

June 5/90

The Assembly met at 2 p.m.

Prayers

ROUTINE PROCEEDINGS

INTRODUCTION OF GUESTS

Hon. Mr. Hodgins: -- Thank you very much, Mr. Speaker. Mr. Speaker, this afternoon I would like to introduce to you, and through you to all members of the legislature, a couple of very special guests. They are seated in your gallery, Mr. Speaker, and I am referring to Amy Milne who is accompanied by her mother Mary, seated in your gallery.

Amy, I understand, has just turned eight just a short while ago. She is a student at James L. Alexander School in Saskatoon. And, Mr. Speaker, it is not a coincidence that Amy has joined us during Environment Week. Mr. Speaker, Amy is an environmentalist in the truest sense of the word. Amy launched her own recycling program in her neighbourhood, going door to door, collected waste paper.

And little Miss Amy has become quite the celebrity since launching her project earlier this spring. Amy gave a toast at the Earth Day celebrations at the United Nations in New York on April 22. She later appeared as a guest on Front Page Challenge. This morning Amy came to Regina to join with me and others at the Environment Week kick-off ceremony. At that time she assisted in the official unveiling of a model of the planet Earth at the Saskatchewan Science Centre.

Mr. Speaker, I submit to you and to this Assembly that Amy has represented Saskatchewan and represented environmental concerns in a very, very honourable way, Mr. Speaker, and she deserves special attention here and special recognition this afternoon.

Amy and her mother will be meeting with me after question period. We'll be taking a few pictures, and later she will return to Saskatoon. Mr. Speaker, I ask you and all members of this Assembly to join with me in welcoming very heartily Amy Milne, a true environmentalist.

Hon. Members: mHear, hear!

Mr. Mitchell: -- Mr. Speaker, I just want to add my welcome formally to the minister's welcome and those of all members of the House. I have the honour and indeed the thrill to have Amy and her parents living in my constituency. And when they did what they did, we in our constituency and our city and indeed the province were very, very proud of Amy. And I certainly personally welcome her here today.

Hon. Members: mHear, hear!

Mr. Hopfner: -- Thank you, Mr. Speaker. Mr. Speaker, I will also take advantage of welcoming our guests here to the legislature. I'd like to

remind all members of the legislature through you that Amy was the resident of Lashburn, Saskatchewan, my community, my home, and where her grandparents still reside. And I just want to congratulate her personally, wish her all the best in the future, and on behalf of her grandparents I'd just like to say, they are very proud of you, Amy. Good luck.

Hon. Members: mHear, hear!

Hon. Mrs. Smith: -- Thank you. Mr. Speaker, I cannot attest to knowing Amy, in coming from Swift Current, but I have to introduce to you 54 grade 4 students who I think would probably like to follow the role model that Amy has laid out.

Mr. Speaker, they are seated in the west gallery. They are accompanied by their teacher, Louise Gagniere, Jo-ann Lambert; and four parents, Mrs. Thingelstad, Mrs. Steppuhn, Mrs. Krause, and Mrs. Holmes. Mr. Speaker, these children are in from Oman Elementary School in Swift Current. They come in on an annual basis and this year is no different. And I would ask all members to welcome them, and I will look forward to meeting with them after question period.

Hon. Members: mHear, hear!

Hon. Mr. Petersen: -- Thank you, Mr. Speaker. Once again it's my pleasure to introduce to you and through you a group of grade 4 students from Wadena Elementary School. They're here today visiting the legislature. They are accompanied by their teachers, Mair MacDonald, Reg Glennie; chaperons, Marilyn Cannon, Joan Haskey, Jerry Madarash, and Sharon Rorquist. Their bus driver is Tony Lipinski.

I will be meeting with them for pictures and refreshments later on, and some questions and answers, I suppose. So I would ask all members to join with me in welcoming them here once again.

Hon. Members: mHear, hear!

ORAL QUESTIONS

Increase in Cost of Government Borrowing

Mr. Shillington: -- My question is to the Minister of Finance. Mr. Minister, with our credit rating on a toboggan ride, many of the public have been asking, what is this going to cost us? What does it mean to me, the taxpayer?

Mr. Minister, two documents brought to my attention yesterday, both bearing your signature and signed about 11 months apart, dramatically illustrate what it's going to cost us. Both are orders in council, the formal embodiment of a cabinet decision; both are a decision to borrow money both for the same amount -- \$300 million, both bearing your signature. There are, however, two differences. One is the date . . . one was dated June 28, 1989; the other one, 11 months later, May 30, 1990.

It is the other difference, Mr. Speaker, that dramatically leaps out at a person. The interest rate, Mr. Minister, is 2.4 per cent higher. That's eight-tenths of one per cent higher than the increase in the Bank of Canada rate. Is it not a fact, Mr. Minister, that the difference that eight-tenths of one per cent is the negligence factor? Isn't it true, Mr. Minister, that the difference between this increase and the Bank of Canada increase, or eight-tenths of one per cent, is what the taxpayer has to pay for your negligence and mismanagement, Mr. Minister?

Some Hon. Members: mHear, hear!

Hon. Mr. Hepworth: -- The answer is no, Mr. Speaker. And the reason I say that is because the deal that was done on May 10, and which the OC (order in council) the hon. member refers to was done before any credit rating downgrade, Mr. Speaker, and hence the member is not comparing a deal done after the credit rating downgrade . . . he is not comparing one done after the credit rating downgrade to one before the credit rating downgrade. So the answer is clearly no, Mr. Speaker.

Some Hon. Members: mHear, hear!

The Speaker: -- Before the hon. member puts his next question, I'd like to draw to his attention that his first question was very lengthy, very lengthy. We may get into very lengthy answers, and this is something that members don't want. They've brought that to my attention on different occasions as I'm sure you're aware. So let's try to keep the questions down and of course the answers as well.

Mr. Shillington: -- I thank you very much, Mr. Speaker, for that ruling. It was carefully and slowly put, but I was after all dealing with the member from . . .

The Speaker: -- Order, order.

Mr. Shillington: -- New question. For the benefit of the member from Weyburn who seems to have a problem not just with arithmetic but with the English language, the second OC was dated May 30, after the bond ratings were available, Mr. Minister. In fact after both of them were available.

My question, Mr. Speaker, is that it's a very simple calculation to calculate the eight-tenths of one per cent times the \$4 billion which Dominion Bond (Rating) Service says will be due this year, and the cost of your negligence and mismanagement is \$32 million -- \$32 million is the cost of this province's falling credit rating. My question, Mr. Minister, is surely at a price-tag of \$32 million it's time to produce an action plan to deal with the gross and obscene waste and mismanagement which has been an absolute hallmark of this government.

Some Hon. Members: mHear, hear!

Hon. Mr. Hepworth: -- Well the hon. member is quite correct in terms of the date of the OC, Mr. Speaker, but he's unfamiliar with the process. We went to the market on May 10 and I reported to that member in this House in

interim supply debate on or about that very same day, with the assistant deputy minister who's responsible for debt management sitting right here, who advised me that on that very day we went to the market with this \$300 million deal at 12.25 per cent, higher than any of us would like particularly, Mr. Speaker, but certainly close to our budget model of 12 per cent.

The credit rating downgrade, the first one, did not occur until May 23, 24, somewhere in there. The downgrade did not occur before that deal, Mr. Speaker. The hon. member is in error.

Some Hon. Members: mHear, hear!

Mr. Shillington: -- New question. Mr. Minister, whatever the decision, whatever the date of the decision to sell them, the fact is that they were sold after May 30, after the downgrade, Mr. Minister. And if there is, Mr. Minister, some other explanation for an increase in our cost of borrowing, almost 50 per cent greater than the increase in the Bank of Canada rate, you should offer it, Mr. Minister. I ask you, Mr. Minister, is there any other credible explanation for such a rapid increase in our cost of borrowing above the general cost of borrowing?

Some Hon. Members: mHear, hear!

Hon. Mr. Hepworth: -- As I've said before in the legislature, Mr. Speaker, and I repeat, the larger factors that are impacting on the province's cost of borrowing, albeit that we are concerned with credit rating downgrades, that we're disappointed by them, maybe not totally surprised given what's been happening in our economy, but having said all of that, the larger factors that are impacting 10 and 20 times more so than the credit rating downgrade are these two things: number one, the high interest rate policy of the Bank of Canada; and secondly, the uncertainty surrounding Meech Lake, the Meech Lake accord, Mr. Speaker. Every analyst across Canada, I think, would acknowledge those points, Mr. Speaker.

If we're to try and put the question of do these downgrades cost the province more money, Mr. Speaker, in an incremental sense, the answer is yes, they could possibly do that. The estimates are, the market actuals to date, if you like, are on our short-term money about one-one-hundredth of a percentage point additional cost; and on our longer-term borrowings, Mr. Speaker, around about three-one-hundredths of a percentage point. Now anything over and above what it was before is too much. Based, if those market actuals stay in that range, Mr. Speaker, that could mean for us, on the bottom end, about a million dollars in increased costs, and the worst case scenario would be somewhere in the order of 2 millions of dollars.

Certainly we're not happy with any increased cost in our borrowing, Mr. Speaker, and I have every confidence that the officials in the Department of Finance will be able to manage this. Saskatchewan fortunately enjoys a very high reputation in the financial markets across North America.

Some Hon. Members: mHear, hear!

The Speaker: -- I'd like to also remind the hon. minister to try not to make his answers lengthier than necessary.

Mr. Shillington: -- Thank you. New question, Mr. Speaker. When the minister refers to this province's very high reputation in the financial community, Mr. Minister, you're living in the past, as you so often do. In fact you have squandered that very high reputation.

Some Hon. Members: mHear, hear!

Mr. Shillington: -- My question concerns, Mr. Speaker, the lame excuses which you offer for this: a lack of rainfall.

Mr. Minister, both credit rating agencies . . . Moody's referred to your industrial development projects, which are as gargantuan as they are unsuccessful, and the Dominion Bond (Rating) Service referred to your bizarre bookkeeping practice of taking more dividends from the Crown corporations than the total profit. That, Mr. Minister, is waste and mismanagement.

Mr. Minister, won't you admit it's time the waste and mismanagement came to an end and you began to serve the taxpayers of this province by bringing forth an action plan to bring the gross waste and mismanagement to an end? Isn't it time, Mr. Minister?

Some Hon. Members: mHear, hear!

Hon. Mr. Hepworth: -- I think it's fair to say, Mr. Speaker, that any government, this one included, as well all the officials that work for the various departments, Crowns, agencies, and commissions, strive for prudent management of the taxpayers' dollars. That doesn't mean to say that they . . . any of us are perfect. Certainly we all try to avoid any mistakes. There have been some actions in the past that we wish they would have gone better certainly.

But certainly one of the major focuses or major thrusts in this budget was to decrease internal government spending so that we wouldn't have to raise taxes; and secondly, so that we could find the money to spend in those high priorities, namely health, education, and agriculture. And we stand behind that kind of thrust, Mr. Speaker.

Some Hon. Members: mHear, hear!

Environmental Impact Study on Fertilizer Plant

Mr. Tchorzewski: -- My question, Mr. Speaker, is to the Minister of the Environment. Mr. Minister, last Friday you admitted to this Assembly and to the journalists that pressure forced you to require an environmental impact study of the Cargill fertilizer plant in this province.

Everyone knows, Mr. Minister, that the responsible thing to do would have been to have an environmental impact study before you gave an approval or authorization for this project to proceed. I think even you would agree,

Mr. Minister, that the public has a right and the public needs to have an explanation for this kind of irresponsibility.

I ask you, Mr. Minister, if an environmental impact study is necessary -- and we have said all along that it is -- why did you not require it to be carried out before you gave the approval for the project to be constructed and before you committed \$370 million of taxpayers' money to the Cargill corporation on this project, Mr. Minister?

Some Hon. Members: mHear, hear!

Hon. Mr. Hodgins: -- Thank you. Thank you, Mr. Speaker. Mr. Speaker, I have stated in this Assembly before, I have stated publicly -- the opposition had agreed once, but then they changed their mind. Environmentalists across Saskatchewan have agreed that our legislation is not perfect. Our legislation is 10 years old. Our legislation must be updated.

Mr. Speaker, within the confines of the current legislation, departmental decisions were made. Proposals from the proponent were accepted by the department, were reviewed by seven departments. Internal studies were made, Mr. Speaker. Information has been tabled in this House.

Mr. Speaker, that decision was taken. I still believe today that that plant is safe. I believe, Mr. Speaker, that a good internal review has been completed. But I also have come to understand and believe, Mr. Speaker, that that is simply not good enough today in Saskatchewan.

Mr. Speaker, I believe that people across Saskatchewan are saying, we need more studies. We need more proof. We need more assurances. Mr. Speaker, I believe that the agreement that I signed with the company that allows construction to continue but allows my ministerial discretion to make changes, to make further reviews, to make studies, will prove beyond a shadow of a doubt that this plant is environmentally sound. And if it isn't, changes will occur.

Some Hon. Members: mHear, hear!

Mr. Tchorzewski: -- Mr. Speaker, a new question to the minister. Mr. Minister, you have turned the whole environmental assessment process backwards. After the fact, after the fact you're now asking for an environmental impact study, and you do that as part of a deliberate strategy. You do it as if environmental considerations are not important enough to be thought of before you approve a project.

I submit to you, Mr. Minister, that this is part of a deal, because the deal that you have made is that Cargill can go ahead to proceed with the construction with taxpayers' money, and now later on you ask for an environmental impact study. And I say to you that that makes a mockery of the whole process, a total mockery.

Some Hon. Members: mHear, hear!

Mr. Tchorzewski: -- So I ask you, Mr. Minister, can you at least answer this question. What is the time frame that you have required for this study to take place and for the approval to be made? What is the time frame?

And I ask you also, Mr. Minister, why in this contract, an agreement which you signed, there is not an obligation on the part of Cargill corporation to have this study done before the project is complete, Mr. Minister? Can you explain that?

Some Hon. Members: mHear, hear!

Hon. Mr. Hodgins: -- Mr. Speaker, I can inform the hon. member and I can inform this legislature that the company, the Saskatchewan Fertilizer Company, will go through the environmental impact assessment process. Mr. Speaker, that process should take approximately four to six months.

Mr. Speaker, at that time I stress that if there are any changes that come to light, if the hon. critic is indeed sincere in his comments and he has information or concerns, as any Saskatchewan resident may, bring these forward, Mr. Speaker, and they will be reviewed thoroughly.

