

EVENING SITTING

SPECIAL ORDER

ADJOURNED DEBATES

MOTION FOR COMMITTEE OF FINANCE
(BUDGET DEBATE)

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Ms. MacKinnon that the Assembly resolve itself into the Committee of Finance.

Mr. D'Autremont: -- Thank you, Mr. Speaker. I knew, Mr. Speaker, that the comments I made before supper would get the attention of the members opposite. And I'm glad to see that they appreciated the comments that I made because indeed, Mr. Speaker, the member from Bengough-Milestone, in my opinion, is lacking in her duties to her constituents.

Mr. Speaker, I was also interested to hear the member from Melfort's remarks when she said that the 10 members of the official opposition, that we are wolverines. The 10 wolverines was the phrase the minister of the Crown responsible for municipal government and threat said. Well, Mr. Speaker, it is quite an honour to receive that characteristic from that particular member. She should know, Mr. Speaker, that wolverines are very efficient at digging down rat holes and dragging rats out of their holes to deliver them to the daylight and their just rewards. So, Mr. Speaker, if the NDP (New Democratic Party) members want to call the 10 members of the opposition wolverines, I say yes; we will drag out the rats and deliver them to the daylight to ensure they receive their just rewards.

Mr. Speaker, it seems like I've been waiting weeks for this debate, and I waited, Mr. Speaker, to speak, unlike all but two of the government cabinet ministers. The other 16 would not even speak to their own throne speech. It was hard to sit through the Minister of Finance delivering the second NDP budget, let alone wait my turn to get up and address the long litany of betrayal. And a betrayal it was, Mr. Speaker.

Mr. Speaker, no amount of fluffy talk of hope and rebuilding given by the members opposite will fool the people into believing anything but the truth. And the truth is that the NDP government bloated the deficit, betrayed every promise they made to the public, hacked and slashed important programs when they had a choice. It is as simple as that, Mr. Speaker. They had a choice.

And nobody is being fooled when the Minister of Finance and the Premier and all of the ministers get up and point their fingers of blame in every direction but at the NDP. Maybe the NDP should remember a little lesson parents use to teach their children not to point. They say, when you point your finger at someone, you have three fingers pointing back at you. A simple lesson, Mr. Speaker, but one the NDP should take to

heart.

My constituency office and our caucus office receive phone calls every day from people. People who worked to get the government elected. And people who have vowed never to vote NDP again. One senior wrote a letter that even went into graphic detail about what he would like to do to the Premier and the Premier's ministers. Never again they say. Never again will they vote NDP.

Most of them talk about how they have ripped up their NDP membership cards and either burned it or mailed it back to the party. These are long-time NDP supporters, Mr. Speaker. And the members know that, as Connie from Morse says, they are leaving the NDP in droves. Leaving in droves, Mr. Speaker, for good reason.

One young mother phoned from Bengough-Milestone constituency last week. She said she remembers the NDP candidate visiting her home before the election. The woman said the NDP candidate was telling her of all the wonderful things she would do for the Bengough-Milestone constituency if elected, that farmers would be taken care of. Hospitals would get more money. Teachers would get raises and much more.

Mr. Speaker, the woman who phoned said not only has she left the NDP Party for ever; she said she feels betrayed, and she will never, never trust the NDP again. She had other interesting comments the members opposite should hear about as well. The woman said that she is sick and tired of the NDP blaming the old government for every move the NDP make. She is sick and tired of it. She said she believed the members opposite when they made promises. And that because they had gone against every one of these promises, she cannot trust a word that comes out of their mouth -- not a word. She said she will never trust the members opposite with her vote again.

This is not an isolated case, Mr. Speaker. It is not just NDP Party faithful who have been left out in the cold, so has every senior citizen, every family, every small-business owner -- everyone. The NDP over there will try to disregard this fact, but they know that it is true. You can bet your bottom dollar if I am receiving letters and phone calls and the rest of my colleagues are also that the NDP back-benchers and the ministers' offices are being flooded by the same.

The reasons may differ from person to person, Mr. Speaker, but the bottom line is the same. The members opposite better enjoy their offices right now because, when the people get the chance to go the polls and to force the members opposite to listen, it will be much too late for this NDP administration.

