontario — he had leased to Lease Corp. for \$6,000 a month just months before WESTBRIDGE bought out Lease Corp. Now WESTBRIDGE assumed that lease with the take-over and is now paying Mr. McCurdy, a major shareholder in the corporation, \$6,000 a month for the lease on the property.

Now just prior to the acquisition, Mr. McCurdy mortgaged the property for \$425,000 which the WESTBRIDGE lease covers. In essence, you gave Mr. McCurdy \$425,000 in free money.

Mr. Minister, when are you going to demonstrate some competence in your government and be accountable for taxpayers' dollars in the province of Saskatchewan?

Some Hon. Members: Hear, hear!

Hon. Mr. Hepworth: — Mr. Speaker, I think it's fair to say that at all times one endeavours to be accountable to the taxpayers of Saskatchewan. That's the approach of this government and will continue to be the approach of this government and of this party. And relative to specific

questions that you may have, I'll have to take notice and see if we can't provide you with any details relative to these rather detailed questions, Mr. Speaker.

Mr. Anguish: — A new question, Mr. Speaker, to the associate minister of economic development who should have some knowledge about this issue since he's the minister responsible in the House today.

Just prior to the acquisition, Mr. McCurdy had Lease Corp. take out a loan for some \$500,000 with Canadian Pension Capital Limited and with the take-over this loan became a liability for WESTBRIDGE, Mr. Minister. Since Canadian Pension Capital Corporation now holds WESTBRIDGE shares, could you confirm that this was to retire that loan and that Mr. McCurdy benefitted to the tune of another \$500,000 paid for by WESTBRIDGE. It would appear, Mr. Minister, that he got \$925,000 out of this property which he purchased for \$155,000, and he still owns the property and WESTBRIDGE is paying the bill.

Is that the kind of expertise that you as a new minister are demonstrating, bringing to this Government of Saskatchewan a blatant disregard for taxpayers' dollars in this province.

Some Hon. Members: Hear, hear!

Hon. Mr. Hepworth: — Mr. Speaker, I'm not sure what our residual holdings are in WESTBRIDGE. I know that it's become a very successful national, if not international, company. I guess my question would be, has the hon. member raised these questions with the board and/or management of this private company for some answers?

Certainly I'm prepared to take notice and see what I can do about providing details, or we can continue this very good — I guess in their minds — very good political exercise, or if you like and we can expedite this and perhaps move on to some other issues. You could give me a list of all the questions you have and certainly we can look at getting some answers for you, or you can continue to go through this theatrics. It's up to the hon. member.

The Speaker: — Order, order. I've been listening to the line of questioning very closely and it's fair to say that the questions are closely interrelated. They're closely interrelated. Obviously the minister has tried to take notice. The hon. members keep raising questions, so if I'm going to rule strictly on it, I would have to say that you cannot ask questions . . . of questions that are further information for a question that the minister has already taken notice. Now these questions seem to be interrelated, and I'd like to bring that to the attention of the hon. member from Battlefords.

Order, order. I don't think this is a case for any problems. Hon. members are quite aware of the rules of the House, and they're aware that when the minister has taken notice of a question, other questions should simply be seeking further information, not eliciting a response.

Mr. Anguish: — A new question, not related, Mr. Speaker, and I would direct this question to the minister

who refuses to answer so far today. I direct my question to the associate minister of economic development who sits in his seat and doesn't show any accountability for taxpayers' dollars in Saskatchewan. Mr. Minister, these are the same kinds of deals that made your government famous, like GigaText and Supercart and other issues in the province.

Once again we see an operator coming in from central Canada, and the Saskatchewan taxpayers foot the bill, and you people delude yourselves by thinking you're major wheelers and dealers in Saskatchewan's economy. There are winners and losers. The winners certainly aren't the people in the province of Saskatchewan.

My question to you is, this fits very well for Mr. Guy Montpetit. He got \$2.9 million for his Lambda computers, and now you have Mr. McCurdy getting \$925,000 for his property. When are you going to, Mr. Minister, start treating taxpayers' dollars with some respect in this province so that Saskatchewan people are finally the winners, not your incompetence to big-business friends, Mr. Minister?

Some Hon. Members: Hear, hear!

Hon. Mr. Hepworth: — The hon. member, quite within his rights, can continue to drag a WESTBRIDGE Computer Corporation through the mud if he wishes. He can continue cast aspersions and create innuendoes and talk about things like GigaText, try and paint them with the same brush. But he chooses to ignore, Mr. Speaker, the fundamental issue because the NDP can't stand success. They can't stand the fact that after privatization we have a group of people here — 98 per cent of the employees bought in, Mr. Speaker. They can't stand the fact that 98 per cent of the employers bought shares; 80 per cent of those shares are held in this province, Mr. Speaker, that they have offices in 10 major cities across this country, as well as a U.S. base, and that they were the fastest growing company in Saskatchewan. They can't stand that kind of success. They just want to drag them through the mud, Mr. Speaker. That's all this is about.

Some Hon. Members: Hear, hear!

Cost of Office Facilities in Hong Kong

Mr. Mitchell: — Mr. Speaker, I want to try another question for the Associate Minister of Economic Diversification and see if we can get him up on his feet.

Mr. Minister, CBC radio today did a report on the opulent office space your government has acquired in Hong Kong for Graham Taylor. The suite of offices are on the 19th floor of Exchange Square, described in the report as one of the most opulent office buildings in downtown Hong Kong where rents are said to be the third highest in the world. This exquisitely furnished and finished office has a view of Victoria Harbour through curved glass windows. There's a private office for Mr. Taylor, an open office area for secretaries, a reception area, a boardroom, and several private offices, all for three staff members.

Can you tell us, Minister, can you tell this House how much it's costing the people of Saskatchewan to have

Graham Taylor work in this kind of luxurious surroundings?

Some Hon. Members: Hear, hear!

Hon. Mr. Gerich: — Mr. Speaker, I don't readily have the information at my fingertips, but I would think that the cost of renting an office in Hong Kong would be comparable to Alberta, British Columbia, Ontario, or Quebec.

Mr. Mitchell: — A new question to the same minister. We're talking here about office space to accommodate three staff people. And we know from an answer to a written question that was given by your government that in 1988 the monthly cost of that office was \$23,500 or an annual cost of \$282,000. And that was before Graham Taylor went there. And that's in 1988 dollars, so I assume it cost more today.

Can you tell us, has the actual office space expanded since 1988? And while you're on your feet, Minister, can you tell this House what other benefits such as housing, vehicle, travel, golf club dues, social club dues are being paid by the people of Saskatchewan on behalf of Mr. Taylor?

Some Hon. Members: Hear, hear!

Hon. Mr. Gerich: — Mr. Speaker, I indicated to the member opposite I didn't have the information on my fingertips. But the cost of renting offices in Hong Kong is comparably higher than what it is in Saskatchewan, Alberta, or British Columbia. And I think that the cost of renting an office over there would be in line with what these province have to pay.

Some Hon. Members: Hear, hear!

Mr. Mitchell: — That's an absurd answer, Mr. Speaker. I'm talking here about a former minister of this Crown who single-handedly practically ruined the efforts of Saskatchewan on account of privatization, the interests of Saskatchewan . . .

Some Hon. Members: Hear, hear!

Mr. Mitchell: — Practically ruined this province with some of his programs. Where are your priorities, Minister? That's the question that I have for you now. Where are your priorities?

On the one hand, here we are in Saskatchewan with a poverty rate which Statistics Canada said is the highest in the country. We got the worst record for population out-migration in the country. Farm business bankruptcies, personal bankruptcies continue to climb; young people are losing hope for a future.

And on the other hand, we see the winners such as Graham Taylor ensconced in his office overlooking Victoria Harbour at a huge cost to Saskatchewan taxpayer. What kind of priorities are you showing to the people of this province, Mr. Minister?

Some Hon. Members: Hear, hear!

Hon. Mr. Gerich: — Mr. Speaker, I think the NDP are on a witch hunt here. To promote trade and economic development in Saskatchewan, we have to have sales offices located around the world, one being in Hong Kong. What do the NDP want to do, build up a wall around Saskatchewan, not have any trade? They're tearing walls down in Europe right now.

Some Hon. Members: Hear, hear!

Report on Environmental Impact of Cargill Plant

Mr. Solomon: — Thank you, Mr. Speaker. My question, to relieve some of the pressure from the obviously incompetent replies so far, is now to the Minister of the Environment. My question, Mr. Speaker, to the minister pertains to a letter, a recent letter that I have a copy of here to the U.S. trade representative, Carla Hills, from none other than Fredric Corrigan, who's president of the fertilizer division of Cargill. And, Mr. Minister, the letter says, and I quote:

Detailed information on the safeguards I have cited, as well as all other environmental aspects of the project, were thoroughly reviewed by the provincial environmental authorities in 1989. Safarco provided a 70 page final project proposal, which was reviewed by at least seven different branches or sections of the government acting as members of an environmental review panel.

Mr. Minister, my question is this: since it was on the basis of that 70-page report that you decided the project needed no public environmental review, will you today table that 70-page report?

Some Hon. Members: Hear, hear!

Hon. Mr. Hodgins: — Mr. Speaker, the letter that the member refers to I am not familiar with. That is an internal document that has been sent by Cargill to someone else. I would firstly respectfully request, Mr. Speaker, that the hon. member table this letter so I can look at the letter.

I will confirm, Mr. Speaker, that indeed seven or more government departments have thoroughly analysed the whole proposal. It did not go through an official environmental impact assessment in some terms. But, Mr. Speaker, bureaucrat after bureaucrat, official after official, expert after expert, reviewed thoroughly the whole submission that was made by the Safarco proponent of this project.

After thorough review, Mr. Speaker, after thorough review, Mr. Speaker, and for some very good reasons, some very good reasons, Mr. Speaker, it was decided that this proposal could go forth if and providing all of the regulations were conformed to. And, Mr. Speaker, I will commit to the hon. member that every regulation that this province has with respect to the quality of our air, the quality of any discharges, the safety of the public, will be adhered to before that plant is given operating approval.

Now the member has specifically asked, will you release all of the confidential documents and figures and items

put forth by this proponent. I'm not so sure, Mr. Speaker, that that would be wise, fair, or in fact legal.

But, Mr. Speaker, I will undertake to review the matter. If there are information that would be acceptable to the member and will not jeopardize the position of a major international corporation, yes, I will release them.

Some Hon. Members: Hear, hear!

Mr. Solomon: — Mr. Speaker, a new question to the same minister. Mr. Minister, it seems that either you don't have the answers to questions we're asking today and yesterday, or the matters are before the courts.

Now what we want to know, Mr. Minister, is that according to the president of Cargill fertilizer division, based out of Minnesota, it was seven government branches or sections which served as the environmental review panel to which they submitted a 70-page report on the environmental impact.

That was done instead of a full public inquiry, so surely there's no problem from our perspective with making that process public. Your government says, and Cargill says it's a substitute for a public process, so surely you can let the people of Saskatchewan know what safeguards are in place with respect to this project and what environmental concerns were looked at before the project was approved.

And my question, Mr. Minister, is this: why not display some of the co-operation and openness you always talk about by letting the public in on this process and tabling that 70-page report?

Some Hon. Members: Hear, hear!

Hon. Mr. Hodgins: — Mr. Speaker, the hon. member talks about involving the public. I'd like to remind the hon. member that approximately three weeks or a month ago, or thereabouts, there was a very large-scale and widely attended public meeting. I believe the meeting took place in Moose Jaw. Mr. Speaker, I'll bet there was a thousand or 1,500 people there, and, Mr. Speaker, I'll bet you a thousand or 1,500 people said yes to this project.

And, Mr. Speaker, I would ask the question today in my mind: how many NDP were there? Was the member for Moose Jaw there, the two members for Moose Jaw who publicly have stated, yes, we agree with this project?

Now, Mr. Speaker, can we have it once and for all, straight and clear, is the opposition in favour of developing our natural resources and making fertilizer out of our natural gas or are they against it? I would like a clear position from the NDP because so far it's been a flip-flop — yes, we're in favour of it when we're in Moose Jaw talking to the local folks; when we're in Regina, well maybe we're not.

Mr. Speaker, this is a good project. It has gone through thorough review and, Mr. Speaker, the people of Saskatchewan want to develop our natural resources and they want to make fertilizer, and I'd like to know what position does the NDP have on that.

Some Hon. Members: Hear, hear!

Mr. Solomon: — Now, Mr. Speaker, a new question to the Minister of Environment. Mr. Minister, Cargill Incorporated sent this letter to the U.S. trade representative in Washington, Carla Hills. The president carbon copied seven or eight U.S. senators. Mr. Corrigan says in this letter at the end: please let me know if I can provide you with any additional information. Mr. Minister, if this information is good enough for the U.S. Senate and the U.S. trade representative, why isn't the information on the environment in Saskatchewan good enough for the people of the province?

Some Hon. Members: Hear, hear!

Hon. Mr. Hodgins: — Mr. Speaker, Mr. Speaker, we will provide . . . Mr. Speaker, there has already been, there has already been a tremendous amount of information on this subject put forth to the public in Saskatchewan through the media, through public meetings, through briefing sessions.

Mr. Speaker, if that is unsatisfactory, I will undertake to provide all of the information I can, but, Mr. Speaker, let me make it clear, let me make it abundantly clear, when the members of the opposite want to know the intricate details of a major corporation, there are such things as legal contracts; there are such things as prejudicing that corporation's position in respect to the market-place.

Mr. Speaker, do we want this plant to succeed, or do we want this plant to fail? That is the question that we have to ask. Do we want to jeopardize the position of this corporation, or do we want to make this corporation a good, sound, taxpaying corporation for the benefit of all Saskatchewan people? I'd like to know the NDP response to that, Mr. Speaker.