Mr. Speaker, there will be public meetings. There will be an opportunity for that member opposite and there will be an opportunity for people all across Saskatchewan to address the issues -- to confront the issue itself, Mr. Speaker, and see if there are any things that have . . . anything that has been neglected with respect to this corporation.

Mr. Speaker, I think if we cut away from the environmental comments by the hon. member, we will really get down to the truth at hand. And, Mr. Speaker, the truth at hand is that hon. member, hiding behind the guise of the environment, will not be satisfied until he and some of his American counterparts in Oklahoma, Texas, elsewhere, who are raising concerns about the environment -- if you can imagine, Mr. Speaker, I don't think this plan is going to have one iota impact in the state of Oklahoma -- but, Mr. Speaker, that member and that political party will not be satisfied unless this project is stopped.

And I ask them to quit. To stop hiding around the issue of the environment and come clean with the public of Saskatchewan and simply say, we are opposed to developing our natural resources. Stand up and say it.

Some Hon. Members: mHear, hear!

Mr. Tchorzewski: -- Mr. Speaker, a new question to the minister. Mr. Minister, one of the reasons why you're making a mockery of this whole process is because you have already predetermined the result of this environmental impact study before it is even done. That's what you've done.

Some Hon. Members: mHear, hear!

Mr. Tchorzewski: -- You're saying it's going to take four to six months.

Well that's another indication that you're only doing this to try to get you by an election, Mr. Minister, and it's got nothing to do with the environmental considerations.

I ask you, Mr. Minister, in view of your continuing argument that the reason you couldn't have an environmental impact study done prior to the approval of the plant was because the legislation wouldn't let you -- that's what you said -- would you care to explain to this House, Mr. Minister, where in this legislation it prevents you from having done and required an environmental impact study before you gave approval for this plant, Mr. Minister? Would you explain that?

Some Hon. Members: mHear, hear!

Hon. Mr. Hodgins: -- Mr. Speaker, I think you would be able to easily, easily ascertain from the member's comments that he is more interested in the word "politics," which he has stated, more interested in an election, whenever that may be held.

Mr. Speaker, my job, my responsibility is to protect the environment in Saskatchewan. My responsibility, Mr. Speaker, is to be the watch-dog of the Government of Saskatchewan over such diversification projects and to ensure that they are safe for our environment and safe for the people of Saskatchewan.

Mr. Speaker, departmental officials, after a thorough review, have given their blessing to this project. Mr. Speaker, if I was to take that firm stance and say, that's all that is needed, Mr. Speaker, I don't think that is good enough for today in this realm, in this day, and this age.

Mr. Speaker, I have gone one step further and I would want to commend the Saskatchewan fertilizer company for voluntarily, voluntarily submitting to this process and coming out front, Mr. Speaker, and saying, we will show that this project is good for the people of Saskatchewan, safe environmentally, and if it's not, we will make changes. And I submit to you, Mr. Speaker, those changes will be made if it's found not to be safe.

Some Hon. Members: mHear, hear!

Mr. Tchorzewski: -- Mr. Speaker, a new question to the minister. Mr. Minister, if you are a watch-dog on the environment, then I suggest to you you're a watch-dog without neither bark or bite.

Some Hon. Members: mHear, hear!

Mr. Tchorzewski: -- Because your Premier and your cabinet colleagues have taken out your clause on behalf of their political agendas and objectives . . . (inaudible interjection) . . . Thank you, Mr. Speaker.

My question is again directed to the minister; it's a new question. Mr. Minister, this environmental assessment which you spoke of was done by Saferco first in secret -- in secret and you hid it. Now you are doing a requiring environmental impact study under contract.

Well, Mr. Minister, the arrangement that you have created here means that the government can now avoid and Saferco can now avoid all of the public safeguards which are built into The Environmental Assessment Act and sections 15, 16, 20, 21, 22, and 23 will not apply. Mr. Minister, isn't that the reason why you have gone the contract route, so that all of the safeguards which are in the legislation you will not be able to apply and this will give you an out, Mr. Minister. Isn't that the reason?

Some Hon. Members: mHear, hear!

Hon. Mr. Hodgins: -- Mr. Speaker, I will once again review for you the facts of this matter. Decisions were taken, proposals were accepted and the green light was given to this project. And from all indications, Mr. Speaker, after review by seven different government departments -- and from what I've seen in government, Mr. Speaker, there's still a lot of red tape here that we've haven't gotten rid of yet -- and I'll tell you, Mr. Speaker, it's not easy to get something through seven different government departments, but that decision was made.

Mr. Speaker, I then had to make another decision. I had to make the decision, Mr. Speaker, is that good enough today? Is that good enough protection of the environment today, Mr. Speaker? And after some consideration, after some consideration, Mr. Speaker, I said, no, that's not good enough for today. We must take one further step.

Mr. Speaker, I submit to you that most fair, reasonable people would say we're happy that you're taking an extra precaution. Mr. Speaker, I am somewhat offended by a member opposite who stands up sanctimoniously, Mr. Speaker, and talks about whether or not I'm a good enough watch-dog over the environment.

Mr. Speaker, I remind you and I remind the people of Saskatchewan that that particular member was not watching the dogs when he covered up a PCB (polychlorinated byphenyl) spill with about two feet of concrete. Now where was the watcher of the dogs back then? Where was he?

Some Hon. Members: mHear, hear!

Occupational Health and Safety Report on Shand Accident

Mr. Hagel: -- Thank you very much, Mr. Speaker. Mr. Minister of Human Resources, Labour and Employment, CKRM radio has reported that Myles Morin, the former PC MLA who now heads the occupational health and safety branch, has stated that his branch's report, an inquiry into the Shand accident, may not be made public because he doesn't have the authority to do so, and he would have to have approval from either SaskPower or the contractor. However, Mr. Minister, there is nothing in the Act which prevents you as minister responsible for occupational health and safety to make that report public.

There's been a great deal of public concern about this accident, Mr. Minister. As a matter of fact it's the second crane-related fatality on a

SaskPower site in just a little over a year. And obviously hiding the results of this report would be in no one's best interest.

And so I ask you, Mr. Minister, I understand that the report has now been completed and as minister responsible for occupational health and safety, will you order that this Shand occupational health and safety report be made public immediately.

Some Hon. Members: mHear, hear!

Hon. Mr. Schmidt: -- Mr. Speaker, the members opposite can just never resist cheap politicking when it comes to a serious question. What we have here is a report that has not yet been delivered to me. I have not had an opportunity to study the report because it hasn't been delivered by the acting director. There will be no hiding of the results. I'll have to study the legality of publicly issuing a copy of the report. But certainly the results will not be hidden from the workers nor from management, and nor will they be hidden from the public.

Once I have had an opportunity to receive the report, study the report, we'll be giving out more information.

Mr. Hagel: -- Mr. Speaker, I will direct my question again to the Minister of Labour. And if he prefers not to respond to the question, then I will direct it to the minister responsible for SaskPower.

Mr. Minister, I asked you to state very clearly your assurance that that report will be made public immediately upon its completion. And if you do not concur with that, Mr. Minister, then the minister responsible for SaskPower, who is seated right beside you, I ask then that the minister responsible for SaskPower do what Mr. Morin has stated he is authorized to do, and that he make sure that that occupational health and safety report is made public.

Mr. Minister of Labour, or minister of SaskPower, together, will you ensure that that occupational health and safety report will be made public immediately upon its completion?

Some Hon. Members: mHear, hear!

Hon. Mr. Schmidt: -- Mr. Speaker, I've already answered that question.

Some Hon. Members: mHear, hear!

The Speaker: -- Before we move on, I would just like to make this one comment, by and large question period was good, but question period is a highly partisan time of the day, and I fully recognize that. But I think that in all fairness both sides by and large, with some exceptions, the questions and answers were a little too long. We had about 25 minutes of debate. I don't think that's really what you want, and I'd just like the hon. members to keep that in mind for future question periods.

Bill No. 35 -- An Act to amend The Income Tax Act

Hon. Mr. Hepworth: -- Mr. Speaker, I move first reading of a Bill to amend The Income Tax Act.

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

ORDERS OF THE DAY

MOTIONS

Resolution No. 8 -- Provincial Debt and Tax Burden

Mr. Anguish: -- Thank you, Mr. Speaker. I put forward this resolution today. I'd like to read it into the record so anyone who would be paying attention today out in television land would understand what we're talking about. I have put forward the resolution, Mr. Speaker:

That this Assembly condemns the Government of Saskatchewan for its eight-year record of unprecedented waste and fiscal mismanagement, which has caused an alarming provincial deficit and continuous tax increases on the people of Saskatchewan.

Mr. Speaker, that is the motion that we're dealing with here today. And I took some time a short while ago to in fact look at some of the financial information on the government. We've all heard many times about the GigaTexts and the Supercarts and the STC (Saskatchewan Transportation Company) bus scandal, and the all the many things that have come to the public eye that have been viewed as waste and mismanagement and certainly even some of them bordering on corruption. And one of the members even mentions gravel pits, Mr. Speaker.

This government knows no limit to the waste and mismanagement to what level they'll go from the very bottomstone of a gravel pit to the very highest level of their government. There is a cloak of concern over the government because of their waste and mismanagement and blatant disregard for taxpayers' rights and for taxpayers' dollars in the province of Saskatchewan, Mr. Speaker.

I would want to first look at some of the myths that the government would wish to put out but they can't do that only in their rhetorical speeches that they give in their constituencies and here in this legislature. I would want to point out, Mr. Speaker, that the government puts out a publication every year called the Saskatchewan Economic and Financial Position. This current one that I'm holding, Mr. Speaker, is the November 1989 issue. And I would say that this has been a requirement of the government by law, by statute, to put out the economic and financial position of the government for a good number of years now, Mr. Speaker.

Now one of the things that the government will always say is that there's been a drop in revenue, that there's a world crisis upon us, that we've had

global war declared on poor little Saskatchewan.

The words of the government in their throne speech on March 19 indicated that the rest of the world had declared economic war in Saskatchewan, therefore leading people to believe that there's been a reduction in revenue to the province of Saskatchewan during the term that they've held office, Mr. Speaker. And this is not true.

I looked at this document that I referred to and it's a document that's put out by the government, Mr. Speaker, and I've looked back to 1978 up to the year 1989 and the 1989 figures are estimates, Mr. Speaker. But I would point out that the total combined budgetary revenue for the province of Saskatchewan in 1978 was \$1.6 billion, Mr. Speaker.

I would then go to the year 1982, Mr. Speaker, where this particular government that's in power today formed office. The total combined budgetary revenue in 1982, Mr. Speaker, was \$2.7 billion. So in a period of four years we had increased budgetary revenue of about 1 or maybe \$.9 billion -- \$900 million increase in revenue.

So now keeping that figure in mind, Mr. Speaker, in 1982 when this government took office, \$2.7 billion in revenue. In 1989, Mr. Speaker, it's estimated that the government will have revenues of \$3.7 billion. So, Mr. Speaker, I point out to you that it's a total myth that revenue has decreased dramatically for the province of Saskatchewan.

I just want to run through some of them quickly, during some of the years that this government's been in office. In 1985, 2.9 billion revenue; 1986, 3 billion in revenue; 1987, 2.8 billion in revenue; 1988, \$3.3 billion in revenue, Mr. Speaker. So I suppose the government can't stand on the fact that revenues have been decreasing because the facts show that revenues are not decreasing for the province of Saskatchewan.

So I'm sure anybody that'd be watching would say, well why are we in the debt position that we are in, in the province of Saskatchewan? And everybody knows we're in a bad debt situation, Mr. Speaker, because just on the operating account of the government, the operating account that runs the government departments and agencies not counting Crown corporations, we pay interest annually in the current fiscal year, of \$493 million just in interest on the debt that wasn't there when this government came to office in 1982, Mr. Speaker.

So I guess what we'd have to look at next, Mr. Speaker, are the expenditures of the government. The expenditures of the government -- as I said, I went back as far as 1978, and in 1978 the total combined expenditures of government were \$1.5 billion, Mr. Speaker, \$1.5 billion. In 1982 when this government came to office, the last year of Allan Blakeney's administration, total combined expenditures were \$2.5 billion, an increase of that four-year period of about \$1 billion.

Mr. Speaker, then let's start looking at some of the Conservative years, '85 to '89. These are the expenditures of the government, Mr. Speaker, the Tory government in Saskatchewan: 1985, \$3.3 billion in expenditures; 1986,

\$3.6 billion in expenditures; 1987, \$4 billion in expenditures; 1988, \$3.8 billion in expenditures; 1989, again \$4 billion in expenditures, Mr. Speaker.

And where is that old myth that they try and perpetuate that the NDP is big government, big spenders, want to spend more taxpayers' dollars, increase taxes. Well the record doesn't show that, Mr. Speaker. The record shows that through waste and mismanagement this is the biggest tax-collecting, biggest revenue-expending government in the history of the province of Saskatchewan, Mr. Speaker.

Some Hon. Members: mHear, hear!

Mr. Anguish: -- Mr. Speaker, they have driven us into debt so far that future generations will be paying the debt created in eight lean years of Saskatchewan Tory administration, Mr. Speaker. We need to know, Mr. Speaker, that we have the highest per capita debt of any province in Canada, Mr. Speaker. And we know that debt is deferred tax, Mr. Speaker, because at some point some

Dfuture generation is going to have to pay the horrendous debt that is owed by the province of Saskatchewan to the bond dealers in New York and Zu pürich and Japan and other places outside of Saskatchewan, other places outside of Canada.

We have debt around the world, Mr. Speaker, created by an incompetent Tory management, and that will not be corrected, Mr. Speaker, until they muster up the courage to call an election so that people in Saskatchewan can have new confidence in a new administration under New Democrats in the province of Saskatchewan, Mr. Speaker.

Some Hon. Members: mHear, hear!

Mr. Anguish: -- Mr. Speaker, one of my colleagues points out that they inherited, the Conservatives when they came into office inherited the lowest per capita debt, Mr. Speaker.

Mr. Speaker, you can look at debt in two different areas in the province of Saskatchewan: that debt which is held by Crown corporations, and that debt that is in the operating account, as I call it, of the government. When the Conservatives came to office in 1982, Mr. Speaker, there was no debt in the operating account. There was a small debt that was self-liquidating in the Crown corporations, Mr. Speaker, and that debt has continued to increase both on the operating account, which of course increased -- there was no debt there; there was actually a surplus -- and it has increased to record amounts with the Crown corporations as well, Mr. Speaker.