The NDP will be history in this province, Mr. Speaker. A footnote in history, to boot. Because they have earned it.

The NDP can talk all they want about economic

development, but the truth is that they are hanging onto the coat-tails of the former administration and the benefits that have resulted. The NDP can talk all they want about the deficit, but the people know the members opposite have bloated it terribly and continue to misrepresent the facts.

We know that the NDP started the debt by borrowing in New York for holes in the ground and to buy expensive farm land at inflated prices from their friends to lease back to their friends in the infamous land bank. They borrowed \$450 million at sixteen and two-thirds per cent from New York bankers to create SMDC (Saskatchewan Mining Development Corporation). Sixteen and two-thirds per cent for 16 years, Mr. Speaker, with an option to buy out in the last year of the contract -- sixteen point two-thirds per cent interest for 16 years.

Mr. Speaker, it isn't just the official opposition that recognizes what the NDP are up to; economists, professors, even union members agree. In fact, the most recent issue of **Union Matters** has plenty to say about the NDP administration. It says, and I quote:

No one likes to be in debt. Roy Romanow and his cabinet know this better than anyone. They spent the first 18 months in office frightening the public with debt. They're doing it again over the approaching budget. Premier Roy Romanow and Finance minister Janice MacKinnon are telling us to expect more cuts -- cuts in public sector jobs, cuts in public sector services, and cuts in our standard of living. There's no talk of improving local services, only cuts to local municipalities. There's no commitment to educating young people, just cuts to school boards and universities. There's no action to improve the lives of Saskatchewan's poor.

Rather the government continues to deduct federal family allowance payments from social assistance, something the NDP denounced the Devine government for doing. There are 17 ministers in the Romanow cabinet, but it seems only one government department has the power to make decisions: the Finance Department. And every decision it has made, it determines by . . . the debt. It's all part of the NDP strategy to dampen our enthusiasm for change, to lower our expectations for quality public service jobs and services, and destroy our hope for a better future.

And it goes on and on, Mr. Speaker. Again, I quote:

Saskatchewan does have a debt problem. But it simply isn't the case that it's crippling us, or that we must postpone every other problem -- poverty, the farm crisis, unemployment, the environment -- until we deal with the debt.

Several economists have examined the debt figures used by the NDP government and concluded our financial problems are

exaggerated. During the election, the debt was pegged at 5.5 billion.

Again I repeat that -- during the election the debt was pegged at 5.5 billion.

Once the NDP assumed office, the government adopted a new system of accounting principles, not used anywhere else in Canada, and recalculated the debt at . . .

The Speaker: -- Order. Why is the member on his feet?

Hon. Mr. Shillington: -- I'd ask for leave to introduce some guests if the member can forgive me for interrupting.

Leave granted.

INTRODUCTION OF GUESTS

Hon. Mr. Shillington: -- Thank you very much. I won't interrupt the member for long. I know members of the Assembly will want to join me in welcoming, I'm told, six members of the Highlander Cubs who are here with their leader, Bert Rieger. And I'm told as well Bill Wilson and Mike Foti are also in the gallery.

I hope the members of the Cubs find the proceedings interesting and I hope they learn a little bit about how parliamentary democracy works. I know all members will want to join me in welcoming them here.

Hon. Members: Hear, hear!

SPECIAL ORDER

ADJOURNED DEBATES

MOTION FOR COMMITTEE OF FINANCE (BUDGET DEBATE) (continued)

Mr. D'Autremont: -- Thank you, Mr. Speaker. I would like to also extend my welcome to the Cubs in the Speaker's gallery. I was a Queen Scout at one time and I know the enjoyments of being in the Scouting movement and I'm sure that you will find this evening's procedures very interesting.

Mr. Speaker, once the NDP were elected to government they recalculated the debt at \$15 billion. The new accounting system included unfunded pension liabilities and Crown corporation debt in the total, distorting the real picture. It's akin to including your mortgage as part of your personal debt without considering your house assets. The province's portion of the debt is 6.5 billion. Our annual operating deficit is around . . . about 500 million. On a per capita basis, that's not out of line with other provinces.