Some Hon. Members: Hear, hear!

INTRODUCTION OF BILLS

Bill No. 23 — An Act to amend The Corporation Capital Tax Act

Hon. Mr. Hepworth: — Mr. Speaker, I move first reading of a Bill to amend The Corporation Capital Tax Act.

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

Bill No. 24 — An Act to amend The Municipal Revenue Sharing Act

Hon. Mr. Klein: — Mr. Speaker, I move first reading of a Bill to amend The Municipal Revenue Sharing Act.

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

ORDERS OF THE DAY

GOVERNMENT ORDERS

MOTION UNDER RULE 16

Government's Economic Development Policies

Mr. Lautermilch: — Thank you very much, Mr. Speaker. Mr. Speaker, I guess today the motion that I'm about to enter under rule 16 is as appropriate as any motion that's ever been before this House. Because what it deals with, Mr. Speaker, is the economic mismanagement that this government has thrust upon the province since 1982. And I want to say, when you look at the performance of the new second string ministers that this Premier has put in place, it's no wonder they've got problems answering for the results of what the first string did. Mr. Speaker, this government is out of control; it's incompetent, and it doesn't deserve to govern any longer.

Some Hon. Members: Hear, hear!

Mr. Lautermilch: — Mr. Speaker, since 1982 day after day, session after session, and year after year, this government has been making decisions that are destroying the fabric and the base of this province.

The priorities, Mr. Speaker, are totally askew. They're totally misplaced. They've got millions of dollars for the Guy Montpetits from Quebec. They've got a million dollars for a Leonard McCurdy in a two-month period, with the new revelations in WESTBRIDGE today. They've got \$370 million to put at risk for Cargill. And they stand up in this House today and tell us that they won't even table an environmental impact study, an internal impact study that should have been made public.

And, Mr. Speaker, it wasn't long ago in this House, it was shown to the people of this province that they had three and a half million dollars to Chuck Childers on a no-cut contract that will have to be paid out by profits from a corporation, that should be going into the hands of the people of this province to deliver health care and education and to build highways.

Some Hon. Members: Hear, hear!

Mr. Lautermilch: — Mr. Speaker, never before, I believe, in the history of this legislature have we seen such a weak-kneed display. This government in the last few days in this legislature has either refused to answer questions or they've taken notice or they've said it's before the courts.

And I say to you, Mr. Speaker, that that's not the kind of consensus and accountability that they were promising in this budget speech. And I want to say, Mr. Speaker, that this government is going to pay dearly if ever that Premier has the guts to call an election so that the people of this province can pass judgement on them.

Some Hon. Members: Hear, hear!

Mr. Lautermilch: — Mr. Speaker, you can go through every economic indicator you want, whether it's published by this government as a provincial government document or whether you look at what the federal government publishes, in terms of the record of the economic performance of all of the provinces, in

Saskatchewan.

We lead, and I want to tell you we lead. We lead in business bankruptcies — number one we are in business bankruptcies. And what a record, I say to you, Mr. Speaker, what a record.

Do you know the economic performance of this province when it starts turning to a negative figure? I would say to you, Mr. Speaker, that clearly this government should start reassessing its position and turn its agenda to fixing the damage that they've done instead of condoning the actions that their former ministers have placed upon the people of this province in the last few years.

Mr. Speaker, last year, 1989 in this province we had 556 small-business bankruptcies. Well is there any wonder why, Mr. Speaker? Not to the minds of the people of this province; they understand clearly why. A \$40,000 income family pays the highest rate of income tax of any province in this country. There's no disposable income out there, Mr. Speaker. We see family after family after family packing their belongings and leaving this province.

And this government, this PC government hasn't got the intelligence to understand why it's happening. They stand in here daily and they'll talk in their speeches about how tough things have been for them. But you know something, they never sit down and analyse why things have been tough for them.

Mr. Speaker, they don't realize that you can't give Chuck Childers three and a half million dollars and you can't give Guy Montpetit \$4 million. And now you can't give Mr. Leonard McCurdy from Ontario, an Ontario business man, a million dollars in a short-time transaction and still expect to balance your budgets, to put money into the hands of working men and women in this province to keep our economy buoyant. They don't understand these things, Mr. Speaker. And I would have thought after eight or nine years of government that they would learn from their errors, but not this Premier. No not this Premier, Mr. Speaker. Not that Finance minister, any more than his predecessors. Mr. Speaker, they either don't understand or they don't want to understand.

And I want to say to you that the corruption and the mismanagement of this government is unparalleled. I don't believe that anywhere, anywhere in this country we have ever seen a government that has mismanaged and has misplaced priorities like this particular government has done since 1982.

You know, Mr. Speaker, if you compare what's happened to our small-business community, which is the backbone of employment opportunities in any jurisdiction I would say to you, if you compare what's been happening to our small-business community it becomes really evident that the priorities of the large megaprojects, the Cargills and the Peter Pocklington and those kinds of ventures, have created the problems that we're facing in this province.

You know, all you have to do, Mr. Speaker, is have a look at the number of business bankruptcies in our neighbouring provinces in the years 1987 and 1988 and

compare them to ours. And it tells you whether it's a PC government in these provinces — which it isn't, it's a different kind of a Tory government — it tells you that we've got more problems than just the agricultural problem. I will agree that we've had drought and that we've got low commodity prices, and clearly that hasn't helped in terms of being able to balance our budgets. I would agree that that's the case.

But I want to say, Mr. Speaker, that if you compare the percentage in change of business bankruptcies in Saskatchewan with Alberta and Manitoba, it's clear that there's more problems than just agriculture.

You know, our business bankruptcies in 1988 from '87 were up some 27.7 per cent. And I think it interesting to note that in Alberta and Manitoba, our two neighbouring provinces, both of those figures were down. In 1987 they had fewer bankruptcies than they did in . . . or in 1988 they had fewer bankruptcies than they did in '87. Manitoba was down 3.8 per cent; Alberta was down 2.4 per cent in terms of the number of bankruptcies. But what do we have in Saskatchewan? Our business bankruptcies from '87 to '88 increased by 27.7 per cent, almost 28 per cent, Mr. Speaker — almost one in three.

Mr. Speaker, there is no doubt, there is no doubt what's happened in this province and there is no doubt that this government is out of control. Today's question period I think showed very, very clearly why we've got these kinds of problems. You've got ministers who either refuse to answer or who can't answer. When they get in trouble, the first thing they do is put something before the courts so they have an excuse not to answer.

And why, Mr. Speaker, why this closed and inward-turned government? Why is this? I want to say to you, Mr. Speaker, it's because they're ashamed of what they've done.

And I say, Mr. Speaker, I'm going to read . . . before I continue I'm going to read my motion into the record, and I want to say that it's going to be seconded by the member from Saskatoon Eastview. It deals with what's been happening to Saskatchewan business men and women. It deals with the families who have had to leave our province. It deals with youth unemployment and it deals with, in general, what's happened to this provincial economy.

Mr. Speaker, it's new what's happened to the people of Saskatchewan, and I want to say to you that I believe it's going to be the last time, because I don't believe that there could be a more incompetent government than this PC government. And I would suggest to you, after an election when this Premier and his cabinet and his back-benchers are defeated, you aren't ever going to see a PC government in this province for another 50 years.

Some Hon. Members: Hear, hear!

Mr. Lautermilch: — Mr. Speaker, this is the motion that I intend to move, seconded by the member from Saskatoon Eastview. And I ask the people who are watching, and I ask the members on the other side of the House to look into their hearts and really see if it doesn't describe what's

happened to this government. I'll read the motion, Mr. Speaker. It says:

That this Assembly condemns the Government of Saskatchewan for the failed economic policies of the past eight years, which have resulted in a dramatic downturn in the provincial economy, increased youth unemployment, unprecedented out-migration, and small business bankruptcies.

Mr. Speaker, clearly that's the legacy of this Premier and his cabinet and of his back-benchers and of those few who in this province still blindly support them. And I say few, Mr. Speaker, because the polling results that they're doing and that independent people are doing, are telling you that they're around 10 to 14 to 15 per cent in these polls, and they know it. And that's why they refuse to answer questions, because, Mr. Speaker, they're afraid that they can still go lower in the polls, although I don't see how.

And, Mr. Speaker, this motion I suggest to you, aptly describes what's happened to the people of Saskatchewan. I would want to say, Mr. Speaker, that they've destroyed the hope of Saskatchewan young men and women, and that's why, Mr. Speaker, I move this motion, seconded by the member from Saskatoon Eastview. I thank you very much.

Some Hon. Members: Hear, hear!

(1445)

Mr. Pringle: — Thank you very much, Mr. Speaker. Mr. Speaker, I am pleased to second this very important motion, and I heartily endorse the comments as made by my colleague from P.A.-Duck Lake. And he painted a very accurate picture of this government's dismal record, Mr. Speaker.

I endorse the motion that rightly condemns the Government of Saskatchewan for failed economic policies which resulted in a dramatic downturn in the provincial economy, resulted in increased youth unemployment, in the increased out-migration — a record level out-migration, I might add — and unprecedented small-business bankruptcies.

Put plainly, Mr. Speaker, the economic situation in Saskatchewan today is a crisis. And, Mr. Speaker, this crisis has been looming for quite some time. It's not new.

The performance of this PC government, like the one in Ottawa, is a national disgrace, Mr. Speaker. And many people are getting hurt by a lack of positive actions and by the mismanagement of both the federal and provincial governments.

Many groups, Mr. Speaker, have suffered under this provincial government's mismanagement — small-business people, as my colleague pointed out; the family farm sector certainly has suffered; the northern citizens have certainly suffered as they're in third-world status on many occasions; seniors, the poor people, minority groups, and, Mr. Speaker, families generally have suffered the results of the failed economic policies of

this government.

Given the short time I have to speak on this motion though, I would like to focus my comments particularly on the impact of this government's failed economic policies on young people with regard to job creation or the lack thereof and out-migration, Mr. Speaker.

Now the statistics on these are a matter of public record, Mr. Speaker. And they are very serious when applied to young people. Remember, Mr. Speaker, 1982 and 1984 when the Premier of the province wanted to bring the children home. He talked about there's so much more that we can be, Mr. Speaker.

Well as youth and family critic, Mr. Speaker, for the opposition, I've been across Saskatchewan over the last couple of years. I've received many calls from many communities. I've received many letters from young people from across Saskatchewan. And, Mr. Speaker, in 15 years as a social worker, many of them spent, most of them spent in this province, I would say that I have never seen such a sense of uncertainty, a sense of concern, and a sense of despair and desperation in the eyes of young people that I see today, and I've worked with young people for many years, Mr. Speaker.

The Red Cross study of two or three weeks ago confirms this by indicating that the spirit of Saskatchewan, which has a proud tradition, is almost broken. And I would concur, Mr. Speaker, in my 15 years in working with families and young people, that that's my sense of the situation in Saskatchewan.

I met with a group of young people last night in Saskatoon, Mr. Speaker, and they were concerned about how to prepare for their future. They're very worried about that. They're concerned about the economy. They're concerned about the lack of employment options for them. They're concerned about their inability to access post-secondary education. They're concerned about the environment, very concerned about the environment. They're concerned about the debt, and they're concerned about the loss of their assets, Mr. Speaker. Young people view the assets that this government has been giving away as their assets, their future, and, Mr. Speaker, they're not very happy about seeing these assets being given away.

They're worried about have to leave the province — young people, 15 and 19 and 24, worried about having to uproot and leave Saskatchewan, leave their families and look for opportunities elsewhere. And it's a very scary proposition for them, Mr. Speaker, very scary, the thought of leaving their families, going to some uncertain future in another province. But they see themselves as not having very much choice.

And I would say, Mr. Speaker, young people have told me that more than anything they're worried about a lack of sensitivity by this government about the situation and the worry and the challenges facing them, the lack of acknowledgement that in fact they have a right to be concerned.

Mr. Speaker, the PC government's failed economic

policies are a great worry to young people, and it's not surprising when you take a look at the job creation record. As my colleague said, we have the worst job creation record in all of Canada, of any province, Mr. Speaker. And this is magnified when you look at the picture for young people.

And, Mr. Speaker, I'm sure you'll agree that the social and economic costs of young people not being employed, the whole generation of 20- to 25-year-olds not having any work experience, are devastating. Mr. Speaker, you can hardly calculate the costs of this.

Mr. Speaker, from 1981 to 1988 we've seen for young people under the age of 25, a net reduction of 20,000 jobs in that period, Mr. Speaker, jobs lost to young people, jobs lost in the labour force.

In February, 1990 youth unemployment rate in Saskatchewan was 17.5 per cent, almost twice as high as the very disgraceful overall average which was 9.1 per cent in the province of Saskatchewan. When you take a look at the North, Mr. Speaker, for youth unemployment it's 90 per cent.

The Opportunities program, Mr. Speaker, we've had a \$7.5 million cut in the Opportunities program since 1986-87 which happened to be the election year. Mr. Speaker, what did we see in the last budget? Another \$500 million cut there . . . or 500,000, I'm sorry. Another 1 million cut from youth unemployment generally, Mr. Speaker. So, Mr. Speaker, young people see that as an irresponsible approach in response to the lack of employment options that they already have available to them.

So we have increased cuts to job creation; we have increased tuition fees to university so they can't access post-secondary education. When you add there's little hope of taking over the family farm, Mr. Speaker, we can see that there's a sense of despair in the eyes of young people and we can see why we're driving them away from Saskatchewan, why this PC government is driving them away in record numbers.

Mr. Speaker, looking at out-migration for a moment, in the last five years we've had increases every year in the level of out-migration — some 62,000 net out-migration in the last five years, Mr. Speaker. And again youth have borne the brunt of that situation — 60 per cent of that 62,000 number, 60 per cent of those are under the age of 34 years. Almost 20 per cent of those people who left are under the age of 25, Mr. Speaker, or 24 actually.