Mr. Speaker, I'd like to look at some of the debt situation in the province of Saskatchewan. The thing that's been happening is that we've been losing our equity, Mr. Speaker. If you look at the equity in the province of Saskatchewan, again by the government's own figures, by 1989 we had a net equity situation of \$2.9 billion, Mr. Speaker, -- \$2.9 billion.

Now, Mr. Speaker, no one can remember in recent history of the past two administrations in Saskatchewan, going back to the late 60s or early '70s of the province of Saskatchewan, having a negative equity position. We have always had an equity position in the province of Saskatchewan, Mr. Speaker, which means in terms of people in the province of Saskatchewan that we had something of value. The taxes were reasonable, expenditures were in line with the revenues collected, and people could afford to pay the taxes that were levied upon them.

The time of an NDP government in Saskatchewan or Allan Blakeney, Mr. Speaker, were prosperous times in the province of Saskatchewan not all totally due, but mainly due, Mr. Speaker, to sound fiscal responsible management by a government that cared and a government that understood how a government has to operate, Mr. Speaker. Not someone running wild like these people do with other people's money, spending it like there was no tomorrow, Mr. Speaker. Mr. Speaker, the debt in the province of Saskatchewan has increased very, very substantially and I want to again refer to the government's own document that they put out in November 1989, required by law in the province to state the government's position, their financial and economic position.

Mr. Speaker, the gross debt in 1989 in the province of Saskatchewan is estimated to be \$10.7 billion, Mr. Speaker. This is a debt that includes the Crown corporations and the operating account of the provincial government, Mr. Speaker.

Mr. Speaker, that \$10.77 billion is an amount of money that would make most people fearful. I know anybody in the business community that I know would be very fearful of carrying a debt like that when you have a \$10.77 billion debt and a negative equity position.

Mr. Speaker, if there was a banker in the normal private sector or an auditor in the private sector that looked at the books of the province of Saskatchewan, they'd put you into receivership, Mr. Speaker, because it would be bankrupt. The only reason that doesn't happen is that governments are different to the extent that the government can raise more revenue and they have the control over resources in the province of Saskatchewan.

When I talk about this debt, Mr. Speaker, the gross debt, I want to go back to some of the years where the total debt in the province of Saskatchewan was under other administrations. Mr. Speaker, the total debt going back, look at 1978, the total combined liabilities and province's debt was \$1.6 billion in long-term debt and 77 million in treasury bills.

Now, Mr. Speaker, the gross debt in 1978 was \$1.7 billion. By 1989 this government, these sound, fiscally irresponsible, incompetent managers, Mr. Speaker, have brought that \$1.7 billion debt to a \$10.7 billion debt in the province of Saskatchewan, Mr. Speaker. Mr. Speaker, that's a position that should be shame brought upon this government by the way they've handled the affairs of the province of Saskatchewan, Mr. Speaker.

Now I don't want to dwell on those figures too much longer. I think that

I've made my point fairly well using the government's own figures, not something that was drawn up by NDP research or by the New Democratic Party's provincial office. These are figures, Mr. Speaker, from the Government of Saskatchewan under a Tory administration.

If you examine the record, Mr. Speaker, there is no relevance from the record of this government that's in print by law, if you compare it to what the members opposite say in this legislature and say to people out in the province of Saskatchewan in their constituencies. Mr. Speaker, we are in a very dismal economic position in the province of Saskatchewan.

Now what happens by this, Mr. Speaker? The first thing that happens is that we have a large portion of our debt gobbled up . . . or our budget, pardon me, gobbled up by interest on the debt. I mentioned earlier \$493 million this year just in interest on the debt, with no plan to repay it. So that's the first thing that happens. It takes money out of our province to pay debt that should be going into programs for hungry children, for hospitals, for education, for programs that diversify and develop the province of Saskatchewan, Mr. Speaker. That's the first thing that happens.

The second thing that happens, Mr. Speaker, is it hurts us in the eyes of those beyond the province of Saskatchewan. For example, there are two bond rating agencies that are paid particular attention to, Mr. Speaker. There's the Dominion Bond Rating Service and there's Moody's bond rating service. Now Moody's say that they have dropped Saskatchewan's credit rating eight times since 1985 -- eight times since 1985, Mr. Speaker -- four times by Moody's themselves, twice by Standard and Poor's, which is another credit rating agency, and twice by Canadian Bond Rating Agency.

Mr. Speaker, Moody's is very interesting. In 1981, Saskatchewan was above Quebec, Manitoba, Nova Scotia, and New Brunswick. Today, after Moody's have lowered our credit rating four separate times since the Devine administration took office, we are behind Manitoba, New Brunswick, Quebec, and we're tied with Nova Scotia. We are very rapidly falling into paupers in the eyes of the economic community beyond our borders, Mr. Speaker. And the bond agencies show this; the credit rating agencies show this by lowering the credit rating of the province.

Now it was pointed out in question period today that it cost us, this last credit rating drop, something in the area of about \$38 million, Mr. Speaker, in increased interest rates because the province of Saskatchewan is a poorer risk than it has been previous to the drops in the ratings, Mr. Speaker.

Mr. Speaker, the government's falling credit rate can be tied to a large extent to its privatization policy. Privatization of course began in a big way in 1985 with Saskoil. The first credit rating drop was in 1985 by Moody's. There have been eight drops since 1985, taking the three agencies in total. Those three agencies would be Moody's, Standard and Poor's, and the Canadian Bond Rating Service Ltd.

Now for each of the fiscal years 1981, 1982, through '90-91, the total debt

of the province and the cumulative debt has caused us a large part of this problem in addition to privatization. And what some of the rating agencies are worried about, Mr. Speaker, is that Saskatchewan continually does not have the resources to repay the debt. They've sold off many of the revenue-generating Crowns that we had, Mr. Speaker. We have no money in from those. It's increased our debt by getting rid of our assets. And, Mr. Speaker, the bond agencies know this.

I'd look to the most recent Dominion Bond Rating Service report on the province of Saskatchewan, for the rating here now has been moved from R-1 middle to R-1 low -- a very poor credit rating for the province of Saskatchewan, Mr. Speaker, when you consider the excellent credit ratings that the province of Saskatchewan had during the 1970s and the early 1980s.

I'd just like to quote from part of this, Mr. Speaker. The summary says that:

The rating on all short term debt issued by the Province is being reduced to R-1 (low) from R-1 (middle). This reduction reflects the following: (1) Cumulative deficits have resulted in a substantial rise in the proportion of non-sustainable debt in relation to (the gross domestic product) . . . This figure has risen from near zero in the mid 1980's to over 30% today, or near 40% if unfunded pension liabilities are included. Also, the weighted average maturity of Saskatchewan's gross debt is short (now, Mr. Speaker), with 1/3 scheduled to mature within 1 year.

Mr. Speaker, where does that leave the province of Saskatchewan? What that means, that first point as to why they lowered our credit rating, Mr. Speaker, is because within one year, if one-third of our debt is scheduled to be renewed, we have to go out and . . . rates, interest rates, Mr. Speaker.

We are going to lose millions of dollars more, Mr. Speaker, because of the increased interest rates we'll have to pay because of this government, their incompetence in allowing our credit rating to drop to such a low level.

Secondly, Mr. Speaker, and I quote from the article again:

Future revenue sources from the federal government, which have helped in the past, are less certain, given the high deficits which the federal government has. Also, we question the long term ability of Crown Corporations to continue to sustain present dividend levels which are helping to reduce the deficit.

Now I'd stop there for a minute, Mr. Speaker, and say that, one, the federal government is sick and tired of bailing out this provincial government. They bailed out this provincial government in 1986, whereby they got their billion dollar deficiency payment and helped them form a government. So that's the past, Mr. Speaker. That's the way it was.

And the bond rating agencies do not believe that Mr. Mulroney owes any more in patronage to the province of Saskatchewan, and the reason -- the bond

agency doesn't say it, but the federal government is saying it -- you only sent me back four out of 14 members of parliament so I'm not giving you the money that you got in the past. Mr. Speaker, that's the case. Their politics in this example is lowering our credit rating in the province of Saskatchewan, Mr. Speaker.

And the second point made in this point 2 from the Dominion Bond Rating Service is that the Crown corporations' ability to sustain present dividend levels, which are helping to reduce the deficit. Last year, or this year I believe, Mr. Speaker, they've taken \$200 million from Crown Investment Corporation, the banker of Crown corporations, to go towards reduction of the debt, or in other words, help balance the budget.

Mr. Speaker, when they sell off all the revenue-generating Crowns in the province of Saskatchewan, that revenue is not going to be there in the future, Mr. Speaker, and the bonding agencies know that. And therefore they are helping through their privatization moves -- which the people of Saskatchewan have loudly said they don't want -- they are helping to sell off our Crown corporations, our revenue generators, at our detriment, because we get no money from them initially and we in fact have our credit rating lowered by the rating services and therefore pay more interest rate.

Mr. Speaker, I don't want to go on too much longer. I have a bit of a cold and I find myself losing my voice, but I do want to say, Mr. Speaker, that it is not the world conditions that have affected the province of Saskatchewan to any large extent. Of course there are world pressures around the globe that cause hardship on particular areas from time to time, but it is not world conditions, it's not Canadian conditions, to a large extent it's not even Saskatchewan conditions, Mr. Speaker, that have caused us to have a debt situation like we have in Saskatchewan.

I put forward the motion because the main reason we're in the economic mess we're in in the province of Saskatchewan is the waste and mismanagement of this government that we have in Saskatchewan today, Mr. Speaker. We see their waste and mismanagement in the GigaText -- over \$5 million. We see the waste and mismanagement in the Supercarts that end up in court. We see their total incompetence in dealing with the STC bus scandal, Mr. Speaker. We see their incompetence when they pay a head of a potash corporation over \$700,000 a year as a salary, Mr. Speaker, when they don't even put up any more than that to feed hungry people in the province of Saskatchewan.

(1500)

Mr. Speaker, it's items like that, that there is a long list, many, many items that can be pointed to that are waste and mismanagement by this government. They have made the economic mismanagement something in Saskatchewan that we have not experienced before. We have a debt-ridden province with long-term implications that have to be cleared up.

And that will be cleared up, Mr. Speaker, on the day that New Democrats come into office under the Leader of the Opposition and he is premier. With his experience and the enthusiastic members of our caucus, Mr. Speaker, we look forward to working with people in the province of

Saskatchewan to get the waste and mismanagement out of control and out of government so that Saskatchewan people can have the service and the government programs that they deserve by a competent and a caring and a compassionate government in the province of Saskatchewan, Mr. Speaker.

Mr. Speaker, with that I would move, seconded by the hon. member from Prince Albert-Duck Lake:

That this Assembly condemns the Government of Saskatchewan for its eight-year record of unprecedented waste and fiscal mismanagement which has caused an alarming provincial deficit and continuous tax increases on the Saskatchewan people.

I so move, Mr. Speaker.

Some Hon. Members: mHear, hear!

Mr. Lautermilch: -- Thank you, Mr. Speaker. Mr. Speaker, I'm pleased to enter this debate today on this motion, and I'm pleased to second the motion as well.

And I want to read again part of the motion that's put forward by the member from The Battlefords, and the intent of this motion of course is to indicate to the people of Saskatchewan that this province is in some very difficult economic circumstances, and basically it's been precipitated by waste and financial mismanagement of this PC government since 1982.

Now, Mr. Speaker, my colleague from The Battlefords outlined very articulately what the result of the economic waste and mismanagement has been. He indicated to this House that we have an unprecedented deficit, that we're in a negative equity position, and that we have a massive and almost seemingly unmanageable provincial debt somewhere in excess of \$13 billion.

Now, Mr. Speaker, when you analyse the financial statements put forward by this government on an annual basis, you can but wonder what they're thinking about during the rest of the year, knowing full well that every year the problem deepens and becomes worse and worse.

But, Mr. Speaker, do we see any changes with respect to how they're governing? Since 1982 I have watched closely, as have the residents of Saskatchewan, the way this government is delivering government. And I've sat in this House since 1986, and I see that year by year there are no changes. The direction is constant, and I say to you, Mr. Speaker, and to members on that House, on that side of the House, that it's unfortunate that these problems persist and continue because clearly the direction of this government hasn't changed and I believe will not change. The only thing that will change the direction of government in this province is the defeat of this PC government and putting a new government in place whenever that election might be called.

Mr. Speaker, the agenda of this government hasn't changed. It was privatization in 1982, and it's privatization in 1990. The problems were

caused by privatization, have been precipitated, and as a matter of fact I would say magnified, Mr. Speaker, by the waste and the corruption and the incompetence of this PC government. You can look at every economic indicator from housing starts to out-migration to bankruptcies, and the record is clear. There's consistency in those problems, Mr. Speaker. And as I said before, and I'll say again, it's unfortunate that there's consistency in the way the government has delivered government to the people of Saskatchewan.

Last year the number of farm bankruptcies in this province continued to be staggering. The number of total bankruptcies in Saskatchewan continue to be of the highest in Canada. The out-migration of our young people from this province continues to be a disgrace. Housing starts, as I mentioned before, continued to stagnate and job creation is in an unparalleled low in this province.

Mr. Speaker, when we look at the fact that there were 5,000 fewer people employed in '89 than in 1988, it must send a signal to the Premier and to the Deputy Premier and the rest of his cabinet, that what they're doing is wrong and that there is something amiss. It must tell them something when they see that retail sales have declined and stagnated in Saskatchewan. But, Mr. Speaker, what does this government continue to do?

It continues on its course, fulfilling its own political agenda, a course of privatization and mismanagement and corruption. And I want to say, Mr. Speaker . . .

Hon. Mr. Neudorf: -- Mr. Speaker, on a point of order. I've been listening very carefully to the member opposite during the debate, and on a number of occasions now has accused me, as a member of this government, of being corrupt. And I suggest to you, as the member of Saskatoon South has just substantiated, that this is unparliamentary language, it is not in keeping with decorum of this House, and I would ask you, sir, to rule on that. And I would request also that an apology would be in order for that type of language.

And I refer you, Mr. Speaker, I refer you to Beauchesne's page 142, rule 484(3). Which reads:

In the House of Commons a Member will not be permitted by the Speaker to indulge in any reflections on the House itself as a political institution; or to impute to any Member or Members unworthy motives for their actions in a particular case.

