

frankly, compared to the rest of Canada, it is not very much worse off; in fact, it is probably better off as a province in economic terms than the average, or at least in comparison to large parts of Canada.

Here I come to the point that I think needs to be made, and that is that there is a severe crisis in Saskatchewan. Why? Because Saskatchewan is a province with a large percentage of its economy based on grain—cereal grain and, more specifically, wheat.

Senator Roblin: Do you know the percentage, off hand?

Senator Olson: I am not sure, but I think 35 per cent of the Saskatchewan economy is dependent on wheat, or at least on cereal grains. I know that Premier Thatcher used to say that if there were 40 problems in Saskatchewan and only one related to wheat, the other 39 did not matter. It is that dominant in the economy of Saskatchewan.

There is a significant part of Alberta—southeastern Alberta where Medicine Hat is located, where I come from—and a portion of east-central Alberta that has more in common with Saskatchewan than with the rest of Alberta because of the soil, the climate and economic conditions. I am talking about that area from Hanna to Kindersley in Saskatchewan and from Medicine Hat west and north to Bassano in Alberta. Those areas have more in common with Saskatchewan's economy than with the other parts of Alberta.

So I will be making references to Saskatchewan. I hope honourable senators will understand that I am doing so because that area does have more in common with all of the prairie area of Saskatchewan than with the rest of Alberta.

I also want to try to do one other thing, and I do not know whether Senator Flynn or Senator Barootes will let me get away with this or not, but I would like to make a nonpartisan speech on this matter.

Senator Doody: There has to be a first time for everything.

Senator Barootes: Oh, oh!

Senator Olson: Senator Barootes is after me already. The other day he gave a speech on essentially the same matter when he reported as chairman of the Agriculture Committee on the crisis respecting farm credit. I stood and told him that I honestly thought he gave a very accurate report on what we had heard during the committee meetings. I had my notes in my office and I said to myself that there was no need for me to make a similar speech—

Senator Barootes: It was only 30 minutes long.

Senator Olson: —because I agreed with everything he had said.

Senator Roblin: That was only for the introduction. After that he got into it.

Senator Olson: He always does.

I noticed that there were a few things he left out, but most of what he said was correct, and I agreed with him.

Honourable senators, to be more specific, my Notice of Inquiry states that:

I will call the attention of the Senate to the monetary policy of the Bank of Canada, and to the consequent extremely high interest rates in Canada, which is causing extreme hardship for farmers, fishermen, small businesses and others who have no defence or any way of avoiding the oppressive debt service charges.

That is specifically what I want to talk about, but in order to set the stage we have to have, first of all, some recognition for anyone here today, and particularly for those who may read the *Debates of the Senate* and the proceedings of Senate committees. I send hundreds of copies of *Senate Debates* across the country. I know that copies of *Senate Debates* are distributed to the bureaucrats at various levels throughout Ottawa. I want them to read this. I want them to have some understanding and appreciation of the crisis that is taking place in the prairie regions of Saskatchewan and Alberta, especially in the grain-growing areas.

Why we have to make this start is that the farm gate or local elevator price for wheat on the Prairies today is approximately 65 per cent of what it was ten years ago. I remember selling Durham wheat from my farm during the 1970s. When I received my final payment in 1976 it worked out to \$6.40 a bushel. Today that same kind of wheat brings about \$4.

Senator Argue: If you are lucky.

Senator Olson: As Senator Argue has said, if I am lucky. That is number one wheat. Anything of a lower grade brings a lower price.

Honourable senators must remember that the approximately \$4 is in 1989 dollars and that the \$6.40 that we received in 1975 was in 1975 dollars. Anybody can understand why that is important, because the cost inputs have gone up by approximately 300 per cent. Fuel has gone up tremendously. We used to buy diesel fuel for approximately ten or eleven cents a gallon, which would convert to about four cents a litre. In other words, the cost now is 300 or 400 per cent of what it was. Machinery has doubled, tripled and quadrupled in price, depending on what you buy. A combine in those days used to cost approximately \$12,000 or \$15,000. The same combine now is over \$100,000. I am not saying that the combines are exactly the same, because there have been some sophisticated additions to them such as hydraulic systems, computers and various other things that add to the cost.

● (1540)

Senator Barootes: Television sets!

Senator Olson: I do not know of a single farmer who has a television set in his combine. If Senator Barootes knows of anyone, that is fine. I do not know of anyone. We have several combines on our farm, but they are not equipped with television sets; they are equipped with computers and other things that are useful.

Senator Argue: The odd radio.

Senator Olson: They have two-way radios and a lot of other things, but they do not have television sets. I suppose Senator Barootes is trying to make light of my argument.