In 1989 we had a net loss of 23,700 people and young people under 24 represented 6,000, Mr. Speaker, 6,000 of those.

This is, Mr. Speaker, this is exporting our future. Our brightest and our best are leaving, Mr. Speaker. They won't come back. The minister and the Premier says, they'll flow out; they'll flow back. These people will not come back, Mr. Speaker. This government's policies are tearing families apart. The province cannot afford this long-term economic and social cost, Mr. Speaker. The situation is serious and it requires emergency job creation

action by the government.

Mr. Speaker, young people hear about a government, hear the government talking about valuing them and valuing their families, but they see quite a different picture in reality, Mr. Speaker. Youth know that cuts to job creation programs, that waste and mismanagement, that privatization, that record-level debt and taxes and record-level business bankruptcies, and that ongoing underfunding of education, spells continued hardship for them.

Young people are trusting, they're positive, they have good ideas and energy, Mr. Speaker. All they need is a chance. We need young people to build the future, Mr. Speaker, all they need is a chance.

Some Hon. Members: Hear, hear!

Mr. Pringle: — Young people want a government that is capable of managing wisely; they want a government that is willing to invest in them; they want a government that values them. Youth wants some security, Mr. Speaker, they want some opportunities and they want a sense of hope. This is not too much to ask, Mr. Speaker.

In eight years this government has failed to meet these expectations and these desires, Mr. Speaker. And it is for this reason, Mr. Speaker, that I proudly second the motion by my colleague from P.A.-Duck Lake:

That this Assembly condemns the government of Saskatchewan for the failed economic development policies of the past eight years which have resulted in a dramatic downturn in the provincial economy, increased youth unemployment, unprecedented out-migration and small business bankruptcies.

Mr. Speaker, thank you very much.

Some Hon. Members: Hear, hear!

Mr. Hopfner: — Thank you, Mr. Speaker. Mr. Speaker, I'm proud to rise and I'm also proud to speak on behalf of my riding of the Cut Knife-Lloydminster. I will no doubt be opposing this motion, Mr. Speaker, brought forward by the NDP opposition.

I want to indicate to you, Mr. Speaker, that again we hear the same rhetoric and the same tape recordings and overall rehashed speeches of the NDP, and I want to indicate to you that they said nothing but the same thing. They've offered no alternatives to the people of Saskatchewan, and I want to just lay to you, sir, outline to you, sir, a bit of what our government has done. I want to indicate to you, sir, though, that I'm not going to stand in my place here to hardly react to any of the comments because there was very few of them made by members of the opposition.

I want to say, sir, that I've heard members of the opposition know, say and state that it was because of the Gainers plant in North Battleford or because of the pulp and paper industry in Prince Albert or because of the upgraders in Regina and Lloydminster and because of the

fertilizer plant over here in Balgonie, that these were the reasons . . .

An Hon. Member: — Belle Plaine.

Mr. Hopfner: — Or Belle Plaine, I'm sorry . . . that these were the reasons that people were leaving the province of Saskatchewan. Well, it just doesn't make sense. I want to indicate to you, sir, that these projects are going to be bringing new people into this province. I don't see them driving people out of the province. And they talk about the fiscal mismanagement of this government for bringing those particular projects into this province. I want to indicate to you, sir, that I think they are a little bit backwards on their way of thinking.

I just want to press upon you, Mr. Speaker, that members of the opposition are definitely blaming some of the economic downturns on the provincial government. Well I suppose, sir, that if any reasonable thinking man or woman would believe that, that I would suggest that they should tend to take a look at the overall picture. I would say that are they blaming the provincial government for the high interest rates? I would think not.

I would think, sir, that everybody realizes that the interest rates are set at the national level and not at a provincial level. I would indicate to you, sir, that they've been indicating to you and through you to this Assembly that the greatest problems to small business and the bankruptcies in Saskatchewan here were due to this government's actions.

Well I would say to you that I would think that high interest rates in farm problems have a great impact on the small business here in the province of Saskatchewan. I would say that high interest rates back in 1981 when the NDP, the now Leader of the Opposition, where the interest rates were 24 per cent, and the NDP had turned the backs on the farmer in those days.

I would tend to say that that was the beginning of the agricultural problems as well as small-business problems here in the province of Saskatchewan. I remember well that the farmers and small-business people were asking the Leader of the Opposition back when he was in government in 1981 to help, but he turned the back on the people. He said you must help yourself. You must do as good a job as you possibly can to meet your payments because it is a federal responsibility.

Well I say to you, Mr. Speaker, what we in this Tory government here in the province of Saskatchewan did not say that to the people in the province. We brought in a home mortgage protection program for the people in this province. We brought in small-business programs for the small-business people in this province, and we brought in help for the farmers in this province that would also have a spin-off to shore up the small business in this province.

I want to indicate to you, sir, that it is the federal responsibility to do a lot of the things that we've done as a provincial body. But I want to say that we should not be trying to make political games through the problems that are of a national basis here on a provincial level. But the members of the NDP opposition should be joining with

this government here in the province and help us in our initiatives to get more moneys into agriculture and into small-business men's hands from the federal administration, from the federal government.

And I would say that if we stayed our course and we kept pressuring the federal government that it is possible that we could help our farmer friends and our small-business people here in the province. We must continue our fight for lower interest rates. We must continue in our fight for help in the farming communities. Well do the small-business man understand that the success of farmers in this province are also the success of their particular businesses.

(1500)

I want to indicate to you, sir, that there is going to be an amendment that I'm going to put forward, if I could get the copy of that, please. And I want to indicate to you, sir, that I'm going to read to you and through you to this Assembly, an amendment, basically because I do not know how much time I have left.

So if you will indulge with me, I will read into the record an amendment. I would like to move:

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

commend the Government of Saskatchewan for strengthening and diversifying the Saskatchewan economy and stimulating an unprecedented growth of 600 per cent in our manufacturing sector during times of drought and low commodity prices through programs and projects like the Buy Saskatchewan policy, the small business loans association program, SEDCO participating loans, community development bonds, the community economic development program, the small business tax assistance program, rural development corporations, the rural economic development program, the Agricultural Development Fund, rural individual line telephone service, rural underground power line service, rural natural gas distribution, the Northern Economic Development Fund, the business resource centres, the young entrepreneurs of Saskatchewan program, the small business investment incentives program, the Co-op upgrader in Regina, the Husky upgrader in Lloydminster, the fine paper mill in Prince Albert, the fertilizer plant at Belle Plaine, and for allowing public investment in enterprises like WESTBRIDGE Computer Corporation, Saskoil, SaskPower, SaskTel, and the Saskatchewan potash industry.

And noting the current economic pressures facing Saskatchewan agriculture, be it further resolved that all members of this Assembly put aside political differences and send a unified request to the Government of Canada that it fulfil its responsibility for international trade wars and national agricultural policy, particularly exchange

rates, prices for grains and oil-seeds, interest rates, and grain freight transportation rates, and further that the Government of Canada immediately provide a \$500 million cash pay-out to Saskatchewan farmers.

An Hon. Member: — Are you moving your speech?

Mr. Hopfner: — Sir, the member from Moose Jaw has indicated that am I going to move my speech. Well, sir, that was the intent of my speech, was to move such an amendment. And, Mr. Speaker, it's with pride that I take this opportunity to stand in my place here and commend the government and move such an amendment. I want to take this opportunity to thank the Assembly for allowing me to speak to this, and I will so move. Thank you.

Some Hon. Members: Hear, hear!

The Speaker: — I've taken a careful look at the amendment as proposed by the hon. member for Cut Knife-Lloydminster. The motion itself under consideration is a motion which is dealing with a failed economic policy of the Saskatchewan government.

The hon. member, in his amendment, at the end of his amendment has included the following:

And further, that the Government of Canada immediately provide a \$500 million cash pay-out to Saskatchewan farmers.

That portion of the amendment is distinct from the motion under consideration. That portion of the amendment is out of order. And therefore as a result, if any portion of an amendment is out of order, the entire amendment is out of order. Therefore I must rule the amendment out of order.

Some Hon. Members: Hear, hear!

An Hon. Member: — Mr. Speaker, do I have any time left?

The Speaker: — No, there's no time for the hon. member.

Mr. Solomon: — Thank you very much, Mr. Speaker. It's my pleasure to enter this debate. It's our view on this side of the Assembly that the Government of Saskatchewan, in their economic policies over the last eight years, have failed dismally. We've had eight years, Mr. Speaker, of records that they've broken, that they said they were going to break in 1982.

I remember distinctly the Premier of this province, Grant Devine . . . I'm sorry, the Premier, the member from Estevan, stand up in this House and he talked about being number one. He said, if you elect me premier of this province, we will make Saskatchewan number one.

And you know what, Mr. Speaker? He's made Saskatchewan number one in a number of areas, which will confirm the resolution that we put forward today that they failed in every economic indicator that has been monitored by the people of this province and by the Government of Canada.

We are number one in poverty, Mr. Speaker. The

Conservative government opposite has made the people of this province the poorest province in all of the dominion. He's made Saskatchewan, and this government, Mr. Speaker, has made Saskatchewan number one in unemployment.

They've made Saskatchewan number one in terms of the fastest growing deficit in not only all of Canada, but all of North America. They've made us number one, Mr. Speaker, in per capita debt. We've gone from the lowest per capita debt in 1982 to the highest per capita debt in all of the country.

They've made us number one in terms of personal bankruptcies. We have the highest personal bankruptcies per capita of any province. They've made us the highest business bankruptcy province on a per capita basis in all of the dominion; and they've made us the highest bankruptcy province when it comes to a per capita measurement of farmers, Mr. Speaker.

We've seen, Mr. Speaker, as a result of these economic programs of privatization and mismanagement and corruption and patronage being number one in chasing our people out of this province. We are number one in out-migration; we've had references to the numbers already, Mr. Speaker. And all I want to do in respect to my remarks is to underline once again the seriousness of the impact of the out-migration of our people, in particular our young people.

Mr. Speaker, part of being in government and spending money on education is to educate our young people to ensure that when they go through the education system in Saskatchewan, they have something to contribute with the skills and knowledge they've obtained through the education system. Taxpayers are spending hundreds of millions of dollars annually in this province, far less than they should, but still hundreds of millions of dollars, even after their cut-backs over the last eight years, on educating our young people, equipping them to meet the challenges of the future, equipping our young people to be productive citizens of Saskatchewan.

And part of that education is not only to make them knowledgeable and skilful and able to meet the world head on, but it's also to encourage them and provide them skills to work in the province, stay in the province after their education has been completed, and contribute back to the society that helped pay for their education.

But, Mr. Speaker, what we're seeing is, we're seeing an investment of hundreds of millions of dollars annually in our education system to train our young people, to educate our young people, yet we're not getting any return on these young people because most of them are being exported outside of Saskatchewan. They're leaving this province because this government's economic policies have provided no hope for these young people; they've provided nothing in respect to the future of this province that these young people can look toward to try and contribute and remain a part of the Saskatchewan economy.

Mr. Speaker, we have seen as well this privatization folly, as we call it, of the government opposite, injure our

small-business community beyond recognition. We have seen, Mr. Speaker, the small-business community be ignored by this province. And I want to just confirm some of that by the number of businesses . . . statistics we've received with regard to the number of businesses that have been formed in this province over the last number of years.

The highest growth rate in businesses during the PC government administration was 4.5 per cent, which was substantially less than 10 or 11 per cent of the '70s, which was the average annual increase in the number of businesses in Saskatchewan.

(1515)

We have seen, Mr. Speaker, in 1979 over 1978, an increase of 13.2 per cent in business growth in Saskatchewan. That was the year of an NDP government. We have seen in 1980 over 1979, an increase of 11.2 per cent, and that was the year of an NDP government in Saskatchewan. We see an increase, Mr. Speaker, of 1981 over 1980, of 10.7 per cent in that same area, in the growth of number of businesses.

We can compare the records, Mr. Speaker. What we've seen in 1982, '83, '84, '85, '86, and '87 was a marginal growth in the number of businesses operating in this province not averaging 10 or 11 or 9 or 8 or 6 per cent every year, but averaging about 2.5 to 3 per cent. But in 1988, Mr. Deputy Speaker, we've seen an alarming statistic when it comes to business growth. We didn't see an increase, we saw a decline for the first time, of about six-tenths of one per cent.

In 1989 we saw a decline in businesses as well, Mr. Speaker. So between 1986 and 1989 the number of new business incorporations declined from 3,500 to 2,400 businesses. As well the number of corporate disappearances has shown a disturbing increase since 1981 and has remained over 2,000 per year and rose to over 3,000 in 1988.

So on the one hand we've seen fewer businesses being incorporated and on the other we've seen a large, increasing number of corporations disappearing from this province for a number of reasons, including bankruptcies and just closing their doors and saying, this economic policy of this government is a complete failure.

We've seen a commitment on the other hand, rather than to resolve some of the business concerns in this province and resolve some of the economic concerns and social concerns, we've seen them commit themselves and commit the taxpayers of Saskatchewan to hundreds of millions of dollars to megaprojects which they believe will do something for this province.

We have seen in terms of their privatization initiatives the selling off of assets in the Crown corporation sector at rates that are unparalleled in any jurisdiction in the Commonwealth. We have seen coal-mines be sold at half their value; we've seen Sask Minerals be sold off at a portion of their value. We've seen SaskCOMP — we heard about in question period today some of the wonderful deals with respect to SaskCOMP, which is

now WESTBRIDGE — we've seen that company disappear.