I submit to you, Mr. Speaker, that that is exactly what the member has been doing. And I request a ruling in favour of my argument.

Mr. Van Mulligen: -- Mr. Speaker, on a point of order. I was listening very attentively to the remarks of the member from Prince Albert-Duck Lake. I did not hear him reflect on the House or members of the House as such. I did hear adjectives pertaining to the government as such, and I think that's fair in debate, and therefore the point of order should not be well taken.

The Speaker: -- I listened to the hon. member's point of order, and the member's response. In order to make a definitive ruling, I would quite frankly have to have a look at the Hansard verbatim.

However, in this instance I don't think that should be necessary, but let me just make this statement. Unparliamentary language, of course, is something we seek to avoid. I think that, as members, we should seek to avoid language which may impute motives to other members which they do not deserve.

As I said before, I'd have to look at the verbatim to see if the hon. member's point of order is, in fact, in order. However, I don't think in this case it's necessary. I simply ask hon. members to try to obey that rule, and the debate can continue.

Some Hon. Members: mHear, hear!

Mr. Lautermilch: -- Thank you, Mr. Speaker. I'd like to continue with my remarks.

I was talking and referring to, of course, prior to being interrupted by the member from Rosthern, the kind . . .

The Speaker: -- Order, order. I believe that that issue is over with. The member from Rosthern had the right to interrupt on a point of order, and I now ask you to simply continue with your remarks and close the issue.

Mr. Lautermilch: -- Mr. Speaker, as I was saying that this government has a record unparalleled anywhere in Canada with respect to the way it's been handling itself, and I will continue with my remarks with respect to the type of government that this Premier and his cabinet and those back-benchers have been part of.

And I want to say, Mr. Speaker . . . I didn't want to do this but I think I will. And I'm going to put us in the context of how the people of Saskatchewan could ask their government to save them some money, how they could keep their tax base down, how they could keep their local municipal taxes down, how the income tax could be kept down. And I'd like the member from Rosthern to listen very closely as I refer to some of these.

I want to talk about the 1987-88 expenses of \$17,423 run up by the Premier's office in the Hotel Saskatchewan for a one-year period. And I'd like to talk about the \$19,000 in expenses run up by the Premier's office in Regina's Ramada Renaissance hotel for one year in 1987-88. And I'd like to talk and I'd like the member from Rosthern to be aware of the \$45,000 paid the former MP Stan Korchinski to advise the Devine government on how to lobby the Mulroney government.

Mr. Minister, you can fool yourself, but you don't fool the people of this province. They see through you very clearly in spite of how much this may hurt you to hear this.

And I'm going to continue on, Mr. Speaker, talking about how we could keep the taxes down. They spent \$46,000 for rent in the Premier's office in Prince Albert, \$86,000 to renovate that particular property, \$146,440 in annual salary cost for the four extra cabinet ministers that were put into this cabinet in October of 1989. And you might be fairly well aware of that, Mr. Minister, because you're one of them. And you might want to be aware of the \$86,295 in additional salary, on top of the 11 legislative secretaries, for the three legislative secretaries of Joan Duncan and Graham Taylor and Herb Swan. Mr. Speaker, I want to make this member aware and members on that side of the House, that the people of this province have had enough of this kind of government. They're looking for some honesty and some fairness.

And I tell you I want them to be aware, Mr. Minister, of the \$15,286 that this government spent through GigaText to send Guy Montpetit and his friend, Miss Sim, on a little trip from Regina to San Francisco and Montreal in August 27 and 28, 1988.

Mr. Speaker, I could go on here until 5 o'clock, till adjournment, because the list is that long. And I'm telling you, I'm almost tempted to do that. Just simply because this minister tends to want to stick his head in the sand and not realize why this province has been brought to its knees economically. I want to say, Mr. Minister, the people of this province are pretty clear with respect to where this government is.

And I tell you, Mr. Speaker, I'm going to explain to the member from Rosthern that the \$212,750 that was paid to Supercart from the Department of Science and Technology for the development of a plastic shopping cart that never was sold and never was produced commercially in this province is not acceptable either.

And I think, Mr. Speaker, I'd like to spend a couple of minutes talking about the \$3 and a half million that Chuck Childers, the American who came in to run the Potash Corporation of Saskatchewan, is receiving at a time when we've got more hungry children in this province than we had in the 1930s. Mr. Speaker, I want him to know about that. And I'd like him to know that when Chuck Childers gets \$3 and a half million and a five-year no-cut contract, how that minister can condone laying off potash workers who've served this province well over the years, Mr. Speaker.

Some Hon. Members: mHear, hear!

Mr. Lautermilch: -- Mr. Speaker, I want him to explain how he can condone paying Paul Schoenhals, a former cabinet minister of that government, \$100,000 a year as chairman of the board of that potash corporation. You see because, Mr. Speaker, I don't understand any more how he can condone it than his constituents can understand it. And I tell you they're waiting for a chance to explain that to him in very clear and concise terms.

(1515)

Some Hon. Members: mHear, hear!

Mr. Lautermilch: -- And he might want to explain how he condones paying Bob Andrew to sit in Minneapolis in the trade office. And I'd like him to know how he condones Graham Taylor sitting in Hong Kong in the trade office over there at a salary of \$100,000; sitting in some of the most expensive real estate property anywhere in the world, overlooking the bay, spending and squandering our money. I would like to know how he condones that. And I'd like to know how he explains tax increases at the same time this is all going on.

If the member wants to get up after I'm done my remarks and explain and give some answers to this, I'd really appreciate it because I think the people of Saskatchewan have a right to know how he can condone that and how he feels that this is the way to run government.

Mr. Minister, I want to know as well how he can condone paying \$22,572 to Remail Investments Ltd. for a feasibility study on a hotel and convention complex in Regina that the government then goes in and rents six floors of in order to make the project viable. Can he explain that to me? Because I tell you I have a hard time to understand it, the members on this side of the House have a difficult time, and I suggest to you that your voters are having a difficult time as well.

I say to the member that there are some other examples he might want to be aware of if he isn't. I want to know how he can condone the cost to SaskTel for reprinting all of the telephone books in Regina because the government made too many errors on the first one. How he can condone that 165,000 when at the same time the hungry kids in this province are allowed something like \$700,000 annually, or 3 cents a day.

And as Minister of Social Services I'd like him to explain to all the families that are trying to live on the pittance that he's providing for them, trying to feed their kids when their rents are going up because revenue-sharing grants are cut to municipalities and they've got to increase their local taxes.

I want to know how he can condone those kind of actions, Mr. Speaker, and I want to know how he feels about raising taxes, and I still want to know how he feels about the mismanagement and the corruption that's been going on under this Premier and this cabinet and this government since 1982. And if he can stand in his place and explain that to me, then I'll happily sit down. But I've got no indication that he's willing to do that, Mr. Speaker.

Mr. Speaker, this morning in Crown corporations we found out that Dome Advertising, the media corporation of record on behalf of this PC government, received in 1987 and 1988 and 1989 \$4.6 million, Mr. Speaker -- \$4.6 million. One agency. And that wasn't all that SGI (Saskatchewan Government Insurance) spent. That's one agency that received that money from one Crown.

Mr. Speaker, can you imagine how much this corporation received from all of them. Just take that perhaps Dome Advertising would be maybe using a profit margin of 20 per cent -- in three years, Mr. Speaker, in three years

\$920,000 that went into the pockets of those business people, those PC business people backed by this government, in three short years. And I want to tell you, I want him to stand up and explain how that corporation should be allowed to profit to the tune of over \$900,000 in three years at a time when farmers in his riding are going bankrupt, at a time when small businesses in his riding are going bankrupt, and at a time when this government can't afford to fix the roads decently in the constituency that he purports to represent.

And I want to know, Mr. Speaker, how he can condone one of the school boards that writes letters to opposition MLAs because they're frustrated with the lack of funding to deliver education to their students. I want to know how he can condone that school board's letters and how he can condone their anger at him for not allowing proper funding to go into that school system so that they can deliver education to their kids.

And I want him to stand up when I'm done my remarks, Mr. Speaker, and explain that to me. Because I'll tell you what, he's one of the only few people in this province that can understand it, if he really in his heart believes that that's the case.

Mr. Speaker, this government has embarked upon mega-advertising to serve its own political interests. You have sold off every piece of . . . or most every Crown corporation that used to deliver profits that we could put back into health care and into education and into highways, and that we used to use to balance our budgets.

And we ask you where the money goes, and none of your ministers will or can stand up and explain exactly where the money's gone. And when you start answering those kinds of questions, Mr. Minister, we'll stop asking these kinds of questions. And when you take some of the concerns and the legitimate concerns of people of Saskatchewan to heart, then you won't be debating motions like this.

But, Mr. Minister, your Premier, your cabinet, and your back-benchers won't allow a decent form of government in this province. And when you stand in your place and you're hurt and you're feeling bad because people will call you for what you are, you've got a real problem. And I say to you, Mr. Speaker, that this government deserves no less than to be defeated at an election and not to win one seat in this province. That's really what they deserve.

Mr. Speaker, the people have had enough of GigaText and Joytec and Supercart International, and they've had enough of their little travelling road shows where they go out and try and convince the people of Saskatchewan that they're listening to them now, after they've almost destroyed the economy of this province.

Do you think the people don't see through that, the premier and his cabinet? Of course they do. And I say to you, that's the reason you're not going to see an election this fall, because this government hasn't got the courage to go back for another mandate because they know the people see what they're about. They understand that the people are not going to take

increased taxation and lowered services. And they understand that they're not going to put up with the waste and the mismanagement that this government has embarked upon since 1982.

Mr. Speaker, this Premier and that cabinet and those back-benchers fool no one, unless they fool themselves. And I'm of the opinion that they don't even fool themselves any more, Mr. Speaker.

Mr. Speaker, six of them -- not one, not two, but six of them -- have left the ship. I tell you, Mr. Speaker, that they know that there's holes in the bottom of that ship and it's sinking fast and that this PC Premier and his ship are going down in the waves. Six cabinet ministers, Mr. Speaker, six of them, either shamed out of office or ashamed of being in office, led by that Premier and by that cabinet.

And I say to you, Mr. Speaker, they're not going to go back and ask the residents of their ridings to pay any more taxes to cover up for the mismanagement. They're not going to do it. Those six don't have to because they've left the ship.

But I want to say, what's awfully disappointing is some of the new four young ones that came in, some of the back-benchers that were moved out of obscurity to go in and try and cover up for the mismanagement of the six that have left, I would suggest, should have a little more common sense and should be changing the way this government is running, instead of continuing on the same path of the old ones.

And to you new ones I say, shame on you. I say, shame on you. If you aren't listening to your constituents, then I would think you should take the summer off and reassess your position as to whether you should be staying with this kind of a government, because I want to say to you, I think better of a couple of you, not many but a couple of you.

And I want to say, Mr. Speaker, that the waste continues, the mismanagement continues, the deficit grows. And I say to you that the people of Saskatchewan are fed up with it and they don't need it any more.

But, Mr. Speaker, I want to say to you that there's going to be another day in this province, and I say to you that there's going to be a government led by people with integrity and with compassion. The people deserve that, and I say to you that the people are going to have it.

The people of Saskatchewan want to respect their political leaders, they want to respect their Premier, and they don't want to feel that every press release and every statement made by their government is one to deceive them. They want to know when a new government comes to this province that it's not going to deny its agenda to privatize, if that would be the agenda, and then turn around the next day and privatize. What they're looking for is some hope, Mr. Speaker. What they're looking for is some compassion, and they're looking for fairness.

And I want to say to you, Mr. Speaker, that that's what they're going to get under a government led by the member from Riversdale and the newly

elected members that are going to replace those on that side that no longer deserve to govern.

Mr. Speaker, I'm waiting anxiously for the minister from Rosthern to come in and rebut my remarks. I would seriously like to hear what he has to say with respect to the items, the few items that I've listed. And I want to tell him if he wants confirmation of what I've said, there are places you can look. You can look at internal documents from property management corporation or Public Accounts. You can look in the Legislative Secretary salary scale. That's there.

You can look at court documents that have been brought before the people of not only Saskatchewan, but of Canada because they're there. And it's all confirmed. And I challenge him to rebut one of the number of items that I've listed.

And I asked him, and I ask him one more time, to come into this House and explain how in light of these things that I've tabled in this House, that I've brought before this House, will he have the courage in this fall to go back and ask his people to yet accept more tax increases which this government is going to deliver, or whether they will accept more mismanagement and incompetence. I say to you, Mr. Speaker, he doesn't have the courage, and you won't see that election this fall because he's going to be one of the members in cabinet voting not to have an election.

And I want to say to you as well, Mr. Speaker, I'm pleased to second this motion. And I look forward to hearing his remarks.

Some Hon. Members: mHear, hear!

Mr. Britton: -- Thank you, Mr. Speaker, I hear my one and only fan in the opposition cheering me on again, and I thank him for that.

Mr. Speaker, I listened to the motion and I listened to the speakers and, Mr. Speaker, I think I would like to make some remarks. A couple of things I'd like to point out to the opposition, Mr. Speaker. They mentioned some patronage. Mr. Speaker, I have a 30-page document here. It lists patronage, and this is just a part of it. I understand I haven't got time to do the whole thing, Mr. Speaker, but I think that at a future date I will read this into the record.

Mr. Speaker, after my remarks, Mr. Speaker, I will be making an amendment to the motion and the amendment will read:

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

Commends the Government for its concentrated effort at managing the financial resources of the province in a manner consistent with the difficult economy as exemplified by (1) the fact that Saskatchewan people continue to pay the third lowest taxes and charges to government of any province in Canada; (2) the continued dramatic financial commitments to agriculture; (3) a \$1.5 billion health budget; (4) an education budget

approaching \$1 billion; (5) the greatest diversification effort in the history of Saskatchewan; (6) major reductions in the size of the public service; (7) over \$300 million worth of internal spending cut-backs; (8) a real decline in the salaries of cabinet ministers and legislative secretaries (Mr. Speaker, and by the way, let me also . . . I'll finish this first); (9) the transformation of foreign debt into Saskatchewan-held bonds and equity; (10) the pay-down of the unfounded liabilities left over from the previous administration; and (11) the securing of public sector pension funds through Investment Saskatchewan; and many other fiscally sound and economically wise initiatives.

Mr. Speaker, mentioning the legislative secretaries, we find the Leader of the Opposition in an article in the Yorkton This Week. He suggested that if he was to become premier he would be reducing the deficit by eliminating legislative secretaries' salaries in the amount of 60 to \$100 million.

Mr. Speaker, when they talk about mismanagement and hypocrisy, that is the most unrealistic figure I've heard for a long time. I have . . .

(1530)

An Hon. Member: -- You've got it upside down.

Mr. Britton: -- Yes, that's right. He's got it upside down. Not only do I have a fan, I have a prompter. Yes, right -- 60 to \$100 million.

Mr. Speaker, otherwise I would be pleased to address this, but when I listen to the members opposite, one of the things they were talking about also was cabinet ministers. Well, Mr. Speaker, let's look. In 1980 . . . well, we'll back-up. In 1979, there was 19; 1980 there was 20; 1981, 19; in 198 . . . (inaudible interjection) . . . that's right. What have we got now -- 18. That's right. So, Mr. Speaker, they're totally dishonest when they try to throw numbers at us. When you look at their own record, it's worse, much worse, Mr. Speaker.

Mr. Speaker, it's a truth, it's a truth, Mr. Speaker, that this province in recent years has experienced economic conditions that have produced little positive news, and we accept that. Mostly negative; we know that. And it's true, Mr. Speaker, that the province of Saskatchewan has experienced a decade of challenges that have been unmatched since the 1930s. Unmatched, Mr. Speaker. But it is also true that because of the sound management of this government, the province has done better on average than any other province and it has survived the decade, Mr. Speaker. It has built into and grown in the critical areas necessary to protect future generations, Mr. Speaker, future generations.

Now part of the problem with the NDP's motion today is the lack of veracity, Mr. Speaker, and its bold attempt to perpetuate falsehoods. That's why I have to speak, Mr. Speaker.

For example, Mr. Speaker, the motion of the members opposite and many of their public misrepresentations refer to tax increases. Well let's see first, what the tax situation is today, and secondly, what was the tax

situation under the NDP? We want to get a fair comparison. Okay?

Today a middle income family in Saskatchewan pays in taxes and charges to the province an average of \$5,038. And that's the third lowest in the country, Mr. Speaker, third lowest in the country. This little Saskatchewan -- well not number one -- is number three in terms of tax performance for middle income families. Number three.

Compare that to the provinces which are experiencing excellent economic conditions. Compare that. We're under tough economic conditions and they are in good economic conditions. In Ontario, that same family, a family with two children earning \$40,000, that family would pay \$5,842 -- in wealthy Ontario.

In other words, Mr. Speaker, in Ontario a middle income family would pay almost \$1,000 more than a comparable family in the province of Saskatchewan. And they have a boom, and we're in a deep economic depression.

Now the opposition says that's not fair. They say it's not fair because in calculating the comparative positions of the two families, I include the medicare charges that Ontario government puts on its people. But, Mr. Speaker, they can't have it both ways. And I ask the members of the media when they are reporting this, when they report these claims that they be as rigorous with the opposition as they are with me, Mr. Speaker.

The fact that the medicare premiums other provinces charge their citizens is a form of taxation, Mr. Speaker. That's how they pay for their hospital services. We don't charge so our people don't pay. In this province the government eliminated extra billing and pays for all the medical services through general revenues. Therefore for the comparison to be accurate, those extra taxes or charges, as they are called, must be included. And when they are included, the Saskatchewan taxpayer comes out ahead in every case -- every case, Mr. Speaker.

Mr. Speaker, if you take a case of a single parent earning \$25,000 a year, you will find that that single-parent family is better off in Saskatchewan than almost anywhere else in Canada. He or she would pay an average of \$3,500 a year. In Ontario it would be \$4,700; in B.C., \$4,600; in the Maritimes, between 5,700 and \$7,000, Mr. Speaker. But in Saskatchewan that same parent, \$3,500, Mr. Speaker. And that's in a province that has faced great economic challenges, Mr. Speaker. That is a highly favourable record and I am proud and honoured to be part of that government, Mr. Speaker.

Now, Mr. Speaker, I must address the pure hypocrisy of the Leader of the Opposition and his tax-happy caucus. The NDP has two great charges that they make against this government, and they make it time after time. The first is they claim that the gas tax is unfair and unjust.

Well, Mr. Speaker, when this government eliminated the gas tax, what was the position of the NDP? Great acrimony and bitterness filled the land, Mr. Speaker. The NDP claimed that we got rid of the tax to do favours for our friends in the trucking industry, and that the tax should stay put in order to make the user of the highways pay for the maintenance of the highways.

And so it went on and on for quite a while.

Then in 1984, the NDP at their provincial convention passed the following resolution: "There should be a fair and reasonable tax on the consumption of gasoline." That was at their 1984 convention. Indeed, Mr. Speaker, the future former member of Saskatoon Centre held a news conference with her new opponent, the member from Saskatoon Fairview and the member from Saskatoon Nutana all held news conferences, and I quote from the Star-Phoenix, January 2, 1985. Mr. Speaker, I am quoting, so I will use the names:

Concerning the gasoline tax, Saskatoon candidates Anne Smart, Pat Atkinson, and Bob Mitchell, promised the NDP will reinstate the tax.

Yes, and I'm quoting, Mr. Speaker. They promised, Mr. Speaker, to reinstate the tax.

An Hon. Member: -- Who said that, John?

Mr. Britton: -- One of the members asked me to repeat who said that. Mr. Speaker, I was asked to repeat that. Well, Mr. Speaker, it was candidate Anne Smart, Pat Atkinson, and Bob Mitchell.

An Hon. Member: -- Will you table that at the Table?

Mr. Britton: -- Yes, certainly. And that was out of the Star-Phoenix, January 2, 1985. No problem.

Well, Mr. Speaker, that's what they said. This government, Mr. Speaker, we modified the tax so that the heavy users in business and industry would pay their fair share. And that was done through the personal rebate program.

And what was the NDP position, Mr. Speaker? Mr. Speaker, they said it was a waste of time. Mr. Speaker, they said it was unfair because some people never claimed. It was no good because the winter is long and the politics hard. Well, they didn't like it.

Well, Mr. Speaker, my point is this: the NDP opposed the elimination of the gas tax. They opposed the tax on commercial users and the rebate for individuals. And now they oppose the elimination of the rebate.

Now, Mr. Speaker, the hypocrisy is so obvious that . . . I say to the members opposite, if your position now is that the gas tax should be eliminated, stand in the House and say so. Say it in clear terms. And I pose this question on the public record, and let the media watch for an answer -- yes or no. The member from Riversdale -- yes or no? Will you eliminate the gas tax? That's all we're asking. That's right. Yes or no.

Now the second and more important question, Mr. Speaker. With his position so muddled on the gas tax, will the member from Riversdale or one of his MLAs promise on the public record, that they will not increase the gas tax?

Now I tell you, Mr. Speaker, and I would ask the media to watch very carefully. Let's watch for the answer. And I have given the opposition an

opportunity to deny their plan to increase the gas tax and they will not take that opportunity.

Now, Mr. Speaker, the second great charge the NDP make against this government is the so-called unfairness of the flat tax. Well the flat tax is a surcharge on high incomes and provides a balance and protection for low income families. And the opposition NDP oppose that.

But, Mr. Speaker, there are two documents which show the NDP also have two positions on the issue. They have Stop the GST (goods and services tax) ballots that were being distributed by NDP members. On the reverse side, the NDP alternative tax plans -- that's one document. The second document is on Simon de Jong's recent Householder that reinstates that plan of the NDP. What is the plan? The first part of it is -- surprise, surprise -- a flat tax. A flat tax, Mr. Speaker. Okay. That's the first part.

And to whom will the NDP flat tax apply? To all high income earners? No, no, Mr. Speaker. The NDP flat tax is targeted at incorporated farmers and small-business owners, and the minimum flat tax the NDP propose is 20 per cent -- 20 per cent, Mr. Speaker. This is on the poor people. This shows the terrible misunderstanding they have of small business and farmers. Because these people incorporate, Mr. Speaker, the NDP automatically define them as the rich -- the bad rich. If they want to say anything bad about people, they call them rich.

An Hon. Member: -- Incorporated means rich.

Mr. Britton: -- Yes, big, bad, rich people. And they want to impose a special tax on these.

Well, Mr. Speaker, I'll tell you this. Most of the small-business people and most of the farmers are not rich, Mr. Speaker. They are working, Mr. Speaker, probably harder than most. They work very long hours, and in many cases, Mr. Speaker, are earning less than our own government employees.

Certainly on average, Mr. Speaker, the average small-business owner earns less than the average union member. Now would the NDP propose a special minimum flat tax on union members? You bet not. But here they have this plan, the solution to the deficit, tax small business and farmers. That is the second part of the tax program, Mr. Speaker. Yes, eliminate the whole thing in four years.

Both of these documents -- and I am sure the member for Riversdale, or the member from Saskatoon University might display more courage than the member from Riversdale and tell the House their open position on this.

The second part is the inheritance tax, the flip side, if you will. It's there, Mr. Speaker. It's in black and white -- or actually red and white, Mr. Speaker. They proposed this tax, the inheritance tax, Mr. Speaker -- this is on working people, small-business people, and farmers that put their money away some place in a bank or in some securities for retirement. They're going to tax that.

You know, I find it really amazing that the NDP claims to recognize that one of our challenges in this province is to find ways to transfer the farm land from one generation to the next, and yet they propose to put a major block in the way of . . . by imposing the death tax, Mr. Speaker.

So far the NDP solution is to raise the gas tax, impose a 20 per cent extra tax on small business and farmers, and impose a death tax on their inheritances, Mr. Speaker. Sounds like a plan that comes from the 1930s, Mr. Speaker -- very typical of our friends across the way.

Now I've been accused of being the Finance minister. Well, Mr. Speaker, let's just take a look. Yes, let's take a look. I done a little . . . a few things with figures. We come up with \$2 billion . . .

An Hon. Member: -- No, you've got to come up with \$80 billion . . .

(1545)

Mr. Britton: -- Yes, right. Two billion dollars that they're going to find in four or five years.

Mr. Speaker, the funny part of it is, we get answers from over there, but nobody challenges the numbers. Challenge the numbers. Challenge the numbers. Challenge the numbers, my friend.

You know, Mr. Speaker, I find it amazing. The NDP claims to recognize that one of our challenges in this province is to find ways to transfer land. And here's what they do. From generation to generation, they're going to have a death tax, Mr. Speaker. Sounds like a plan. Yes.

Now, Mr. Speaker, let us look deeper. Specifically the member from Riversdale and the kind of fiscal management he would present to the people of Saskatchewan. Yes. Let's take a look at his. Let's take a look at his. First I remind the House that it was this government, the PC government, that did away with the poor tax. This government on this side. We took it off.

Those taxes made a single mother pay a percentage tax on clothes for her baby that was exactly the same, the same tax, Mr. Deputy Speaker, that a millionaire paid on a mink coat. Same level. Same percentage. That was the NDP's poor tax. It required a tax to be paid on children's shoes -- children's shoes, Mr. Speaker. The NDP's poor taxes that forced the unemployed to pay tax on a new shirt to go to have a job interview.

Well this government did away with the poor tax, Mr. Speaker, and we said, you will only pay tax on clothing if the clothing has a value of 300 or more, and in no case will the children pay tax to clothing and footwear that they need, Mr. Speaker. That was this government. This government, this PC government fixed that NDP injustice, and I'm proud of that, Mr. Speaker.

But the NDP says no, no. They oppose the special treatment for children's clothing and inexpensive clothing. Treat them all alike, is the demand of the NDP. That's what they're saying. And for a party supposedly

representing the poor, it utterly amazes me that people across the floor would not recognize that children should be treated differently because they are different, Mr. Speaker, and that low income budgets should be judged in a different light than high income budgets because they too are different, Mr. Speaker.

So the NDP will restore their poor taxes, and it will cost Saskatchewan people an additional 40 to \$50 million, Mr. Speaker, which was not included in my budget report for them, so you can add another 40 to \$50 million to their grandiose schemes.

This government, Mr. Speaker, does not tax a large number of things that were taxed under the other jurisdictions. We do not tax home electricity or natural gas. And I know the NDP member for Saskatoon Riversdale argues that either the price for these essential items should be increased, or they should be more heavily taxed in order to promote conservation. Well great idea for getting an excuse to tax. The fact of it is that

In this province, electricity and natural gas are absolutely essential to life, and this government will not tax them under the guise of environmental protection, Mr. Speaker.

I challenge the NDP, Mr. Speaker, to stand up and clearly state yes or no. Would you impose a tax on home heating fuel, electricity? Yes or no? Tell us. And of course, Mr. Speaker, we won't get an answer.

This government does not tax personal services or food or reading material or drugs or fertilizer or farm machinery or many other things, Mr. Speaker. Yet all of these were taxed in other provinces, Mr. Speaker.

And we know that the Leader of the Opposition has announced on three separate occasions that if he forms government he will be looking at, and I quote again, "ways of raising additional revenues through taxes, two billion dollars." It is absolutely necessary that this man . . . you know, Mr. Speaker, this pretender to the throne, this person who would like to be premier, I think it's absolutely necessary that he tell the people exactly which of these things he intends to tax.

He told us he was going to tax the resource companies for 250 million; we know that. But what about these other things? Is he going to tax those? I think it's imperative that he tells us. Tell the people of Saskatchewan where you're going to get this \$2 billion. It's simply not good enough for the opposition leader to say, well, gee, guys, I'm the NDP leader; I shouldn't have to tell you anything about anything.

That's not good enough. It's not, Mr. Speaker, the height of irresponsibility in a leader to make expensive pronouncements, vague threats against people, promise gifts of great worth, and do it all, but to steadfastly claim that with these statements goes no responsibility -- no responsibility for making these statements.

And again I ask the members, challenge the numbers; don't challenge my credibility. I'm just a retired small-business man; I'm not supposed to be a financial expert. But I got the numbers there. Nobody challenges them.

Not once have they challenged those numbers. Mr. Speaker, this is the same man who is claiming the public has a total right to know every facet of every action in regard to every penny touched or even dreamed about in the vicinity of a person who has spoken the word government. They demand that.