We've seen Saskatchewan Mining and Development Corporation disappear — privatized. It was an asset-rich, profitable corporation which contributed to the revenues of this province so that taxpayers would not have to pay the increasingly higher taxes that are necessary to run a government. They were subsidized by this Crown corporation and it was merged with a dog called Eldorado. It was a dog of a corporation: high in debt, losing money, a lot of future liabilities that this province will be accounted for in the next number of years to come. So we've lost SMDC (Saskatchewan mining and development corporation).

We've heard the Minister of Finance talk about Saskoil, Mr. Deputy Speaker. Saskoil was given away to the people outside of this province. We've lost 37 per cent of the equity of Saskoil, 37 per cent of the equity of Saskoil was given away for not one penny in return. The government's equity has dropped from 60 per cent to 23 per cent for not one penny in return to the taxpayers and the treasury of this province.

Any other merger or any other leveraged buy-out or take-over on the stock-market in Canada or in the United States will show clearly that a leveraged buy-out or a sale of equity in a corporation is sold at a premium. And it's usually sold between 40 per cent and 100 per cent higher than what the thing was purchased for. And here we've seen Saskoil not sell . . . or the Government of Saskatchewan not sell their 37 per cent or 150 per cent or 200 per cent of the value of the shares, that they're smart business people. They've sold them for zero, nothing, nothing in return. Take our money, take our assets.

And what's going to happen is that all the people that now own the shares in Saskoil, if you take away the government's 23 per cent, 98 per cent of the shares are held by people outside of this province. So if the corporation does pay any dividends, who's going to get the revenues? Not the taxpayers of Saskatchewan, it'll be the people living outside this province — 2 per cent of the shares of Saskoil when you exclude the government's 23 per cent are held by Saskatchewan people. One of the purposes of creating Saskoil in the first place was to share in the revenues and the profits so that taxpayers wouldn't have to pay the extra tax burden.

Mr. Deputy Speaker, the privatization of all these companies that I've referred, in particular that of Saskoil, has created an economic climate in this province that will be irrecoverable by any government unless we have a government that's honest and committed to integrity and committed to a plan of economic development, working with the people of this province, not against them.

Some Hon. Members: Hear, hear!

Mr. Solomon: — Along with the sell-off of these corporations and the give-away of these assets, we've seen the debt of the Crown corporation sector rise from 2.3 billion to \$9 billion.

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

Mr. Toth: — Thank you, Mr. Deputy Speaker. Mr. Speaker, I count it an honour again to rise in this Assembly to speak, and speak to this motion presented by the member from P.A.-Duck Lake. When I look at the motion, Mr. Speaker, it just amazes me to a fair degree; as you look at the motion you see a very sense of negativism displayed by the motion.

Mr. Speaker, over the past number of weeks, I've had the privilege and the pleasure of talking with individuals in my constituency and outside of my constituency who have brought up the question of the unemployment, the question of job creation, the question of the economy. And I'm certain that it really doesn't matter which day you run into, whether it was yesterday or it's today or tomorrow, we will face the fact that the difficult economic times we are facing, especially in the area of agriculture, are certainly a detriment to the growth of this province.

However, Mr. Speaker, I also believe that if we continue to portray a negative attitude there will never be any economic growth. Mr. Speaker, I've been dealing with a couple of small businesses in my area trying to give them a hand to establish the finances they would need to put their businesses in place. When the individuals I've talked to, Mr. Speaker, talk about developing their business plan and developing the business, the continual argument they continually raised with me is, well you know, if we can ever get this business going, if we can put it in place and implement our business plan, get our manufacturing and processing rolling . . . Mr. Speaker, it's job creations in our local communities. It's a positive thing for our economy. And I can't agree with them more.

Mr. Speaker, I believe we do need to exercise some positive goals and positive modes and have a positive attitude. But it seems to me that if we continually show a negative attitude, I'm not sure how we in the province can expect to progress or to even continue to achieve and see economic growth.

However, I would have to ask the opposition members what they perceive the 600 per cent increase to mean when we look at manufacturing in this province since the year 1982. Mr. Speaker, there's been a 600 per cent increase in manufacturing in this province despite the fact that we have had some difficult times in the agricultural sector. We have had a major increase in manufacturing and processing.

I think we don't have to look that far, Mr. Deputy Speaker, to see where some of that manufacturing is taking place, some of that processing. We can look just to the east side of Regina in the new upgrader that is presently operating and coming on stream into full production. We look back to about four years ago when this project was implemented and suggested and that the negative attitudes that there were at the time, and the fact that people questioning whether this upgrader would ever get on its feet; whether we would ever get to the process of upgrading our heavy oil into a finer crude. Today we can look at that as a positive investment for the people of the province of Saskatchewan.

And, Mr. Speaker, it is certainly one of the avenues of a positive investment that we've seen in this province of job creation. At the time there was a major inflow of people coming to work on the project, looking for a job. The opposition today talk about out-migration, and I would venture to say that there isn't a time in history when there are periods of out-migration and in-migration. Back in the '70s when the economy was supposedly booming, you can look at the record of the then government and there were times of significant out-migration in the 1970s. There were times when people moved into the province.

Through the period of the '80s, yes there's been out-migration. But I think we have to be careful what we talk about when we talk about out-migration too. There are people who leave the province simply because their job has been transferred to another location, and so they become a statistic in the out-migration figures. There are people who have moved into the province, Mr. Deputy Speaker.

So I believe if we want to see our province grow, we must start to think on a positive venue. We must begin to promote what we of Saskatchewan can do. And, Mr. Deputy Speaker, the member from Moose Jaw North talked about doing something positive. I believe the plant at Belle Plaine is something positive. It's going to be job creation, not only for the people of this province, but I would venture to argue with the member from Moose Jaw North that it possibly should have been a lot closer to my area of the province so that the young people in my area would have maybe a better chance of getting the job, but I will acknowledge the fact that he has the opportunity to have the jobs or create jobs in his area.

An article in the **Moose Jaw Times-Herald** indicates that the member from Moose Jaw North and the member from Moose Jaw South have both indicated that they are not against economic expansion. And certainly we need economic expansion, and the Belle Plaine plant, the Saferco plant, is economic expansion. When you look at a thousand jobs on site and the construction of the plant, I don't think those are jobs we can sneeze at, Mr. Deputy Speaker. And I just quote from the member from Moose Jaw North. He says: "I've said it before and I say it again, I welcome the opportunity for employment and economic activity for Moose Jaw."

Well, Mr. Deputy Speaker, we are looking at not only just the area of Moose Jaw, but all across the province. And even in my constituency as I work, in particular right now, two small manufacturing plants that want to get off the ground. And the attitude I find from the individuals who are trying to put their plan together is, it just seems to be a very difficult situation to work with it.

And we talk about government helping people get on their feet. I've sat in Crown corporations for the last couple of weeks and I can see why many people really are reluctant to put taxpayers' dollars on the line to help people get involved, because if they happen to fail then the government's responsible.

Well, Mr. Deputy Speaker, we must work together with individuals to help build up our province. And I believe that if we continue to have the negative attitudes we have

seen at many occasions, we will never develop our province.

Mr. Deputy Speaker, I'd also like to move an amendment to the motion presented by the member from P.A.-Duck Lake. Moved:

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

commend the Government of Saskatchewan for strengthening and diversifying the Saskatchewan economy and stimulating an unprecedented growth of 600 per cent in our manufacturing sector during times of drought and low commodity prices, through programs and projects like the Buy Saskatchewan policy, the small business loans association program, SEDCO participating loans, Community Development Bonds, the community economic development program, the small business tax assistance program, rural development corporations, the rural economic development program, the Agriculture Development Fund, rural individual line telephone service, rural underground power line service, rural natural gas distribution, the Northern Economic Development Fund, business resource centres, the young entrepreneurs of Saskatchewan program, the small business investment incentives program, the Co-op upgrader in Regina, the Husky upgrader in Lloydminster, the fine paper mill in Prince Albert, the fertilizer plant at Belle Plaine, and for allowing public investment in enterprises like WESTBRIDGE Computer Corporation, Saskoil, SaskPower, SaskTel, and Saskatchewan potash industry.

And noting the current economic pressures facing Saskatchewan agriculture, be it further resolved that all members of this Assembly put aside (their) political differences and send a unified request to the Government of Canada that it fulfil its responsibility for international trade wars and national agricultural policy, particularly exchange rates, prices for grains and oil-seeds, interest rates, and grain freight transportation rates . . .

Mr. Deputy Speaker, I so move, seconded by the member from Shellbrook-Torch River.

Some Hon. Members: Hear, hear!

(1530)

Mr. Gardner: — Before we deal with the member from Moosomin's amendment, I wonder if the Assembly would give me permission to introduce some students that have entered the gallery.

Leave granted.

INTRODUCTION OF GUESTS

Mr. Gardner: — To members on both sides of the House

I'd like to introduce some students that are in visiting us today from the constituency of Pelly. These students I think number approximately 36, and I think they're from the grades 6, 8, and 12, if I'm not mistaken.

These . . . or this school I should say, has a tradition of coming to visit the legislature on an annual basis, and they have some governmental history I think that stems back to that constituency, or to that part of the constituency. Fort Livingstone is — some of you students I'm sure will know as most of the members will know — was in fact the first seat of government for the province. And also the first woman MLA ever to be elected in this province comes from that constituency.

And so we're glad to have the students from Fort Livingstone with us here today. They're accompanied by teachers Gwen Shankowsky and Murray Bruce and chaperons Glenn Thompson and Derek Smith along with their bus driver Art Johnson. I hope that they find what they're viewing here this afternoon both educational and entertaining, and I'll meet them in about 10 minutes out in front for some pictures and take some questions they might have, and have a few refreshments. So with that, I would ask members on both sides of the House if they would welcome these students from Fort Livingstone to the Assembly today, in our usual fashion.

Hon. Members: Hear, hear!

MOTION UNDER RULE 16

Government's Economic Development Policies (continued)

The Deputy Speaker: — With regard to the amendment made by the member from Moosomin, I'm informed by the Clerks that what he actually read into the record exceeded what was written in the amendment. And I would like to ask the member if it was his intention to have that as a part of the motion or the amendment, I should say, or if the amendment was meant to be submitted as documented.

Mr. Toth: — Mr. Deputy Speaker, just in response to your question, yes, the amendment was meant as presented. I had stroked out a number of lines on the document I had in front of me, and I had read just a couple more.

The Deputy Speaker: — That being the case, I find the amendment to the main motion in order. Is the amendment agreed?

Mr. Muller: — Mr. Deputy Speaker, I'm very glad to have this opportunity to second the amendment to this motion.

Mr. Speaker, the original motion presented by the members opposite is pure nonsense. The members opposite give no consideration to difficult economic times and pressures facing the farming community. The NDP give no consideration to the fact that farmers currently carry an estimated \$5.25 billion in debt, that farmers are . . .

The Deputy Speaker: — Order, please. Order, order. The Clerk has informed me that the proper procedure at this

point in time will be that we will have to read into the record, the content of the amendment as it was proposed and submitted by the member from Moosomin to eliminate any misunderstanding.

Order. Order, please. At the time the misunderstanding occurred, it was the Deputy Speaker's position to clarify the situation and read the intended motion into the record, which I neglected to do at the time. So with that in mind, and having the motion as it was intended now, I ask the Assembly if they'll take the amendment as submitted.

I shall now read the amendment into the record. Moved by the member from Moosomin, seconded by the member from Shellbrook-Torch River, moved:

That all the words after the words "That this Assembly" be deleted, and that the following be substituted therefor:

commend the Government of Saskatchewan for strengthening and diversifying the Saskatchewan economy and stimulating an unprecedented growth of 600 per cent . . .

Order please. If we could have a little co-operation we'll get this done a little quicker.

an unprecedented growth of 600 per cent in our manufacturing sector during times of drought and low commodity prices, through programs and projects like the Buy Saskatchewan policy, the small business loans association program, SEDCO participating loans, Community Development Bonds, the community economic development program, the small business tax assistance program, community economic development programs, rural development corporations, the rural economic development program, Agriculture Development . . .

Order please. Would the member from Battlefords please bear with us for a few minutes so we could have this dispensed with . . . (inaudible interjection) . . . yes, you. Thank you.

Agriculture Development Fund, rural individual line telephone service, rural underground power line service, rural natural gas distribution, the Northern Economic Development Fund, Business Resource Centres, the young entrepreneurs of Saskatchewan program, the small business investment incentives program . . .

I'm going to remind the members of the opposition one more time and if they don't like the proceedings, maybe they'd rather leave the House. Member from Saskatoon South also, please, if you would.

the Co-op upgrader in Regina, the Husky upgrader in Lloydminster, the fine paper mill in Prince Albert, the fertilizer plant at Belle Plaine, and for allowing public investment in enterprises like WESTBRIDGE Computer Corporation, Saskoil, SaskPower, SaskTel, and the Saskatchewan Potash industry.

Is the Assembly ready for the question?

Mr. Muller: — Thank you. Thank you again, Mr. Deputy Speaker. The NDP give no consideration to the fact that farmers currently carry an estimated \$5.25 billion in debt and that farmers are currently feeling the effects of three or four years of drought. No, the members opposite have given no consideration to that or the fact that farmers are caught with heavy debt loads and have no production options to fall back on.

Mr. Speaker, we all know when our farmers are hurting we all suffer. Our towns, our communities, our businesses, we all feel the pinch. And to make things worse, Saskatchewan has had to deal with high interest rates, inflated land prices, federal cut-backs, international subsidy wars, low oil and uranium prices, and increased debt.

Mr. Speaker, I won't deny that these pressures have taken their toll on this province. I won't deny that farmers and business people are experiencing tough times, and I won't deny that some of the people have even left our province.

But, Mr. Speaker, in spite of the many challenges we've had to face in the past few years, in spite of the hardships we've had to endure, this province has had 600 per cent increase in manufacturing — 600 per cent increase, Mr. Speaker, in some of the worst economic times since the Dirty Thirties. If that doesn't prove that our economic development programs are working, I honestly don't know what will.