But over here we don't get no information from the member from Riversdale of what he's going to do. This man who pretends so strongly in the favour of maintaining an informed electorate, this is the same man who says, gee guys, I'm the NDP leader; I don't have to tell the people anything about anything. Well it isn't good enough, Mr. Speaker. It just isn't good enough.

He is the man, Mr. Speaker, who promised to eliminate the total provincial debt in 15 years at a cost of 1.2 billion a year. Now he made that promise. Now I think it's only right and fair that he tells us how he's going to do it. Eliminating 60 to a hundred million dollars in legislative secretaries' salaries for one year. And they question my credibility, Mr. Speaker?

He is the man who promised to eliminate poverty. Well, Mr. Speaker, hundreds of politicians throughout history have declared war on poverty but none has been quite so dishonest as to promise to eliminate it in four years.

An Hon. Member: -- . . . said that in Yorkton in some of the papers.

Mr. Britton: -- Read the paper. I'll send you a copy.

Yet the Leader of the Opposition actually said in public that he will eliminate poverty in the first four years he's in power. He's going to eliminate that . . . (inaudible interjection) . . . Yes, right. Utter, totally irresponsible.

Mr. Speaker, the record of the opposition, the terrible record I might say, speaks for itself, and so, Mr. Speaker, does the record of this government. Mr. Speaker, we have had a 600 per cent increase in manufacturing since we became government. We have provided protection against high interest rates, and we have provided massive assistance to agriculture of which, Mr. Speaker, I think we all can be proud. Those on the other side, as well as us, should not have to apologize for making assistance available to farmers. And I only raise it to point out that we do help farmers.

The largest health care budget in the history of Saskatchewan, in actual dollars. Almost a billion for education, more than ever before. And yes, Mr. Speaker, there is a deficit. And that is one of the things that I will defend because of the massive injection of funds into the agricultural sector, Mr. Speaker, and is one of the most pressing challenges facing the people of our province.

But the NDP have proven through word and through deed that they are utterly incapable of addressing that challenge. And that is why, Mr. Speaker, I oppose this motion and rather move:

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

commends the government for its concentrated effort at managing the financial resources of the province in a manner consistent with a difficult economy as exemplified by (1) the fact that Saskatchewan people continue to pay the third lowest taxes and charges to government of any province in Canada; (2) the continued dramatic financial commitments to agriculture; (3) a \$1.5 billion health budget; and (4) an education budget approaching \$1 billion; and (5) the greatest diversification effort in the history of Saskatchewan; (6) major reductions in the size of the public service; (7) over \$300 million worth of internal spending cut-backs; (8) a real decline in the salaries of cabinet ministers and legislative secretaries; (9) the transformation of foreign debt into Saskatchewan-held bonds and equity; (10) the pay-down of unfunded liabilities left over from the previous administration; (11) the securing of the public sector pension funds through Investment Saskatchewan; and many other fiscally sound and economically wise initiatives.

Mr. Speaker, I so move, seconded by my colleague from Rosetown.

Some Hon. Members: mHear, hear!

Mr. Swan: -- Mr. Speaker, or Mr. Chairman, thank you for the opportunity to enter this debate. I'm very pleased to second the amendment proposed by the member for Wilkie-Unity.

I listened with interest as the member for The Battlefords and the member for Prince Albert were speaking. And I could hardly believe my ears, Mr. Speaker, as I listened to the method that they described things happening within the province of Saskatchewan. And I think that the public needs to be well aware of what's happening in this province and the good things that are happening here within the boundaries of Saskatchewan.

You know, the member for The Battlefords predicts doom and gloom and all the bad things that this government has done. He never once mentions the good things that this government has done, and some of them right in his own constituency.

And I think just as two examples, I would raise the Hunters recreational vehicle project that was developed right in the Battlefords constituency -- a very, very successful business, has provided employment for a number of people in the Battlefords. Those people are providing opportunities for employment, for the spin-off benefits that happen because that company has employed a lot of people. It keeps the grocery store, the clothing store, the hardware store, and all of the others in place. It keeps the schools operating and it provides a very nice payroll to that city.

As well, we have Gainers bacon plant. And the opposition to a man has opposed the Gainers project in North Battleford. Again, a very, very good project for that community -- one that has provided something like 150 jobs in the community. And 150 jobs is a very meaningful payroll that has impact on the community, not just for one year, but year after year as long

as the plant is operating. I believe that projects of that type are very important to the ongoing benefit of the province of Saskatchewan.

I'm not going to deny, Mr. Chairman, that there have been some difficult days within the province of Saskatchewan and that, yes, this government has faced a very difficult period of tight monetary management throughout our term of government. We came in, in 1982, at a time when the interest rates had soared above 20 per cent. And that interest rate put many of the businesses and the farmers in this province in deep financial difficulty. We perhaps could have survived the interest rate problem alone if that were the only problem that we faced. But, Mr. Speaker, as we came into government in 1982 and we looked at all of the problems that were facing this province, we saw a decline in the value of oil, and indeed most of the oil industry had shut down just prior to the time that we became government.

We saw the price of yellow cake in the uranium industry drop from a value of about \$63 a kilogram to where today it's down below \$15. When you look at just those two items which are major contributors to government funding, they have hurt, and they've hurt the province deeply.

(1600)

Then you take a look at the agriculture industry and the pressures on the agricultural prices that we have faced throughout the 1980s. And, Mr. Speaker, the problem today I think is worse than it has ever been at any time during that whole period. And today we look at a very major agricultural industry that is projected to have something like a minus \$9 million figure as realized net farm income. Now that industry in itself, the agriculture industry is carrying about five and a quarter billion dollars worth of debt, and if that industry then faces a minus \$9 million net farm income for 1990, is it any wonder then that the government faces difficult times?

This government cannot expect income tax to be paid by farmers who don't have income. Instead we've had to turn the other method of financing the farms and put out farm aid to keep our farmers surviving on the agricultural land in the province. And agriculture is still the major industry for Saskatchewan.

Mr. Chairman, there were a lot of things said today that I would like to have the opportunity to review. I'd like to read many of the negatives that were put forward by the member for The Battlefords and the member from Prince Albert, and to bring back some statements to this House that will set the record straight on many of those issues.

I have much more that I would like to say in this debate and, Mr. Chairman, for that reason I am going to move that the debate now be adjourned.

Debate adjourned.

Hon. Mr. Hodgins: -- Mr. Speaker, I would seek leave of the Assembly to move at this time to government orders.

Leave granted.

GOVERNMENT ORDERS

THIRD READINGS

Bill No. 9 -- An Act to amend The Saskatchewan Housing Corporation Act

Hon. Mr. Neudorf: -- Mr. Speaker, I move that item no. 1, Bill No. 9, An Act to amend The Saskatchewan Housing Corporation Act, be now read the third time.

Motion agreed to, the Bill read a third time and passed under its title.

COMMITTEE OF FINANCE

Consolidated Fund Budgetary Expenditure

Health

Ordinary Expenditure -- Vote 32

Mr. Chairman: -- Would the Minister of Health care to introduce his officials, please.

Hon. Mr. McLeod: -- Thank you very much, Mr. Chairman. I'm pleased to introduce on my right, Dr. Bill MacDonald who's the deputy minister of Health; immediately behind Dr. MacDonald is Dr. Roy West, the associate deputy minister of Health; behind myself is Kathy Langlois, the executive director of finance and administration; and behind my colleague, the Associate Minister, behind Mr. Wolfe is Neil Gardner, associate deputy minister of Health. As you will see, we have various other officials of the Health Department here who will be ready to assist with questions that may come on various branches of the department -- as we all know, a very, very large department.

Mr. Chairman, just prior to -- I had a word with the critic just a few moments ago -- prior to or before we get into the specific questioning, I thought that I would try to set into perspective some of the things that we've been trying to do as a mission in this department that these people that are here plus all of the many other -- and I can literally say thousands of people who work in the Department of Health and in the health delivery field across Saskatchewan throughout the year -- the kind of mission that we have and that all the people in that area, in this health area share.

Our mission in the Department of Health, Mr. Chairman, is working together for health and well-being. It's a mission for health that I know is shared by all of our citizens, and it's a mission that can only be accomplished by continuing to work together as we prepare for the challenges of the '90s and obviously the first time we've considered a budget of this department in this new decade.

We have a vision as well, Mr. Chairman, and it's a vision of a healthy

population in a healthy society. It's a vision that guides this government in its policy and priority setting, and it's a vision of protection, of consultation, and of prevention.

Our focus on protection has led to the development of a comprehensive health system dedicated to providing the quality health services all of our people need. Through consultation we now have a province where communities, health care providers, and government work together to compassionately and efficiently meet the health needs of our people. And by stressing prevention, we're building a healthier population, better equipped to take responsibility for their health and their well-being. These are the principles we've relied on in the past and they will serve us well as a guide in our future.

In the next 10 years, Mr. Chairman, there will be as much change as we have seen in the last 100 years. And how we together respond to the challenges of the '90s and beyond will determine our common future. Saskatchewan has changed profoundly in the years since our health system was first designed. A health system designed for the '90s and beyond must reflect those changes in order to remain caring, effective, and responsive.

As our population ages, the amount of service we devote to the elderly will continue to grow. Seniors account for about 13 per cent of our population and use roughly half of all health services, and their use per person of some major services has been increasing very, very quickly in recent years. The number of people in our province over 85 years of age is expected to double in the next 20 years, and almost two-thirds of those 85 and older require home care or special
_care home services.

Mr. Chairman, this trend will create unprecedented demands for flexibility and responsiveness in the health system of the future. One of the most fundamental changes this province has seen in the past 30 years is the shift in population from rural Saskatchewan to our cities and our towns. Since the early 1960s, our cities have grown steadily. At the same time, our rural population has fallen from more than 50 per cent of our total population to about one-third, and that trend is continuing, Mr. Chairman.

The forces of change have touched all of us in countless ways. The average family size has decreased significantly and is expected to drop even further. There has been a dramatic increase in the number of single-parent families. And stress and violence in society are taking a higher toll than ever with significant impact on our health system. In addition, Mr. Chairman, the '80s brought with them new developments in technology that made it possible for us to help more people with health problems than we'd ever be able to do before. Advances in anesthesia and ultrasound and neonatal technology, to name just a few, resulted in numerous new services and significant new funding demands.

Technological developments in fields such as genetics, immunology, imaging, and treatment will pose new challenges in the 1990s. We'll have to examine the ethical issues surrounding the use of these technologies and decide how and where they can be used most effectively.

The last decade also witnessed a substantial growth in the use of health services all across our province. There were more doctors' visits, more surgeries performed, more prescription drugs used per person than ever before in our history.

Despite all of these changes -- and there are many others that I haven't mentioned -- Saskatchewan's health system has seen only minor structural changes in the past 30 years. The province of Saskatchewan has an excellent health care system -- we should make no mistake about that -- one that we can all justifiably take pride in, and we all do. But we can't be complacent, Mr. Chairman. We must be prepared to change as our society changes. The health system is dynamic, not rigid, and we cannot afford to become entrenched in a single approach to health care. Demands for change must be faced, discussed, and realistically met in a co-operative way.

As we enter the next century, the 21st century that we so often hear about here in this House and all throughout the society, we must constantly be on the look-out for ways to improve our system, to ensure continuing high quality services, to ensure that it remains accessible to all, to ensure that it remains relevant to changing illness and health care patterns, to position it to take fullest advantage of improvements in diagnostic and treatment technologies, and to ensure its continued affordability for future generations.

As we prepare for this challenge, we must remember that the quality of our health system in the future will be determined by the quality of our thinking today and that we cannot escape the responsibility for tomorrow by evading it today.

Mr. Chairman, I'd like to take a few moments now to discuss something we don't spend enough time talking or thinking about: health. You'll note that I said health and not health care. Good health is the single most important resource an individual or society can possess. It gives us the freedom and the power to achieve personal goals and to build our economy and to shape our future. Poor health on the other hand weakens our human potential and power of self-determination. We sometimes forget that it is better health we're working toward, and better health is only assisted by better health care.

We often make the mistaken assumption that health care determines the health of the population. But in reality, health is much more complex than that, and many factors play a role in determining it. Other factors include our genetic make-up, the diet and life-style of expectant mothers, family housing standards and income levels, education levels and knowledge of sound health practices, and an awareness of accident prevention and safety practices. We can't limit our vision, our talent, or our resources to providing only one necessary requirement for good health: health care.

Our challenge is to determine which factors affecting the health of our population can achieve the greatest results with the resources available. How should we as a society respond to this challenge? That's really the question. How should we respond to this challenge?

Should we spend a larger portion of our provincial budget on health? Or should we increase our spending on housing and education in order to prevent many health problems before they start? It's a difficult balancing act not only between health programs, but between all programs in the global sense of the wider budget that we deal with in this House. And it's a balancing act that governments at all levels -- federal, provincial, here and other provinces and municipal governments -- are all struggling with today.

We don't have unlimited resources; that's obvious to us all. So some difficult choices will have to be made. In the ongoing debate sparked by the commission's report, the recent commission that's reported here in our province, the Murray commission, that debate which has been sparked by the report will help us to make those choices.

(1615)

Mr. Chairman, as I've said, we all share a vision for Saskatchewan. It's a vision of a healthy society and a healthy population. To reach that goal we will continue to provide and fund health services that contribute to our health, but we must also promote and support those activities that maintain wellness and lead to better health.

As a society we must accept our share of the responsibility to help people to develop and maintain a sense of well-being through promotional and preventive mental health activities. To successfully combat mental illness and disability we must make a greater effort to welcome and empower self-help groups, family members, the community, and employers to take an active role in prevention and treatment and in rehabilitation. We must begin to do more to promote health and well-being and prevent illness. Just as immunization contributes to our physical health, we must develop support services that in effect immunize or protect us from the stresses of day-to-day life.

Our government is prepared to play a leadership role in the promotion of healthy life-styles all across the province, and providing this type of information to people will allow them to become partners in a health care system whose goal is good health.

Yes, Mr. Chairman, all of our citizens share a vision for Saskatchewan. It's a vision of a healthy society and a healthy population. To reach our goal we will continue to provide and fund health care services that contribute to our health, but we must also promote and support those activities that maintain wellness and lead us there.

We know that we have our work cut out for us but our commitment to meet the challenges of the future is as strong as it has ever been. We know the best way to respond to these challenges is through consultation and co-operation. Our government believes in consultation. We're committed to bringing all the players together. We believe consultation is the best way to define needs and efficiently meet them. I hear some of the members on the other side would like to enter this debate. I'll invite them all to

enter the debate.