This government has done more to ease the hardships. We have given more support to economic development initiatives. We have done more to protect Saskatchewan families than any other government before us. Mr. Speaker, this government has always been a strong advocate of economic diversification for this province. We have emphasized the importance of diversification for Saskatchewan because we know that through diversification this province will have a solid economic foundation.

The Deputy Speaker: — Order. I would ask the members to allow the member from Shellbrook-Torch River to continue his speech.

Mr. Muller: — Thank you, Mr. Speaker. By diversifying Saskatchewan we'll be less vulnerable to cyclical nature of agriculture, and so we have built a paper mill in Prince Albert; we've built cable factory in Moose Jaw; we're processing our own oil and gas; we're producing our bacon; we're producing tractors, recreational vehicles, turbines, computers, and the list could go on and on, and soon, Mr. Speaker, we'll be producing our very own fertilizer in Belle Plaine.

I'd just like to stop there for a second, you know, and just let's analyse this. How many more people would have left Saskatchewan if the NDP would have been in power and none of this would have been done? The two members from Prince Albert said that the paper mill would never be built. They were opposed to the paper mill, and if

anybody knows anything about the forest industry in northern Saskatchewan, they'll know when the NDP had it under PAPCO, 40 per cent of the timber, 40 per cent of the timber . . .

Some Hon. Members: Hear, hear!

Mr. Muller: — I'm glad to hear the opposition clapping for me, because I wanted to tell them that 40 per cent of the timber that was going through that mill was saw timber. Since Weyerhaeuser has taken over, they're running that mill on strictly residue; there is no saw timber going through that pulp mill today. And we're making pulp and paper out of residual products out of the forest, and the saw timber has been made into two-by-fours and dimension lumber that's being exported . . . (inaudible interjection) . . . And the sheeter is doing quite fine; it will be up and running very soon.

But that's . . . the members from Moose Jaw laugh because they hate to see diversification and jobs in Prince Albert and they certainly . . . but they're against Saferco in Regina, but they're in favour of Saferco when they're in Moose Jaw. I mean they want the jobs in Moose Jaw but when they're in Prince Albert, they talk against the Belle Plaine fertilizer plant; when they're in Prince Albert, they talk in favour of the pulp mill. I mean, when they reverse themselves . . . in Moose Jaw they talk against the pulp and paper mill, but they talk in favour of Saferco. So they don't know where they're at.

So if the NDP were in power, the out-migration from Saskatchewan would be far more than what it is today because we've increased the manufacturing jobs by 600 per cent since we took office in 1982.

I'm sure that the member from The Battlefords is opposed to the bacon plant when he's in Regina. In fact I've heard him say and talk about the waste and the bacon plant, and we should have never went in with . . .

(1545)

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

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

Mr. Anguish: — Well my point of order is quite simply that the member's information is inaccurate — what he says about the bacon plant is totally inaccurate.

The Speaker: — Order, order. The hon. member realizes it's not a point of order. It's a dispute of information between two members.

Mr. Muller: — The member from The Battlefords is certainly opposed to the bacon plant when he's in Regina, but when he's in The Battlefords, of course, he's in favour of it. That's the way they work their whole political game. They flip-flop all over the place. I see the members from Moose Jaw scratching their head because they don't know whether they're in favour or opposed. I must say the member from Moose Jaw doesn't have a lot up there to scratch.

Imagine, Mr. Speaker, for years Saskatchewan has shipped our resources to other provinces and other countries for processing, and then we've had to pay to get those resources back. So I think in the economic development side, we're doing quite well, Mr. Speaker. I certainly am disappointed in what's happening in the agricultural side, but some of that is beyond our control.

Now we're processing our natural resources here in Saskatchewan and we're preserving for this province the benefits of those resources, benefits like economic growth and prosperity, community strength and stability, and perhaps most importantly, job opportunities.

Even the members from Moose Jaw North and Moose Jaw South now agree that processing our resources at home, like making our fertilizer, may be a very good idea.

Mr. Speaker, this government has also done a great deal to foster growth in our small-business community even during difficult times. Through the Buy Saskatchewan agency, we are helping Saskatchewan business and firms secure contracts and joint venture opportunities. We have implemented an average of 25 per cent reduction in business taxes through the business tax assistance program. We have provided a wide range of financial services to new and existing businesses in the province through the Saskatchewan Economic Development Corporation, better known as SEDCO. Mr. Speaker, the SEDCO loan programs have been very successful and have helped maintain many jobs. They have resulted in many new jobs and new investment.

This government is also giving our young people a helping hand. Through the young entrepreneurs program offered through SEDCO, we have loaned over \$2.5 million to the young entrepreneurs of this province and created some 500 jobs. I mean they can't even understand that across the way.

Mr. Speaker, I have just gone over a few of the programs available in Saskatchewan's small-business sector because time prevents me from naming all of them. But there are many, many more just like we have many other programs that provide protection for Saskatchewan family — programs like the mortgage protection plan, rural underground power line service, and rural natural gas distribution, programs that provide quality education and health care services. Mr. Speaker, we will be spending \$888 million in education, and \$1.5 billion on health care, just this year alone.

And we have protected our farm families. We installed a safety net for specific programs and policies targeted to agriculture. We have paid millions to Saskatchewan farmers to help them through this crisis. We created the agricultural credit corporation. We introduced the guaranteed vendor mortgage program. We established the farm security Act, and more recently we announced the spring seeding program.

Just to go back a few sentences in my speech to the vendor mortgage program. And I'm sure that there's nobody over there even understands it, but you know, that's the way I bought my farm. I bought my farm by vendor mortgage, but it was no guarantee by them when they were

government. I just wrote out an agreement of sale from the person I purchased the land from, agreed on an interest rate, and I made my payments to them. That's what a vendor mortgage program means. They held the title until I finished paying for it. It took me a number of years.

An Hon. Member: — They don't understand it. You might as well explain it to them. They just don't understand it.

Mr. Muller: — I know; they don't understand. They don't understand vendor mortgage. They can't see anybody trading property unless they involve three or four lawyers, another financial institution or a land bank, or something that is run by government, something that they have their fingers in. They can't believe that two people can sit down, make a deal, and both people come out winners.

The Speaker: — Time is expired.

Some Hon. Members: Hear, hear!

Mr. Goulet: — Mr. Speaker, I would like to oppose the amendment that was passed by the previous speaker, but also put support on our original motion, which said the following:

That this Assembly condemns the Government of Saskatchewan for the failed economic development policies of the past eight years which have resulted in a dramatic downturn in the provincial economy, increased youth unemployment, unprecedented out-migration and small-business bankruptcies.

Mr. Speaker, when you look at the eight year history of Tory government rule, we definitely see some aspects that are indeed very positive for the big corporations and very dismal for the rest of the people of the province.

When I look at that history, Mr. Speaker, first of all, we had an open-for-business strategy which then went on to a strategy of privatization and now we're at a different level of development. We're at the stage of ConSask, which is Consensus Saskatchewan, and the only thing I hear so far from them, is, be positive.

And when I look at the record of the government, of course one has to be very wary of the Tory statements, because they indeed were not very positive to the people of Saskatchewan as the records show. When I look at the record in regards to the PC government as it relates to big corporations, of course there were extremely positive.

When the other speaker talked about introducing an amendment in rural Saskatchewan, one has to therefore take into consideration also the tremendous and dismal record of this government in relation to the farm crisis out there.

We have to just look at the 10,000 foreclosures in this province and tie it down not only as a problem with this government, but also to the Premier himself, who is the Minister of Agriculture, and who's also the Premier at the same time. He can have an effect in regards to the agricultural credit corporation and also talk with the

federal level in regards to the corporation at that level, and do something in regards to the farm crisis. But they definitely won't have a helping hand to the farmers of this province.

So the foreclosures continue as he spends a lot of time meeting with the bankers and so on, but he will not meet positively with the farmers in relation to resolving the farm crisis problem.

Now when you look at the record, I mentioned the 10,000 foreclosures in regards to the farms. But when you look at the aspect of economic growth, one recognizes the dismal record there as well.

From '78 to '86 for example, the . . . no, pardon me. On the records from Saskatchewan consumer and corporate affairs, from '75 to '81 the growth rate was approximately 10 per cent. Ever since this Tory government took over, Mr. Speaker, it's dropped down 3.2 per cent. As a matter of fact, the highest growth rate for the Tories was 4.5 per cent, and when the NDP was in power, it was averaging about 10 to 11 per cent. This past year prior to '89, the growth rate has dropped down to a minus, which we haven't seen in the modern history of Saskatchewan. It's gone down to a minus .6 per cent.

The other thing that's important to look at in regards to the record is in regards to corporate disappearances. How many new corporations are formed and how many corporations disappear? And when you look at that rate, I looked at the record for 1978, and I found out during the NDP year, 10 years prior to '88. I saw the records on new corporations were 3,346 new corporations and the amount that disappeared that year was 1,627. And during that time the average was fairly similar throughout.

Then I looked at the 1988 record for the Tories and the new corporations were 2,624 and the amount that disappeared was 3,063. In other words, in 1978 the number of corporations, the number of new corporations superseded the numbers who disappeared by 1,719.

When the Tories came into power 10 years later, we have a minus figure in regards to the corporations disappearing. Now there's a greater number of corporations disappearing than new corporations forming. And the figure there is it's a minus 1,439. In other words, close to 1,500 corporations disappeared when the Tories were in rule in 1988. I might add, Mr. Speaker, that it's probably a lot higher since 1989 and '90 period.

When we look at the business bankruptcies of course between 1974 to 1981, the number of bankruptcies were 713 in total. When I looked at a comparative period 1982 to 1989, there was 2,654 bankruptcies. Approximately 2,000 more bankruptcies in an eight-year period during Tory rule than during an NDP rule.

So when the Tories talk about this great economic development in this province, they are not dealing with the truth. The fact is that it's been a disastrous policy. I might add that when I talk with small business people in my home area and they're looking to try and get benefits from mining, they're being bypassed from this government. All they're dealing with is the big

corporations and trying to get Cameco and the privatization of Cameco to go forth, but they will not deal with the small businesses of northern Saskatchewan in helping them get mining contracts and for the townspeople from La Ronge to be able to get the services as an offshoot from that mining development. They're being bypassed in that regard.

So when I also listen to the farm policy of this government, they give Cargill Grain, a chemical farm company, \$370 million; and when we look at different companies, one from Saskatchewan wanting a share on part of the chemical businesses, they said no to the farm communities of Saskatchewan and yes to the big corporation of Cargill — \$370 million worth.

And when you look at the fact of salaries even, Chuck Childers gets paid \$740,000. A lot of the communities would be pleased with \$740,000 in northern Saskatchewan, where this government bypassed them in regards to a lot of the jobs.

When we look at the question of jobs, we have to look at the record again, Mr. Speaker. In 1971 to 1981, we had 9,100 new jobs a year. During Tory rule, from '81 to '88, it was 3,714. In other words, we lost over 5,000 jobs per year — over 5,000 jobs per year were lost during Tory rule. No wonder a lot of our youth are moving out of the province. No wonder a lot of our youth, the majority of the 50,000 people who left this province since 1985 can't find jobs here. We're losing 5,000 of them.

(1600)

A lot of parents come to me; they say, look, we spend a lot of money getting our children to school, our youth to school, but they can't stay in this province because the Tory government chases them out of this province. So the economic policy has been . . .

The Speaker: — Time has elapsed.

Mr. McLaren: — Thank you, Mr. Speaker. It's a pleasure to enter this debate on the out-migration of people from Saskatchewan. Let's look at the record, Mr. Speaker, and go back to 1970 and 1971 when the NDP got elected in Saskatchewan. Let's look at what the population was at that time.

In 1970 there was 941,000 people in the province of Saskatchewan. The NDP come in 1971 and the population of Saskatchewan drops down to 926,000 people — 15,000 people in one year. In 1972 it dropped again down to 914,000 — 12,000 people gone from the province of Saskatchewan. In 1973 it dropped to 904,000 people — another drop of 10,000 of them in one year. And then in 1974, it drops below 900,000 — another 5,000. So let's see — 15, 12, 27, 37 — 42,000 people in four years with the NDP government.

Certainly it starts to rise after that, but we're looking at the 1970s when the economic conditions in Saskatchewan were a little different than what we've been facing for the last eight years.

By 1981 it got to 968,000. But in 1982 a Tory government

came into Saskatchewan and it climbed 9,000 people in one year, to 977,000. Then in 1983 it goes to 989 until we reached over a million people by 1988. So the population of Saskatchewan was climbing. And certainly it has gone down a little bit because of the economic conditions in our province.

And I can remember, Mr. Speaker, when we were trying to hire people in the 1970s. You could walk down the streets of Calgary and Edmonton and every second person on the streets would be from Saskatchewan. In the 1970s when it was really good, I had to hire people from England to come and work in our plant because there was none left in Saskatchewan. And that's the truth.

Diversification and all this sort of thing that we've been bringing into the province in the last eight years has increased manufacturing in this province by 600 per cent — a 600 per cent increase. Certainly the agricultural side has suffered, and we admit that.

I had the opportunity to officially participate in the opening of Harvest Meats in Yorkton last week . . .

The Speaker: — Time has elapsed. Order, order.

PRIVATE BILLS

SECOND READINGS

Bill No. 01 — An Act to amend An Act to incorporate Mennonite Brethren Church of Saskatchewan

Mr. Swan: — Mr. Speaker, I move that Bill No. 01, An Act to amend An Act to incorporate Mennonite Brethren Church of Saskatchewan be now read a second time and referred to the Standing Committee on Private Members' Bills.

Motion agreed to, the Bill read a second time and referred to the Standing Committee on Private Members' Bills.

Bill No. 02 — An Act to amend An Act to incorporate the Millar Memorial Bible Institute

Mr. Gleim: — I move that Bill No. 02, An Act to amend An Act to incorporate the Millar Memorial Bible Institute be now read the second time and referred to the Standing Committee on Private Members' Bills.

Motion agreed to, the Bill read a second time and referred to the Standing Committee on Private Members' Bills.

Bill No. 03 — An Act to amend An Act to incorporate Grey Sisters of the Immaculate Conception of Pembroke

Mr. Johnson: — Mr. Speaker, I move that Bill No. 03, An Act to amend An Act to incorporate Grey Sisters of the Immaculate Conception of Pembroke be now read the second time and referred to the Standing Committee on Private Members' Bills.

Motion agreed to, the Bill read a second time and referred to the Standing Committee on Private Members' Bills.

MOTIONS

Resolution No. 5 — Alleviating the Farm Debt Crisis

Mr. Britton: — Thank you, Mr. Speaker. Mr. Speaker, it gives me pleasure to rise in the House today and make a motion. At the end of my remarks, Mr. Speaker, I will be moving a resolution:

That this Assembly, noting the overall hurt resulting from domestic interest rates, foreign subsidies, and weather related incidents, demand immediate comprehensive action from the banks and other primary lending institutions to alleviate the extremely pressing financial situation faced by agricultural communities in Saskatchewan, call upon lending institutions to rewrite farm debt to reflect realistic land values.

Mr. Speaker, I am honoured today to move this motion, seconded by the hon. member from Shaunavon.

Mr. Speaker, the motion gets right to the source of agriculture's problem right here in Saskatchewan, Mr. Speaker. Low prices caused by subsidy wars, droughts, high interest rates, and debt have all combined to threaten what was once a very enjoyable, profitable way of life in this province.

Faced with declining returns for their efforts, young farmers are losing land, and even established farmers with little or no debt are finding themselves in trouble paying their debts, Mr. Speaker.

Mr. Speaker, the international grain subsidy wars are in my mind a major factor in this dilemma. Saskatchewan farmers are caught in a cross-fire between the United States and Europe. The end result is that they are not receiving enough money for their grain to cover the cost of production.

And of course, as we all know, there have been droughts to add to the hardships our farmers have had to endure. Not only have farmers received very low prices for their grain, but they have had precious little to sell, Mr. Speaker.

And add to this the one thing that an economy in recession does not need, Mr. Speaker, and that's high interest rates. Not only must farmers face drought and low grain prices, but they must also shoulder the burden of high interest rates on their debt, a burden imposed on them by a federal government that is more concerned about an overheated economy in Toronto than they are about the rest of the country, Mr. Speaker.

Mr. Speaker, Saskatchewan farmers are not alone in this predicament. High interest rates set with only Toronto in mind are causing hardships for farmers, business people, fishermen, and wage earners throughout Canada, Mr. Speaker. It is not fair nor is it economically prudent to ignore almost the entire country when setting interest rates. There is no great inflation crisis here, Mr. Speaker. We are in a recession, and we cannot survive such high interest rates for very much longer. The burden of debt that farmers are carrying are heavy enough already without high interest rates.

Which brings me to the problem of farm debt, Mr. Speaker. Now I could stand here today and point fingers and go through a long list of reasons for farm debt, but that's not really the issue any more. What's important now is that we work together and find ways to effectively deal with the problem. Some have suggested debt moratoriums as the best way to deal with the problem, and I cannot agree with that at all, Mr. Speaker. On the surface it appears to be a wonderful idea, but on closer examination it is easy to see the impact such a move would have on the lending institutions, particularly on the small ones all through the province.

Saskatchewan credit unions do enormous amount of business with farmers, and it is our understanding that they would be devastated, Mr. Speaker. And relations between farmers and their banks, which are already strained in many cases, would be destroyed. In the future, farmers would find it difficult if not impossible to obtain financing from Saskatchewan banks, Mr. Speaker.

I think about how you would react as a bank manager to a government who imposed a moratorium on farm debt. I am sure you would agree that you would be very reluctant to loan money to farmers in the future. So I think it's fairly clear that a debt moratorium will do more harm than good for both farmers and banks in the long run, even for the province, Mr. Speaker.

But it is also clear that the situation in rural Saskatchewan is so critical that it is time financial institutions began working with farm groups and governments to find some solutions to the farm financing problem.

Mr. Speaker, banks require a healthy economy in order to prosper the same as everyone else. There will be little agricultural business for the banks to benefit from if most farmers go broke or bankrupt. The Premier has already started this process by meeting with the country's top banking executives in Ottawa. We must continue to work with all the lending institutions and to find some way to lessen the burden of debt Saskatchewan farmers are carrying.

As stated in the motion before us today, one way to start that is by rewriting farm mortgages to reflect realistic land prices. Mr. Speaker, due to the agricultural recession, land values have fallen significantly over the past seven or eight years. There's a lot of land out there today which can be had for about \$40,000 a quarter, and in some cases even less. Much of that same land was bought for \$60,000 or more.

So we have farmers in Saskatchewan who owe \$60,000 or more on land that is worth only \$40,000 on today's market. We must do something about this discrepancy and rewriting mortgage values would be a good start.

Mr. Speaker, agriculture is still the number one industry in this province. When agriculture suffers, the entire province does as well. Just recently all members of this Assembly showed their support for agriculture by voting in favour of an emergency agriculture motion. The federal government's response to that motion was far less than favourable. Ottawa has an obligation to protect

Saskatchewan and all Canadian farmers from the effects of the international grain subsidy wars, Mr. Speaker. So we will continue to lobby the federal government for support it owes to our farm families. And we will continue to lobby for lower interest rates.

Rural Saskatchewan is in a recession and anyone with any economic smarts whatever will tell you that the worst thing for an economy in recession is high interest rates. Saskatchewan cannot afford to pay for Toronto's booming economy any longer. I do not know what the solution is to Toronto's problems, Mr. Speaker, but I do know that we can no longer afford to suffer so that they can prosper and grow.

Mr. Speaker, we must also work with the lending institutions to work out long-term solutions to the farm debt. Rewriting mortgage values is a good start, but by no means the entire answer. Farmers and farm groups, banks and government must sit down at the same table to work out solutions which all parties can live with.

(1615)

Mr. Speaker, the solution in agriculture . . . the situation in agriculture, Mr. Speaker, is critical. The motion before us today outlines one possible measure that will lessen the difficulties that Saskatchewan farm families face. I call on all members of this House, including the hon. members opposite, to do their part in this struggle, Mr. Speaker, by voting in favour of this motion.

Mr. Speaker, with your permission I would like to move the following motion, seconded by the hon. member from Shaunavon:

That this Assembly, noting the overall hurt resulting from domestic interest rates, foreign subsidies and weather related incidents, demand immediate comprehensive action from the banks and other primary lending institutions to alleviate the extremely pressing financial situation faced by agricultural communities in Saskatchewan, call upon lending institutions to rewrite farm debt to reflect realistic land values.

With that, Mr. Speaker, I so move.

Some Hon. Members: Hear, hear!

Mr. Gleim: — Thank you, Mr. Speaker. Let me say that I consider it is an honour to speak to this very motion that is put forward by the member from Wilkie, a motion which symbolizes the commitment of this government to the farm families of Saskatchewan, Mr. Speaker.

This province is facing some very difficult times. We are facing the effects of high interest rates, inflation, drought, inflated land prices, federal cut-backs, international subsidy wars, and increasing debt, Mr. Speaker. We are facing the harsh reality that many Saskatchewan farmers are caught with heavy debt loads, with no production options to fall back onto.

Our government recognizes this, Mr. Speaker, and we have installed a safety net of specific programs and

policies targeted to agriculture. We have paid millions of dollars to Saskatchewan farmers, Mr. Speaker, to help them through these tough times to help them try and remedy the situation.

In 1984, Mr. Speaker, we created the Agricultural Credit Corporation of Saskatchewan, and since that time, this program has saved farm families over \$327 million in interest rates alone. Since its creation, Mr. Speaker, we have expanded the ACS (Agricultural Credit Corporation of Saskatchewan) mandate so that people, more people can apply so that more farms are protected.

We have also made it easier for young farmers to get started by providing financing for the home quarter for the first year's start-up costs so that young farmers will have land to buy.

We have introduced the guaranteed vendor mortgage program, Mr. Speaker. And as I remember, the member from Shellbrook was questioned on the part of the vendor from the member from Battleford. Well I'd like to explain the vendor part, Mr. Speaker, to the member from Battleford. It's a different type of vendor that we go into. This is a mortgage program for farming, Mr. Speaker. I just want you to get that clear.

Through this program retiring farmers can receive government mortgages guaranteed up to \$2 million. Retiring farmers no longer need to place their retirement savings at risk when selling their land, Mr. Speaker.

Mr. Speaker, our government has given increased protection to farm homesteads. Under the farm security Act all mortgages entered into after June 24, 1988, are fully protected from foreclosure for as long as the homestead remains a homestead. And mortgages entered into before that date are protected for three years.

This legislature also requires financial institutions to wait 150 days before foreclosure proceedings can begin, Mr. Speaker. This gives the farmer time to take his case to the Farm Land Security Board for review.

To help farmers, Mr. Speaker, better manage their debt problems we created the counselling and assistance for farmers program. This program helps farm families to consolidate loans and provide management and financial consultation to help manage the farm through difficult financial circumstances, Mr. Speaker. I'm sure they don't always help everybody but it is saving many, many farmers.

More recently this government, along with the representative of Saskatchewan key farming organizations argued in Geneva for changes to the General Agreement on Tariffs and Trade to eliminate unfair advantages for small grain producing countries.

And just a few days ago we introduced the spring seeding program, Mr. Speaker, that program which provides \$525 million to farmers in the form of an operating loan. Mr. Speaker, this is an operating loan. This program will equip our farmers with short-term loans of ten and three-quarter per cent interest rate. I know you can argue across the way that this program does not help, but ten

and three-quarters is much better than 17 and 18 per cent, and much better than 20 and 22 per cent, which I remember very distinctly.

It will entitle them to borrow twelve and one-half dollars per acre, per cultivated acre for seed, for fertilizer, for fuel, for chemicals, and for the repairs of whatever they need for spring seeding. This program will give farmers the money to go . . . that they so desperately need to get their crop into the ground. This program is targeted, Mr. Speaker, to get the seed into the ground, Mr. Speaker, which is very important; you've got to put the seed in the ground before you can harvest. And you have to take the first step before you take the second one, Mr. Speaker. I know the people across the way don't agree with the program, but I know the farmers out there are welcoming it.

And, Mr. Speaker, this year's budget contains an additional \$400 million in spending and tax assistance to our farm sector, Mr. Speaker. That is almost one million dollars for 1991, 1990 and '91. Money that is dedicated to protecting farm families and to building the farm industry so that it may compete successfully in the world market, Mr. Speaker.

These programs and initiatives have worked to help solve the farm debt problem, but that is not enough. Saskatchewan farmers currently carry an estimate \$5.25 million of debt, Mr. Speaker. And Saskatchewan farmers are currently feeling the effect of a 3 and a 4-year drought, Mr. Speaker.

Mr. Speaker, Saskatchewan farmers are in a very bad crisis. These are tough times like you said, Mr. Speaker, these are tough times. And tough times demand tough-minded action. It requires joint action — action on the part of the federal government, the provincial government, and the part of the banks and lending institutions. As a province and as a country, we cannot allow our farming industry to disappear. And if Saskatchewan agriculture is going to continue to exist, then immediate action must be taken.

I know there are some people out there that say we should impose a moratorium on farm foreclosures. But, Mr. Speaker, a moratorium would do more harm than it would do good. Many farm families do business with Saskatchewan credit unions, and since these institutions are small, a moratorium would simply devastate the credit unions. Mr. Speaker, moratoriums are not the answer to today's farm crisis, so we must look elsewhere for solutions.

I know that people across the way, and the member that is talking from Quill Lakes, agrees with moratoriums. He wants to have moratoriums. I'd like to just say a few things about moratoriums. What would a moratorium do to the farming industry out there? Well I'll tell you right now, the place where I get my money from, where they lend me money, I'll tell you, it would do them under. And they have told me this.

And they have questioned me on what the consensus here in the legislature is on moratorium. Well I told them. I told them on this side of the House, we know what the

consensus is over here. We don't want moratoriums. But the consensus across the way is a little different, is a little different, Mr. Speaker. They agree with moratoriums. They agree with the moratoriums.

The member over there talked about tough times, farm programs. The 1970s — any of you people over there remember 1970s, farming? I know there's not too many people over that way who were farming in 1970. I was farming in 1970, Mr. Speaker. I know what the times were like in 1970. They were good times. They were good times.

Some Hon. Members: Hear, hear!

Mr. Gleim: — Thank you very much. They were good times in agriculture, Mr. Speaker, and that shows you, Mr. Speaker, that when times are good in agriculture, the times are good in Saskatchewan.

Mr. Speaker, you know what happened in 1970? The member from Yorkton just read off a sheet of paper here what happened in the first four years of 1970. People left this province, Mr. Speaker, in the good times they left. By the end of 1970, those same people started coming back. And that's the way this province is, they go and they come.

But I just want to repeat again about the good times in 1970. In the good times when the interest rates were high in the late 1970s, what did this government do with their extra cash that they were supposed to have had with their balanced budgets? The government across the way at that time, they didn't help the farmers in high interest rates, Mr. Speaker. Even though the price of wheat was high, the commodities or the production was still up there, they didn't come out and say, we'll protect you against high interest rates.