Our government, Mr. Chairman, does not pretend to have all of the answers to this. And I have said that before in public ways and I'll say it here in the House to the hon. member from Moose Jaw who sits and smiles over there, we don't pretend to have all of the answers to these questions. These are important questions for this wide society that we all purport to serve here. So I would just say to the hon. member to allow his critic who is paying some attention to these estimates, to carry on in a few moments.

But it is our responsibility, Mr. Chairman, to summon the participation and the partnership of health care professionals and users to find those answers. We will accomplish our goals by continuing to work together with nursing professions, the physicians, pharmacists, other health professionals who play a major role in our health advisory committees.

Mr. Chairman, I am pleased that this year's budget and with the direction that this budget is taking. Despite a difficult fiscal and economic environment, our government has continued to ensure access without financial impediments to hospital, medical, and other health services. And at the same time we've been able to promote healthier living through a variety of community
Dprograms.

We in Saskatchewan can be proud of our record, Mr. Chairman, but now is not the time to rest on laurels. The key to our continued success is our ability to adapt to changing conditions, and I believe that we can do more than simply adapt our present health system to new realities. I believe strongly that we can strengthen this system that is already a good system. We can and we will meet those challenges that lie ahead and the result will be a stronger and a healthier Saskatchewan, Mr. Speaker.

Mr. Chairman, this budget that we're considering, these estimates, a budget of \$1.5 billion, an increase over last year of \$135 million, is a good budget and it's a budget that pays attention to the health needs of our citizens, and we're proud of the budget that's presented here today, Mr. Chairman. Thank you.

Some Hon. Members: mHear, hear!

Ms. Simard: -- Thank you, Mr. Chairman. We heard the minister talk about a vision of medicare, Mr. Chairman, or his vision of health care. Let me tell you, Mr. Chairman, let me just remind this Assembly that the vision with respect to medicare was one of Tommy Douglas, Woodrow Lloyd, and Allan Blakeney, and it was a vision of certain fundamental principles that should be established in Saskatchewan and Canadian society with respect to the provision of health care services to all Saskatchewan and Canadian people.

It was a vision that embodied principles such as comprehensiveness, universality, accessibility, public administration, and portability, meaning that all health care services, quality health care services, should be universally accessible to all people in the province of Saskatchewan and across Canada and funded by public funds, Mr. Minister, in order to

overcome the discrepancies that existed in the health care system where rich people had more accessibility to health care than people who were not as well off, where the quality of health care depended on how much you had in your pocket-book, Mr. Chairman.

That was the vision with respect to medicare. And what we've witnessed in the last seven or eight years is an attack on that vision, Mr. Chair, an attack on that vision through a series of underfunding the health care system and cut-backs to health care, through the destruction of a school-based children's dental plan that brought dental services to the children of this province; through an undermining of the prescription drug plan by approving the drug patent legislation in Ottawa which this government did. It jumped into bed with Brian Mulroney on that one, Mr. Chair, through cut-backs to the prescription drug plan which caused untold suffering in the province of Saskatchewan to the sick and the elderly. That was how this particular government, the PC government, envisaged the health care of the province of Saskatchewan.

This minister attacked the vision of medicare. There was a series of attack on medicare, an attempt to move to user fees with respect to chiropractors. And we see this same attempt being tried again, Mr. Chair, in an attempt to privatize the dental services, as I indicated before, and long hospital waiting lists that were unprecedented in this province, Mr. Chair, unprecedented hospital waiting lists, and hospital waiting lists today that are still unacceptable to the people of this province.

But the minister talks about his vision of health care. Well his vision of health care, Mr. Chair, is nothing but a deathbed repentance, Mr. Chair, a deathbed repentance.

Saskatchewan has played a leading role historically, Mr. Chair, in the introduction of innovative programs in the health care sector. We see, for example, that the first union hospital district legislation was in 1916, the first municipal doctor legislation in 1919, the first free tuberculosis treatment in 1929, the first province-wide hospital plan was introduced by Tommy Douglas and the CCF (Co-operative Commonwealth Federation) in 1947, the first province-wide medicare implemented by Woodrow Lloyd and the New Democratic Party in 1962. And then there were the new and innovative plans introduced by Allan Blakeney, such as the prescription drug plan and the dental plan, Mr. Chair.

And so Saskatchewan has played a leading role in the introduction of innovative plans, of innovative programs, and a leading role in the introduction of medicare in the province of Saskatchewan and in Canada.

But there's no question, the system today is not perfect. There is no question it's not perfect. We see many problems such as inaccessible health care services in rural and northern Saskatchewan. And we'll be asking the minister during these estimates, what he is doing to make services more accessible to residents living in rural and northern Saskatchewan.

We see problems such as the health status of Saskatchewan residents varying

according to their income level. And we'll be asking the minister what he's doing in conjunction with his counterparts to increase the level of income of many of our poor people in this province, which will have a resultant effect on their health status, Mr. Chair.

We know about government underfunding and cut-backs that have created major problems in the health care system, Mr. Chair, which the government is now trying to back-pedal on prior to the election in order to garner some support and create the image that they are truly interested in universal accessible medicare, which I will demonstrate, Mr. Chair, is not the case. It wasn't the case in 1987 when they made their heartless cut-backs, and it isn't the case in 1990, Mr. Chair.

This government has betrayed medicare. It's betrayed medicare through its destruction of the school-based children's dental plan, and many of the items that I have already listed, Mr. Chair. And why have they betrayed medicare? They've betrayed medicare because ideologically they are opposed to socialized medicine. They are opposed to medicine which is paid for by the public, Mr. Chair. There's absolutely no question that ideologically they are opposed to socialized medicine.

They'll say otherwise -- they'll say otherwise. They have said otherwise with respect to SaskEnergy, and then we saw them move, Mr. Chair, to privatize SaskEnergy in the province of Saskatchewan in spite of the fact that they had said that they were opposed to that. And now they're saying that they stand up for medicare and they're not opposed to the privatization of medicare, notwithstanding that they tried to do it in '87-88 and then ran into some trouble.

Well I say to you, Mr. Chair, that this government and this Health minister has no real commitment to the fundamental principles of health care. He is ideologically not committed to the fundamental principles of medicare.

Some Hon. Members: mHear, hear!

Ms. Simard: -- So what should be done to solve some of the problems that have largely been created, not by elderly people overusing the system, but by the policies or the lack of policy by this government, Mr. Minister? What are some of the things that we could do?

Well the first thing we could do is establish . . . is reaffirm the very fundamental principles of health care -- reaffirm them. I want to see this minister stand up today and say that he affirms the principles of comprehensiveness, universality, accessibility, public administration, and portability, and that after the next election he will still have the same opinion, Mr. Chair. That's what I want to hear this minister say today in these estimates.

What we have to do in the province of Saskatchewan, what we have to do is not hand out little plastic cards with a mission statement on it to every health care worker in the Department of Health. Not that, Mr. Chair. That's not going to solve the health care problems in this province. That is just a silly gimmick.

What we've got to do is implement a cogent, rational Saskatchewan health strategy. We've got to implement a cogent, rational Saskatchewan health strategy. We've got to encourage and establish community-based and community-managed health services. And here, Mr. Chair, I mean real community-based and community-managed health services, not rhetoric about community-based and community-managed health services, which we hear so often.

The other thing that has to be done, another goal that this province must establish is the goal of putting greater emphasis on health promotion and prevention of disease. Well we heard the minister talk about that today, Mr. Chair. He alluded to the fact that good health was something different than health care.

But what I want to see this minister do is take the hundreds of thousands of dollars that he's pouring into his corporate strategy program for the purpose of boosting the PC government and the Minister of Health in the eyes of the people of the province of Saskatchewan, under the guise of preventive health care, Mr. Chair, I want to see him take that money and hire some public health nurses in rural Saskatchewan and northern Saskatchewan. That would be putting real emphasis on health promotion and prevention of disease.

Another goal that is essential in order to attack the problems that do exist in our health care system is to reduce the inequities in people's health status, Mr. Chair, and in their access to the health care system. There are inequities in that regard, and we'll be going to that in more detail during these estimates and asking the minister questions about them, the obvious one being that of poverty, Mr. Chair.

And the poverty that we see in the province of Saskatchewan today is absolutely deplorable. Never before in our history have we seen so many hungry children lining up at food banks. And I want to know in these estimates, Mr. Chair, what the Minister of Health has done to overcome that problem in order to improve the health status of these children and of their families.

(1630)

Another goal that I believe is crucial for our government to adopt in protecting the health care system and improving it is to preserve people's human dignity and enhance their self-esteem and ability to cope, and encourage more participation by individuals. This, Mr. Chair, is critical to good health and that is a goal that I believe that this department should be establishing for the purposes of overcoming many of the problems that exist in our health care system, and which have been created by this government's policies or simple lack of policy, particularly when it comes to a long-term strategic plan for health care.

Well one will say we've had the health care commission meeting for the last two years and we're waiting for them, and that's why there hasn't been a long-term strategic plan. And so we wait for the health care system. And

we ask questions and the minister says he's waiting.

And then the report comes out. Off goes the report to another body of 100 men and women who have been appointed by this government, Consensus Saskatchewan, to do the job that these members in the front benches and in the back benches should be doing, Mr. Chair, but because of incompetence or lack of leadership, perhaps, are unable to do that job. They're afraid of their own decisions because every decision they make, Mr. Chair, they goof on it, and they mess it all up.

So now they're relinquishing the reins of power to 100 men and women in the province of Saskatchewan. And so the Murray commission report that cost us some \$1.8 million or more is sent off to Consensus Saskatchewan for these people to take a look at it and tell the government what they should be doing with it.

Well this is absolutely ludicrous. It's absurd. I mean this is the height of absurdity. Here is a body that was appointed by this government to review health care, spent some 1.8 million -- or at least that amount was budgeted; perhaps they spent more, maybe less -- \$1.8 million to review health care. How many briefs? Some 600 briefs or more they received from the public of this province.

They analysed the system. And I may not agree with many of the things they said in their report, but the fact of the matter is that it's this government's report, the taxpayers footed the bill and now the government doesn't even have the courage to take a stand on this report, but sends it off to other people to further analyse and further study and so on and so forth.

And I tell you, Mr. Chair, that that is nothing but a stalling tactic. This government is stalling the need to make real decisions with respect to the material in the Murray report. This government does not want to act on that report. This government is not prepared to stand up and take a stand on the Murray commission report and that's why it's talking about consultation in 100 Consensus Saskatchewan.

Now I notice that when it came to firing some 400 dental workers, most of them women, this government didn't even know the word consultation was in the dictionary, Mr. Chair. This government did not consult with the dental therapists and the dental workers when it cruelly herded them into a room and gave them their notice that they were being fired, Mr. Chair. There was no consultation there. But all of a sudden leading up to an election year, this government is into the consultation mode.

Well I tell you, Mr. Chair, we've heard this before. We heard this prior to 1986 when the Premier of this province said, I'm sorry, I made mistakes, I'm going to listen, I will be listening to the people of the province of Saskatchewan. And what did he do as soon as he was re-elected as Premier of this province? He turned around and he destroyed the school-based children's dental plan, he decimated the prescription drug plan, he put on a lottery tax, he put on a gas tax with a rebate and then he took off the rebate. And this is the Premier who said, Mr. Chair, that he was listening

to the people of the province of Saskatchewan. He was going to listen.

And now we hear it again, Mr. Chair, prior to this election and the Minister of Health reiterated it once again in his opening remarks: we consult, he says, we're listening. And the Premier says, we're listening, and the Minister of Health says, we're listening. But I tell you, Mr. Chair, the people of the province of Saskatchewan are going to say, not this time, Mr. Premier, not this time, Mr. Minister. We simply can't believe you. You betrayed us last time and we don't trust you. And that's where it's at today in the province of Saskatchewan, Mr. Chair.

The minister has talked about increases to health care in the amount of some 10 per cent, or 9.9 per cent increase I guess is the exact amount. Well I want to bring to the minister's attention the fact that there was some \$30 million, Mr. Chair, in the supplementary estimates. And so if we take the \$30 million that was spent last year off of the amount budgeted this year, we find that it is only a 7.5 per cent increase.

And if we take inflation into effect as well, we find that the increase is more in the neighbour of 3.4 per cent as opposed to 7.5 per cent. And that's the real increase in the health care budget this year. And, Mr. Chair, that is why people, for example, in the mental health care area tell me that their portion of the increase comes to something like \$50,000 in actual dollars after all these factors are taken into consideration.

So the minister may make a lot about this specific increase, but he doesn't tell the public what the real increase in terms of real dollars spent in the health care area. His budget address makes no mention of the shortage of doctors in rural Saskatchewan. I would say that it is in crisis proportion in rural Saskatchewan. We are having difficulty in this province attracting doctors to rural Saskatchewan. But the minister doesn't address that problem, Mr. Chair, nor does he mention the shortage of nurses or other staffing shortages that we are experiencing in this province such as in the therapies. And we've raised questions in this particular House with . . . in this House with respect to that particular problem.

Instead, what he . . . He makes no mention of the problems in northern Saskatchewan, Mr. Chair, no mention of the problems in northern Saskatchewan. In fact, the Murray commission . . . Mr. Bob Murray had stated, after he heard the health care budget, about his disappointment of the lack of emphasis on mental health and home care and people in northern Saskatchewan. The budget doesn't deal with those problems, Mr. Chair. It doesn't deal with those problems at all.

Instead, the minister once again in the debates with respect to the budget has talked about health care costs as spiralling out of control, and that's a phrase that we've heard a lot in these last few years. Yes, we've heard it many times, and it's all part of the PC rhetoric to try and get people to believe that medicare cannot be properly financed and cannot be publicly funded without cut-backs, without cut-backs or some form of rationalization or without privatization of health care services. That's all part of the PC rhetoric to attempt to convince people that in the province of

Saskatchewan we cannot afford medicare as we know it and we have to make changes.

And once again today in his opening remarks the minister has talked about the need for structural changes, the need for structural changes. So we'll be asking him questions about what sort of structural changes he wants to see done to the health care system, because I think that's very important, and that's the major portion of the Murray report, of course. And I will want his opinion on the recommendations of the Murray report with respect to structural changes.