No, sir, Mr. Speaker, they didn't come out and say, we're going to protect you against inflated land. No, they didn't. They went out and bid against us, Mr. Speaker. They bid against us in the land, Mr. Speaker. That was the land bank program which nobody has forgot out there yet, Mr. Speaker. I'm talking to the people that are farmers, I'm sure some of you, the rest of you don't remember. But I remember it very plainly, Mr. Speaker, and I'm telling you the truth, Mr. Speaker.

An Hon. Member: — That would be the first Tory.

Mr. Gleim: — I like telling the truth. That's the only way I know how to talk.

They talk about, I heard some of the people over there talk about diversification. Mr. Speaker, in the good times that was the time to diversify, to build. What did they build? They didn't build anything. All they did was buy, Mr. Speaker. I don't call that diversifying, Mr. Speaker. When you go out and buy something that exists already, you don't create any new jobs, Mr. Speaker. The jobs were there, Mr. Speaker. Why didn't you go out and spend your \$800 million on your potash mines and your oil companies and all this and diversify, Mr. Speaker?

Mr. Speaker, I heard the member from Regina North talk

about Saskoil shares, that most of the shares were owned outside the province. I thought in Canada we were all Canadians. I didn't think we were a foreigner just because you didn't live in Saskatchewan, Mr. Speaker. What is wrong with Manitoba and Alberta or Ontario owning a piece of Saskatchewan or whatever, or us owning a piece of Ontario?

Mr. Speaker, what is so terribly wrong with that? I think we're all living here in Canada. I think just because my dad come over here, immigrated over here, we're not foreigners no more, Mr. Speaker, we're all Canadians. And I think we should share that, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Gleim: — Mr. Speaker, the population, like the member from Yorkton said, has never been as high as it had been in Tory times. Just remember that. Tory times have had the highest population in Saskatchewan.

An Hon. Member: — Tory times are tough times.

(1630)

Mr. Gleim: — Right, you're darned right. And Tory times, we don't control the weatherman, Mr. Speaker. And it just proves, Mr. Speaker, when the farmer hasn't got a dollar, the rest of the people in Saskatchewan feel it.

Mr. Speaker, when the farmer gets a dollar, he spends it. And, Mr. Speaker, when the commodity prices go down and the production prices go up, any of you people realize what that means? That means the farmer has less money when your production is up but the cost of your commodity is down.

An Hon. Member: — Well you couldn't tell by the way you spend.

Mr. Gleim: — I'm talking about spending money, the farmer spends his money. He spends it wisely, Mr. Speaker. Is that what the member from Battleford was saying, the farmer don't spend his money wisely? The farmer does spend his money wisely. When the farmer spends his money, he distributes it. Everybody gets a share of it, Mr. Speaker.

I just thought I'd bring that up to remind those people across the way about the good '70s managing. Who could manage? Anybody could manage in the '70s. Anybody could manage in the '70s, in good times, good times, Mr. Speaker. What did you do to balance your budgets? You didn't pay off any debts. You took the profits from SaskPower; you took the profits from them and put it in to balance the budget, Mr. Speaker. Well I'll tell you what. I don't classify myself as an accountant, Mr. Speaker, but I tell you what. I at least have a business that I do my own books, Mr. Speaker.

Mr. Speaker, those are just some of the things I thought I would like to mention. And these tough times, Mr. Speaker . . . I want to get back. The member from Battleford told me to get back to my script; I'm going to go back to my script for a little bit here, and I'll tell you what. These tough times require joint action, Mr. Speaker,

action on the part of the federal government, provincial government, and part of the banks and lending institutes, just like I said before, Mr. Speaker.

I'm going to go back on that. Mr. Speaker, many farmers today have land. I don't know if anybody over across the way knows what land is worth. If they do, I wish they would tell me. And that land no longer is worth the amount that is owing on it. A lot of that land out there, there's more owing on that land than what it's worth today, Mr. Speaker. The simple fact is if they were forced to sell that land today, they wouldn't even get enough to pay off the mortgage on that land.

Mr. Speaker, there's where our problem lies, Mr. Speaker. That's our problem, Mr. Speaker, that the assets out there are declining. Mr. Speaker, banks and lending institutions must take this land value discrepancy into consideration when rewriting farm mortgages. That is very important, Mr. Speaker. Our Premier has met with Canada's top banking officials to convince them that they must do their part to solve farm debt crisis in Saskatchewan. We are asking the federal government to instruct farm credit . . . to instruct Farm Credit Corporation to rewrite mortgages at realistic land prices, Mr. Speaker.

Mr. Speaker, we are also demanding that the Government of Canada apply its constitutional authority over the banks and lending institutions to solve the farm cash flow and debt crisis. The federal government policy of high interest rates only aggravates the farm debt problem, Mr. Speaker.

I'd like to just say a few things on interest rates, Mr. Speaker. When you start paying 14 and 15 and 16 per cent, Mr. Speaker, that return is not there on the family farm today, if you want to call it family farm. I would like to call it a business. That return is not there today, Mr. Speaker, with the low prices of wheat, low prices of barley, and low prices of the commodity that we are growing.

Federal interest rate policies and its effect on the province of Saskatchewan is a federal government responsibility, Mr. Speaker. And we are asking that Ottawa live up to that responsibility. Mr. Speaker, this government is committed to working with the Government of Canada and the banks to address Saskatchewan farm crisis.

We are expanding the mandate of ACS even more to extend the debt refinancing, Mr. Speaker. We are implementing the loan guarantees for refinancing of existing debt. We are expanding the guaranteed vendor mortgage program, Mr. Speaker, to include land held by lenders and currently leased to farmers. And we are considering legislation changes to reduce the farm debt.

We are also doing our part, Mr. Speaker, but the federal government and the lending institutions must also fulfil their responsibilities. They must fulfil their responsibilities to this province and to the farmers of Saskatchewan.

Our farmers not only need short-term help but they need also long-term solutions. Saskatchewan farmers need a resolution to the international grain subsidy wars. They

need a resolution to the farm debt crisis. They want fair access to markets. They want a chance to compete fairly.

Mr. Speaker, these are solutions that not only federal government and the banks can implement. And the Saskatchewan government, I say, Mr. Speaker, the Saskatchewan government cannot do it alone. Saskatchewan cannot take on the treasury of United States, the European Economic Community all by itself, Mr. Speaker. The Saskatchewan treasury cannot take on the world.

Mr. Speaker, we cannot do this alone. We have to work in a joint effort. We have to be talking to these countries, Mr. Speaker. We have to be talking to them to work out something that is different from the way it is today.

We need the help of the banks, Mr. Speaker, to protect our farmers from things that are beyond their control. Together maybe we can solve this farm debt program, maybe not on a short time, but on a long-term solution, with long-term solutions, Mr. Speaker. Together we will protect Saskatchewan farmers. Maybe we can protect them from the high debt loan that they are facing today, Mr. Speaker. Mr. Speaker, together we will continue to consult with Saskatchewan farmers to develop long-term solutions for farm financing.

Together we will stand by the farmers of this province. Agriculture is what Saskatchewan is all about and this government is dedicated to protecting farm families and to building the farm industry so that it may compete successfully in the world market.

And finally, Mr. Speaker, I call on the opposition to support this motion. I would like to say to them that this is not a time for partisan politics, Mr. Speaker. It is not a time for self-serving . . . (inaudible) . . . Rather, it is a time to work together to find long-term solutions to the farm debt crisis in Saskatchewan, Mr. Speaker, to bring greater long-term stability to this province's farming communities. It is time that the opposition stop being part of the problem and become part of the solution, Mr. Speaker.

Mr. Speaker, it is time to take the politics out of farming, Mr. Speaker. I know myself the farmers out there, not only farmers, Mr. Speaker, small business that are connecting with agriculture, which out in rural Saskatchewan everybody is, I call, farm family oriented. They are saying, politics is no place . . . there's no place for the politics in Saskatchewan in this type of crisis, with the crisis we are into right now, Mr. Speaker. They say, get together, let's work together.

They are appreciating what the government is doing. They know there is no solution out there to help everybody, but let's try and help the ones that need the help. Mr. Speaker, I so support the motion that the member from Wilkie presented. Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Anguish: — Thank you, Mr. Speaker. I'd like to take part in the debate on the motion put forward by the member from Wilkie this afternoon. And I appreciate the

member from Shaunavon outlining the vendor mortgage program. I hope that all Saskatchewan people who listened to his speech this afternoon are as clear on the details of that program as I am after the briefing that he's offered to me this afternoon through the remarks on this motion.

He also talked, Mr. Speaker, about the 1970s being good times in Saskatchewan for farmers. Well they were good times. They were good times because there was a government in place that was compassionate and ran a sound economy in the province of Saskatchewan so that farms in Saskatchewan could prosper.

Because now during the 1980s that we've just passed through, Mr. Speaker, farms in Saskatchewan have been devastated mainly by policies or lack of policies from the government under the leadership of the Minister of Agriculture and the Premier of this province. They say about all the good things they've done for farmers in Saskatchewan, Mr. Speaker.

I would ask though, why then have we got the highest rate of foreclosures of any time in the history of the province — farm families being driven off the land, going into transition programs to move to other lines of work. They support equity financing, having a system of going back almost to the serf system where the people who should be the good custodians of the land are removed from the land, corporate entities are allowed to come in, and you end up hiring those that should be the actual farmers to do the work and someone else reaps the benefits from it.

And I think it's ludicrous for the member from Shaunavon to point out that the opposition under the leadership of the member for Riversdale would be playing politics on farming and agriculture in Saskatchewan, because that's just not so. If any politics is being played at all it's being played by the Premier and the federal government where they can't decide whose responsibility it is to put up some money for spring seeding when farmers are struggling. Farmers are having difficult times in terms of finding that money to get the crop into the ground so that we can have a bountiful harvest in the fall.

The federal government says, well we're putting up half a billion dollars but it has to be matched by the provinces. The province here under the Minister of Agriculture and the Premier says we haven't got the money, we can't put it up. While they bicker back and forth and play politics with their federal cousins in Ottawa, Mr. Speaker, farmers are being driven off the land in the province of Saskatchewan.

So there's where the politics is being played, Mr. Speaker. The politics isn't being played in this legislature, certainly not by the official opposition. The politics is being played, the very cruel politics is being played by government members who stand up in this Assembly and give some hypocritical rhetoric about problems being problems that are caused by someone else.

They will blame the New Democrats for problems, they'll blame the farmers for problems. Oh yes, they clap when they say they blame farmers for their own problems. They clap at something like that, Mr. Speaker, but that is not the

case. That's just another example of how this uncaring, lack of compassion government is treating farmers in the province. But again I repeat, they'll blame the NDP, they blame farmers, they blame the federal government, they blame the world.

In the Speech from the Throne, there is reference made to the world declaring economic war on the province of Saskatchewan. What a foolish, foolish statement to be put forward. No one's declaring economic war on the province of Saskatchewan, Mr. Speaker. They blame, blame, blame, blame, while at the same time not taking any responsibility for the sad state of affairs in which Saskatchewan's economy finds itself, and a big part of that problem is that farmers in Saskatchewan are not in very good economic times right now, and of course we know that has a very serious ripple effect across our whole economy.

I would like to spend a little while talking about Ron and Nancy Farmer, Mr. Speaker. Ron and Nancy Farmer are not untypical of many farm families in the province of Saskatchewan. Ron and Nancy both grew up in a small family farm in north-western Saskatchewan. Nancy's parents lived on a half-section farm and Ron's parents lived on a half-section farm. They had fairly large families and both Ron's family and Nancy's family worked hard all their lives.

In fact, Ron and Nancy's parents were first generation farmers on that particular homestead. Their parents would have been second generation farmers in terms of being in Canada and in particular in Saskatchewan. And Ron and Nancy went to their little country school and they were a vital part of the community. And finally they got married and they started out on their own. They couldn't expect much help from either their parents because in fact they had a difficult enough time supporting their own families.

And so in the '60s, they got set up on their own farm and as they had grown up to expect the strong work ethic through their parents, they continued on with the very strong work ethic and toiled and put their labours into a farm and raised a family, and then coming into the 1970s they were starting to do very well. Their children were growing up; they were in a fairly buoyant economy. The agricultural outlook was good and they were actually being able to reap some of the benefits of the labours of their parents and their grandparents and in this case, themselves.

And so as the farm was being paid out they were able to acquire a few more luxuries than they had known at home. They were able to have some running water on the farm. They were able to update their machinery. They were able to have a vehicle that they didn't have to worry about breaking down on them on a regular basis. And they were fairly happy during the 1970s with their lot in life.

(1645)

Well, Mr. Speaker, by the end of the 1970s they had basically paid off their farming operation and their farming operation had grown to a considerable size.

Because of the conditions, many people were encouraged by the federal government of the day to go into more and more production because you couldn't have an economic unit like their parents had had on a half section of land. You just could not make a good sound living off that so they expanded their farming operation through the 1970s, and they had acquired quite a substantial holding of land and a full complement of machinery to be able to seed and to harvest the crops that they were growing. And like their families before them, they had some mixed farming involved in it. They had some chickens and they had some cattle.

But then in the 1980s, Mr. Speaker, some of their children were getting to the age that they wanted to get into their own farming operation. And Ron and Nancy Farmer thought rather than farming on their own unit, they wanted to give their children some degree of independence where the children would go out and have their own farm, and so Ron and Nancy Farmer ended up mortgaging some of their own land to set up one of their children in a farming operation in the 1980s.

And then, Mr. Speaker, even more and more production could not keep them ahead of the lending institutions and the devastating policies of the federal Tory government and the provincial Tory government of the 1980s. And finally, they not only had their children's farm, the fourth generation farmers in Saskatchewan, but their own farm in a good deal of financial difficulty.

Now towards the end of the 1980s, Mr. Speaker, Ron and Nancy Farmer actually ended up being grandparents. And the sad state of affairs was that the grandchild became sick and the grandchild ended up at the University Hospital in Saskatoon. And the grandparents and the parents, of course, were devastated by this situation — happy to have the medical coverage but nevertheless, a very heart-wrenching experience to have a young child, your grandchild, being ill and in the hospital.