The minister talks about the need to make ethical decisions in health care, the need to make ethical decisions. Well yes, there may be need to make ethical decisions, but I will want to know what particular decisions he feels have to be made in the immediate future and on the long-term basis, because I think it is important for the minister to tell us what ethical decisions he feels should be made; what structural changes should be made; what he thinks about the taxing authority and the Murray commission report, because the people of the province of Saskatchewan want to know where he stands on these issues before the next election.

There has been no attempt in the budget to deal with the lack of long-term planning and co-ordination of services in the province of Saskatchewan, Mr. Chair, no attempt at all. And I say that it shows very little . . . no vision at all, no vision and no leadership in health care.

And the minister can use the word vision as often as he wants. The fact of the matter is the PC government does not have a vision when it comes to health care. They do not even want to comment on their own commission's task force report. Instead they send it off to Consensus Saskatchewan, and that is the extent of their leadership on the issue of health care, Mr. Chair.

I want to deal a bit again with the comments by the minister that health care costs are rising or spiralling out of control -- I think it was words to that effect in the budget, words to the effect that health care costs are increasing very quickly.

And I want to make the point that health care in the province of Saskatchewan has consistently absorbed somewhere between 25 to 32 per cent of the total provincial budgets. And it's true that costs are rising in health care, but they are not rising out of proportion with respect to other costs in the country and in this province.

And I think if we examine the American health care system, if we examine that closely, a privatized form of health care inasmuch as there are a great deal of the services in the United States are not publicly funded but are dealt with through private insurance companies, I think it's important to examine that because if we do we'll see that health care expenditure in Canada is around 8.5 per cent of our GNP (gross national product), whereas in the U.S. it's around 11 per cent of their GNP. And in spite of the fact that there's some 36 or 37 million Americans, Mr. Chair, who do not have any health care coverage, and many of those people are working people.

They are not unemployed people, they are working people, but they can't afford health care coverage in the United States, the privatized form of health care.

The health care expenditures on a per capita basis is much higher in the U.S. than it is here. And American citizens end up paying more for their health care. And let's look at the average life expectancy. In Canada it's 72.9 years for men and 79.8 for women, as opposed to the United States where the average life expectancy is less -- 71 for men, and 78.3 for women, Mr. Chair.

Infant mortality rate in Canada is less than it is in the U.S. -- 7.9 deaths per 100,000 live births as opposed to 10.6 in the U.S. per 100,000 live births.

And the reason for this, the reason for the difference . . . the point I'm attempting to make is that the quality of health care in the U.S. is inferior to the quality of health care in Canada. The stats establish that, Mr. Chair.

And yet the costs are higher in the U.S. And they're higher because what we have in the health care sector is competition -- competition amongst insurance companies for the purposes of attempting to insure people in the United States. And this competition means higher advertising costs, higher promotion costs, and so forth. And it all adds to the cost of the health care bill in the U.S. The administration costs in the U.S. are higher than they are in Canada, and physician fees are higher in the U.S. than they are in Canada. Here in Saskatchewan we negotiate, the government negotiates with doctors for a fee schedule. That's not the case in the U.S. And this negotiation, this socialized medicine, has actually kept the cost of health care down.

There is a discrepancy, a clear, marked discrepancy from the time that medicare was introduced in Canada to today, in this sense, Mr. Chair. It establishes that the costs in the United States with respect to health care increased from the date socialized medicine was introduced at a much higher rate in the U.S. than it did in Canada. And socialized medicine in Canada and in Saskatchewan stabilized the cost of health care, Mr. Chair. It stabilized the cost of health care, and the increase was much less than what it was in the U.S.

But what we have seen with respect to this government, Mr. Chair, is misplaced priorities, misplaced priorities. While money is being spent on health . . .

(1645)

An Hon. Member: -- You said you were just going to be a minute or two.

Ms. Simard: -- The minister, Mr. Chair, is complaining about the length of my remarks here. He wants me to quit talking, and I will give him a chance to sit down and answer some questions. There's no doubt about it. He's going to have plenty of time to respond and answer my questions. He may

not be able to answer them, Mr. Chair, to the satisfaction of the people of the province of Saskatchewan, but there's no doubt he'll have an opportunity to try.

What we see in the province of Saskatchewan, Mr. Chair, is misplaced priorities by this government. While money is being spent on health, I believe that the government is inefficient in where it is spending it. For example, I referred to the advertising and promotion campaign that this government is undertaking. And I believe that although there is some room for health promotion, advertising of health promotion, that this government has gone overboard on that. And instead of employing people in the front lines -- employing public health nurses in the front lines in northern Saskatchewan, in rural Saskatchewan, in urban Saskatchewan -- instead of doing that, this government has chose to spend its health dollars in self-serving advertising.

We hear from people, we hear from people across this province about health care facilities being built and being understaffed. The emphasis, in other words, Mr. Chair, is on the building of facilities as opposed to staffing and providing for workers -- staffing and providing for workers. And an example, for example, one of the things that has been brought to our attention is the Wascana Rehab Centre, that there are not enough health care professionals there with respect to therapies and other areas.

We see this year something like an 80 per cent increase in the capital projects budget. And of course I will want to know -- and I'm putting the minister and his officials on notice -- I will want a list of all the capital works projects that are being undertaken in this particular budget. I find it very interesting that in a pre-election year, we have an 80 per cent increase in that particular area and I think the minister will have to justify this to the people of the province of Saskatchewan.

There is no question that it is a fallacy. It is a fallacy, Mr. Minister, to say that costs are out of control, that costs in the province of Saskatchewan are out of control. There's no question that they've increased but they're far from being out of control. And I want to make that point clear to the people of the province of Saskatchewan so that they are not going to be confused or given the wrong impression that, by the minister's comments or the indication that there has to be some cost control that's going to result in cut-backs or a move to privatization, because that certainly is the impression that we've been left with. And the minister shakes his head, but we just saw government members attending a privatization of health care conference in Saskatoon.

We saw government health members in attendance at this privatization conference in Saskatoon. And the fact of the matter is, this is a topic that's under consideration by this government. And they wouldn't . . . When we attempt to ask the minister questions about where the Murray commission report is going to take us and what his position is on it, he refuses to answer. He refuses to answer. He's refused to answer what he thinks about the structural changes, he's refused to answer about the move to partially privatizing, moving to user fees with chiropractors.

And I'm saying the reason he's refusing to answer these questions, Mr. Minister, is because that is his hidden agenda, that is his hidden agenda, and that's why we've been hearing so much rhetoric over the last seven or eight years about health care costs spiralling out of control.

Now I'm going to wind up these comments by simply asking the minister with respect to his opening remarks. He had talked about that there were only minor structural changes that were done to the health care system. Now I would like to know what structural changes the minister has in mind for the health care system and the people of the province of Saskatchewan. And health care professionals would be very interested in hearing his comments on that. Thank you.

Hon. Mr. McLeod: -- Mr. Chairman, there were several remarks in the statements made by the critic opposite, beginning with remarks about Saskatchewan's leadership role over the years and the things that have been innovative in Saskatchewan. And I think to use the way she characterized it -- and I think I'm being fair here -- was that those innovative things that have happened in Saskatchewan health care were in another time, all in another time, and there are no innovative things in recent years and all that sort of thing. I mean, that's what the member said.

And in my earlier remarks, I made no reference to things that have happened just now versus what happened in the '40s and the '50s and the '60s. Frankly, Mr. Chairman, all of us in Saskatchewan have a good deal to be proud of in the way in which health care has evolved, and the system of health care has evolved over a good long number of years in Saskatchewan. And it's gone through various governments and all the rest of it. It's because the people of Saskatchewan have a very definite view as it relates to these issues.

Some examples, Mr. Chairman, are very recent years. And I would say something that is absolutely . . . can only be described as a success story is the opening in Saskatchewan, the only place in Canada that has a youth treatment centre for drug and alcohol abuse, Whitespruce.

Now, I'm sure we'll get into more detailed discussion about that in more detailed discussion about SADAC (Saskatchewan Alcohol and Drug Abuse Commission), but that's an innovation in Saskatchewan. In every other part of this country there is treatment for young people who have difficulty with drug and alcohol abuse, but in no other part of the country is it dealt with as a specific youth treatment with a different philosophy of treatment related strictly to youth as is done at Whitespruce and with some of the after-care programs that are being developed in conjunction with Whitespruce. There's an innovation developed in Saskatchewan by Saskatchewan people for the service of the 1980s and the 1990s for the needs that are here in the here and now, and it's an example.

Another example that I will give, and I know the hon. member never likes to hear of this, but it's an innovation that is very important in the delivery of health care, in the administration of the delivery of health care services, and it's the computerized health care card that was developed here in this province by a company in the city of Regina here, as a matter of

fact -- a company that's marketing this technology now in other places around the world.

And I see the member opposite is waving his health care card, and I'm glad that he holds it close to his heart. He carries it close to his heart, I notice.

But in any case, Mr. Chairman, that health care card, that card addresses an area in the delivery of health care that has not used advanced technology to the extent that many other areas in the health sector have. We can enter any of our institutions and you will find the best, the most advanced technology that science is able to come up with in the operating theatres of our hospitals and in the equipment that we use, all of that sort of thing.

But when it comes to the administration of a very large sector in our economy -- health care -- we have not used the advanced technology that has been used in other industries like the financial industries, banking, insurance industry, and all of those. This card can go a long way toward that and there are many, many innovations that can come forward as a result of it having been introduced here in Saskatchewan, now being looked at by other jurisdictions in our own country, by jurisdictions in the United States and as well as in the European Economic Community, to name a few.

So those are innovations that have gone on in the here and the now and not just those that have related back to some of the pioneers of health care politics that the member likes to cite, and she has a very selective memory which only stops at the time when Tommy left Saskatchewan, or whatever she likes to do there.

Recent innovations. The breast cancer screening program that's been introduced in very recent weeks here, something that's very important to women in our province. It's a new innovation and it's one that we're proud of in this department, and the Cancer Foundation is delivering on our behalf or on behalf of the citizens of Saskatchewan.

Fetal monitoring equipment that's there and it's now been developed here in the province for that kind of monitoring for rural Saskatchewan people so that it saves significant travel for them. And the nature of our province, a widespread population over a wide area, that's an important innovation.

The member made several other comments. I mean she made many other suggestions. I'm going to go to a couple of them.

She talks about the building that has been going on, that we've been building facilities and not staffing those facilities, I think is the accusation. And I've heard that accusation before, both here in the House and from the member in various parts of the province. Some people will say that that's the case. And the hon. member mentioned the Wascana hospital here in Regina for an example.

The Wascana hospital here in Regina was developed to the stage where it is now probably the best of its kind, the best rehabilitation centre of its kind in the country. Now that could not be said just a very few years ago.

In fact the facility that was there before, what once was the geriatric centre and then became Wascana hospital, was very much deteriorated. And frankly, Mr. Chairman, you've heard me say this before. It was a disgrace to this province that does pride itself in its health care delivery and its health care facilities.

That facility, for the purpose that it serves our citizens, was a disgrace to this province and should have been rehabilitated a lot earlier than the time at which our government took over in this province. There's no question that that's true. So I don't want to get into all of that in a very detailed way, but I certainly will, I certainly will if the member wants to get into it in a detailed way about the Wascana Hospital and what it now serves.

Just one other point on that. On one hand we have difficulty recruiting, and there is no question, I've acknowledged that; and other times, we have difficulty recruiting some health care professionals to this province. And on the other hand, the member will say well, you can't recruit these people. So basically what she's saying is, why build the facilities that are the leading-edge facilities if you can't put the people into them.

I would say that we are making progress in the recruitment of people and of professionals working in these facilities. And it's the old question of chicken and egg. Could we ever recruit scarce human resources in some of these professions where they are in great demand, not only here but across the country and across North America, if we didn't have the kind of facilities that we can use as a lever to attract them? The answer to that is obviously no. It's obvious to me at least, and that's why we have built these facilities and that's why we are having some success, albeit minor success in some areas, in recruiting the people that we would like to have.

The whole question of response to the Murray commission, the response to my earlier remarks which were not related directly to the Murray commission, but were related to the fact that there is significant change going on in our demographics. There's significant change in the society that we serve and that this Health department serves, and there's all of those changes . . . What the member has really said in her response is that we should not acknowledge that change. We should not speak of change. And I say to her and I say to all the members of the House, we have a responsibility to not only recognize that change is about, recognize the changes that are happening all around us, but we have a responsibility to respond to that change and to prepare our system, the health care delivery system, for the changes which we can foresee. And frankly, for changes which, the way in which that happens these days, changes which we are not so able to foresee as readily. So we have to have a flexible system that is able to respond to the specific needs of a society at a given time.

And I don't think it's good enough to always say, as the member tends to, is that don't address change, don't always be talking to us about change, and translating what I say about the fact that there is change taking place into some kind of a scare tactic that I'm always talking about change and always talking about the extra costs that health care is putting on to the society, as though it's some kind of financially driven thing.

Financially driven is only one aspect of this change. This change is demographically driven and there are many other factors, and I'm sure we'll get into that as time goes on here.

(1700)

Mr. Chairman, one other thing. The budget that we're referring to, and it's been presented blue book over blue book, which means for those who don't follow the budget discussions around here, this year's budget as presented is 9.9 per cent more than what was presented in the blue book last year.

The hon. member has talked about special warrants which took place over the year, in the last year. What special warrants means, expenditures over and above those which were budgeted for last year, and in a very large department like Health that happens almost every year. Those things took place, she says, then the budget was something like a 7.7 per cent. I'm not sure of the exact number that she used.

But in any case, rather than quibble over the numbers, there is one other point that must be made here. The budget, if you include capital, and those numbers that I'm referring to when I speak of the increase in the Health budget of \$135 million and the 9.9 per cent increase, those numbers do not include capital costs, and obviously that's a very big expenditure in a department as large as this that has all of the health care facilities to build.

So, Mr. Chairman, if we include capital costs, capital construction, before inflation, the increase in this health care budget that we're discussing here today is 10.2 per cent -- over 10 per cent increase in the health care expenditures of this province at a time when agriculture's in difficulty, all of our commodities in difficulty, all of the kinds of things you've heard others speak about as we deal with the economics of this province. And for that reason, we're very, very proud of being able to present a budget of this magnitude in these times.

Some Hon. Members: mHear, hear!

Mr. Chairman: -- Being 5 o'clock, the committee will recess until 7 p.m.

The Assembly recessed until 7 p.m.