Well, Mr. Speaker, I would want to say that what happened was that when the grandparents, Ron and Nancy Farmer, went into Saskatoon to visit the grandchild who is sick in the hospital, the lending institution moved in and seized their equipment. They seized their equipment, and part of that debt that was foreclosed on, Mr. Speaker, was through the Agricultural Credit Corporation of the province of Saskatchewan.

Now when this happened, Mr. Speaker, we know that what comes about is that it drives the family out of farming. So not only Ron and Nancy Farmer but also the children of Ron and Nancy Farmer are no longer involved in farming in the province of Saskatchewan because they have been driven off the land. Not by a major five chartered bank; they've been driven off the land by the Agricultural Credit Corporation of the province of Saskatchewan and the Farm Credit Corporation, which is the federal lending institution.

Mr. Speaker, these are supposed to be the farmers' banks — those institutions that are supposed to have the vested and the best interests of farmers to make sure that farmers can get financing when financing is needed. But no,

they're unsympathetic. Agriculture credit corporation holds a great deal of debt in the province of Saskatchewan; an equal share, Mr. Speaker, is held by the Farm Credit Corporation. And those people sitting opposite on the government benches, Mr. Speaker, are the biggest foreclosers on farmers of anybody in the history of the province of Saskatchewan, Mr. Speaker.

Now, Mr. Speaker, they can talk all they want about helping farmers through various programs, but any program that's been brought in since 1982 has been collected back either in changes to crop insurance, higher premiums, or increased freight rates when they helped do away with the Crow rate that protected freight rates for western Canadian producers. They collect more money back by higher interest rates through the Farm Credit Corporation. And the list goes on and on and on whereby anything that's been given to farmers in the 1980s under this government has been taken back by their federal cousins in Ottawa.

Now, Mr. Speaker, we see that Premier Devine is at the western premiers' . . . the Premier of Saskatchewan . . .

The Speaker: — Order. I'd like to remind you that we cannot use hon. members' names in the House.

Mr. Anguish: — Well I'm sorry, Mr. Speaker, I got a little carried away. I wouldn't want to use the name of that individual in any event, Mr. Speaker.

But the Premier of the province is right now at a western premiers' meeting, and he's going off tomorrow to Ottawa to again meet with the federal cousins to try and get some money for Saskatchewan farmers in their time of need. And that time of need is now, Mr. Speaker — not yesterday or not tomorrow. The time is now, that they've been promised money. There was a commitment in the Speech from the Throne that the commitment was there. There obviously is no commitment, or else the federal government on the other hand is backing away from this government. And I think it's obvious that the party's over because even the losers are leaving the sinking ship now, Mr. Speaker.

Mr. Speaker, the federal government does not want to put up their share of the money into agriculture in Saskatchewan. In fact they take from agriculture to support other areas of Canada, and they've written off this particular government as a hopeless cause, a cause that does not represent Saskatchewan farming families, a cause that does not represent Saskatchewan people, a cause that Saskatchewan people will drive out of office at the very first opportunity when the Premier and his colleagues muster up the courage to call a general election in the province of Saskatchewan, Mr. Speaker.

Now, Mr. Speaker, they do have money though; this government seems to have money. In spite of very high deficits, Mr. Speaker, deficits to the extent that we now pay in excess of \$490 million a year in interest on the debt, they still seem to be finding money for some sectors.

And the member from Shaunavon indicated the spring seeding program where there is a half a billion dollars there. Well I suspect that not many Saskatchewan farmers

will take advantage of that program because it means so little that it's just throwing insult into the face of Saskatchewan farmers when you say you're helping with the spring seeding program.

An Hon. Member: — They're sure taking it fast.

Mr. Anguish: — Well one member says they're taking it fast; another member says \$40 million. Let's break that down. The federal government says it's \$20 million, because you're expected to match the money that the federal government puts up, and they say your contribution in that program is \$20 million.

Mr. Speaker, I'd also point out that to the average Saskatchewan farm, it means less than \$400, because you're subsidizing an interest rate down to ten and three-quarters per cent, but it has to be paid back in January 1990, Mr. Speaker. The farmers in Saskatchewan are not asking for more debt, Mr. Speaker. This government has already driven farmers into far too much debt with the agricultural production loan that they put out a few years ago that many farmers are still struggling to try and repay.

What farmers want is not more debt, Mr. Speaker. Farmers in Saskatchewan want stability in agriculture. They want money back for their toils and their labours in production of food, and not more debt from an uncaring, unorganized, unplanned government, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Anguish: — As I was saying, Mr. Speaker, they do seem to have money in some situations. They could let GigaText and Guy Montpetit have \$5.5 million, Mr. Speaker. It appears now that they can let Leonard McCurdy who heads up WESTBRIDGE Computer, they can let him have \$20.5 million from companies he sold to WESTBRIDGE, Mr. Speaker.

They can let Cargill, Mr. Speaker, have \$369 million; that's where they can give money to, Mr. Speaker. They can give Chuck Childers a salary of \$748,000 a year, Mr. Speaker. But they can't give the farmers any more than \$300 in loan subsidies and more debt, Mr. Speaker.

Mr. Speaker, they have money for some people. One of the members is saying, tell the truth. The member said he always tells the truth. I tell the truth too, Mr. Speaker. Saskatchewan people know that we tell the truth, and the proof is in the pudding when your smiling faces go to the polls in the next provincial election, Mr. Speaker. That's when the truth will be told by the people of the province of Saskatchewan, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Anguish: — Mr. Speaker, some of our other members would like to participate in this debate, but before I take my seat and add any other comments to the record on this hypocritical motion by the member from Wilkie, where they take no responsibility themselves but try and lay blame everywhere else where they think that they can lay blame, except taking responsibility themselves, Mr. Speaker, I would move, seconded by the hon. member from Quill Lakes, that the motion be amended by adding

the following:

And further, that this Assembly calls on the Government of Saskatchewan to direct the Agricultural Credit Corporation of Saskatchewan to rewrite farm debt to reflect realistic land values.

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

Some Hon. Members: Hear, hear!

Mr. Koskie: — Thank you, Mr. Speaker. I read with interest and I listen to some of the members on the government side, and I said to myself can you believe the motion that they have presented to this House? How can the government, the Tory government here and the Tory government in Ottawa have any credibility left?

An Hon. Member: — They don't have.

Mr. Koskie: — None. And that's what the people of Saskatchewan are saying — no credibility whatsoever.

Just imagine them standing up and saying they're concerned in respect to interest rates. When the Liberals were in, interest rates were high. Now we have a Tory government in the province and a Tory government in Ottawa, and we have the highest interest rates since the 1981 period and not a thing being done.

And they stand up here, worse still, worse still. What does the Farm Credit Corporation, a federal, Tory-run Crown bank of farmers, what do they do? They increase the interest rate to hard-pressed farmers four times within six weeks and not even a squeak out of the members opposite.

What kind of credibility do they have, coming in here and saying that this Assembly, noting the overall hurt resulting from domestic interest rates, foreign subsidies, weather related incidents, demand immediate comprehensive action from the banks. What a joke. And here we have a federal Tory government sticking it to the farmers in farm credit loan rates, interest rates going up 2 per cent in six weeks. You have the federal Tory government increasing the freight rate; will cost more this year. And not a squeak out of the Tories provincially.

This is hypocrisy at its height. We have a Tory government here provincially, we have a Tory government in Ottawa, and the people of Saskatchewan are taking this motion and their representations in that vein. They ask the lending institutions to take the lead. And who is foreclosing the most on farmers across this nation? Farm Credit Corporation, run by federal Tories, and ACS, run by the Premier of this province.

And they have the audacity to stand up and say to lending institutions, take the lead. And they lead the race in foreclosures. Can you possibly feature the hypocrisy and the indecency of a party, Tories provincially and Tories federally.

You know, they stand up and they say things; they're doing so much for the farmers. And then if you look at the

record of the situation of the crisis, the truth of the matter is that the Tories federally have no plan for agriculture, the Tories provincially have no plan for agriculture, and as a consequence we have a crisis in Saskatchewan.

Do you realize, Mr. Speaker, that in *The Western Producer* the other day they outlined the crisis in agriculture compared to the year before. And they painted in different colours as to the degree of the severity of the problem. And in that article they indicated that there will be 10,000 farmers in Saskatchewan are facing foreclosure or have quitclaim on land that they owned and the banks now own it. Over a million acres are now held by financial institutions, by banks. And when the government owned it on a voluntary program, they were crop sharers. And when I asked the minister of rural affairs, have you got rid of those crop sharers under the land bank, and he said no, we've got 2,700 of them holding a million acres. That's what he said.

The truth of the matter is, Mr. Speaker, that this government has no credibility; the federal government has no credibility. What they have done over the period of time is to play politics with agriculture — play politics with agriculture when the crisis exists across this province.

(1700)

And what is happening today? We got the federal government with \$225 million, laying on the table, available to hard-pressed farmers across Saskatchewan. And you know what? The Premier of this province is not quite ready to call an election because he's down in the polls. And so what is he doing now? He's decided to shadow-box with the federal government and pretend that he's having to fight to get this money.

And you know what they're waiting for? They're playing with the lives of the people, the Saskatchewan farmers. And you know, they know exactly the deal that's going to come out, but they're holding back that money which the federal government is prepared to put up, which they're prepared to put up, because it isn't opportune.

What they want to do is to go in and be able to make that payment if they can buy an election. And today they can't buy an election. And there's no credibility and the people of Saskatchewan and the farmers know that they're playing politics with their lives and the future of agriculture. And I say to you, Mr. Speaker, never have I seen so much hypocrisy, so much lack of credibility as the members opposite; that they would have the nerve to stand before this legislature and ask the banks and the credit unions and the financial institutions to take the lead when they themselves are going the opposite way, increasing the farm credit loan rate, increasing the freight rate, cutting back on the initial grain prices. Every individual step that has been taken by the federal government has cost millions of dollars to the provincial coffers . . . farmers. That's what has happened.

And these boys across the way, they said, put us in, elect Tories. A Tory provincial government and a Tory federal government, why we will be able to deal and we'll solve the problem. In 1985 the Premier, the great Minister of

Agriculture said, well in 1985 he said we need a long-term agricultural program. And where is it, is the question to ask. Where is the long-term agricultural?

Well I'll tell you when it's going to come. It will be instituted when we don't need it, because unless we get a comprehensive agricultural program immediately, at least 10,000 farmers are going to be driven off the land this year. No doubt about it. And can you feature a member opposite getting up and saying, look what we have done. We are putting up \$525 million for a seed loan program.

And in 1986, '85-86, they put in a production loan. Remember that? And they said, everybody's eligible. No question about it. And I'll tell you the problem in 1985 and '86 was not the magnitude of the problem that it is today.

And what do they do? They got 10,000 to 20,000 farmers on their knees. And you know what they do? They say, well now we have to protect the taxpayers' money. They didn't protect the taxpayers' money in 1985-86 when they were buying the election. And that's what they're doing now. They're saying to those people that are in the most severe stress under debt, you can't sow your crop because either you're being foreclosed, you have a demand on your note, bankruptcy or arrears in any payments to governments.

They're saying to 10,000 farmers across this province, you are not going to qualify, you are not going to seed, you are finished, farmer. You're finished farming. What a program. Now you should be proud of whoever thought that one up. They have no direction; they have no intention of a comprehensive long-term program. It's obvious.

And I'll tell you, no amount of hypocrisy from the member from Shaunavon, who won't be around here next time I can assure you, because he won't even fight for the rural hospitals in his own constituency. He hides in the back of the hall and runs when the people try to talk to him.

And that's what Tories are doing across this province. They're hiding and running because they can't face the people who are out there. Sitting at 15 per cent in the polls, I know it must be discouraging to go back and try to justify your existence. I'll tell you, wrong priorities, as the member from Battleford said. You got bucks and megabucks for megaprojects, but you don't have the dollars to save agriculture and small business and main street in rural Saskatchewan. That's the problem and I'll tell you the people of Saskatchewan are on to you guys and no amount of your hypocrisy and soft selling will save you this time around.

Mr. Speaker, I have a tremendous lot more to say on this subject matter, and I'll tell you it's one of the most serious one, too. And the member from Cut Knife-Lloyd, he thinks he can laugh at it. But it's no laughing matter when tens of thousands of farmers, their livelihood, their hard work . . .

Do you know the human suffering that's out there? And

you stand in this House and give to Cargill \$370 million and you give \$20 million to 60,000 farmers — credibility. Boy you should be proud of that. That is a great record — 20 million to 60,000 farmers and they disqualify 10,000 of them. That's the best they could come forward. That's the contribution. That's putting the treasury behind agriculture.

I'll tell you the treasury is in the back pocket of Chuck Childers. That's who's got into the treasury. Cargill got into the treasury of this province. Pocklington got into the treasury, not the farmers, not the small-business men, not the people that built Saskatchewan.

And I say this is hypocrisy — asking the banks and the financial institutions to formulate a policy when at the same time their Farm Credit Corporation run by the federal Tories are assaulting the farmers, foreclosing on them, increasing interest rates, and the same thing is happening under the direction of the Premier. This is intolerable. The people of Saskatchewan will not tolerate it. And I say, Mr. Speaker, as I was going to say before, I have a lot more to say on this. I beg leave to adjourn debate.

Some Hon. Members: Hear, hear!

Debate adjourned.

Hon. Mr. Hodgins: — Mr. Speaker, I think after listening to that dissertation, I think it's abundantly clear that agriculture deserves better than that. Agriculture deserves more than that and, Mr. Speaker, I'd like to move that we now adjourn this House.

The Assembly adjourned at 5:08 p.m.