Economist Jim Sentance says the Romanow government's attempt to balance the budget now while the country just is beginning to emerge from a recession could be a foolish manoeuvre. That there's

no great call for slashing ruthlessly, he recently told the *Leader-Post*. University of Saskatchewan economist, Isabel Anderson, agrees. She believes the government should focus its attention on wealth generation and forget about deficit mania for a while. And I quote her:

Just cutting back spending for the sake of cutting back isn't going to solve the deficit problem, she commented in the *Leader-Post*.

The newsletter goes on to tell more details of the NDP administration's untruths to the people of the province. And at one point it says, and I quote again:

When the NDP was elected to office, Roy Romanow promised to build a better future for the people of this province. This isn't it. This isn't it.

So when the members across the way get up and talk about how this budget proves they are acting courageously and responsibly and how it is going to improve the lives of Saskatchewan people, nobody believes them. And if the NDP haven't clued in yet that that is a fact, maybe it's about time. Maybe it's time to start listening to the people -- these decisions are hurting.

Maybe the member from Riversdale and his colleagues should rethink the direction they are taking and come up with an economic development plan that will create jobs -- not a hack-and-slash budget that will eliminate jobs and force many young people to move away from this province. The members should stop their gouge on the taxpayers before there are no taxpayers left here to pay.

You don't have to be an economist to know that when a big project like a fertilizer plant or an oil upgrader comes to your community, that along with it comes jobs, and lots of them. Lots of jobs for the Moose Jaw area with the Saferco plant. Along with direct jobs come jobs through catering and other services local businesses can provide, and that all the workers will be spending money in the local area. That's not hard to understand, Mr. Speaker, except by the members opposite.

(1915)

Mr. Speaker, small business is one of the main economic engines of this province. The choices of the Minister of Finance will create havoc amongst the small businesses of this province, in particular amongst the small businesses close to one of Saskatchewan's borders. That seems to be consistent with one of the aspects of the NDP's long-range political agenda, the agenda to destroy businesses, communities, families, outside of the major urban areas. The decrease in rural population will make it easier to gerrymander constituency boundaries and to eliminate rural seats. Mr. Speaker, this budget goes a long way in accomplishing this.

This goal was accomplished with the 12 per cent

increase in the PST, the provincial sales tax -- a total of 28.6 per cent since April 1992; the 2 cent a litre increase in fuel tax, a total of 5 cents a litre more since the 1992 budget. Mr. Speaker, the people of Regina and Saskatchewan remember gasoline at 39.9 cents a litre before the presentation of the member for Regina Dewdney's budget last year. What are the pumps today, Mr. Speaker? Gas, to those who can still afford to drive, went to 56.9 cents a litre after the budget. That, Mr. Speaker, is a 42.6 per cent increase in less than a year.

Mr. Speaker, I used the term PST (provincial sales tax) instead of E&H (education and health) tax for good reason. The E&H tax stands for education and health tax. If this continued to be the use for this tax, people would be a bit comforted at least that the increase was providing them with some support. Instead, we see education cut by 5.5 per cent this year and by 2 per cent last year. Health was cut by 3 per cent this year. This tax is now simply another method used to provide funds for the Minister of Finance and has nothing to do with education or health. The name should be changed to reflect the priorities of this government. Call it what it really is: a provincial sales tax.

I started to talk about how this budget would destroy rural Saskatchewan, and it will do so by driving people out of Saskatchewan to make their purchases. Everyone in Saskatchewan knows there is no PST in Alberta. Those within reasonable driving distance will take advantage of this fact in ever greater numbers.

It was not by mistake that Medicine Hat's largest mall is built on the east side of that Alberta city. It is built there to provide better access for Saskatchewan shoppers from Maple Creek, Leader, and even Swift Current. The main beneficiary of this budget will not be the people east of the Alberta border but rather those west in Alberta. And I am sure Premier Ralph sends his thank you's for supporting his province's economy and increasing his tax base. This budget increases his business tax base and also his income tax base as people leave this province to live and work in Alberta.

It is not just the young that are leaving to look for work but also our seniors. Seniors are leaving because it's cheaper to live in Alberta even if you have to pay a hospitalization fee. The youth that leave may eventually return, but the seniors that leave are gone for good. When they leave, they take with them their income tax payments, their property tax payments, and their money for investment. When grandma and grandpa leave, there is no reason for the kids to come back. When grandma and grandpa pass on to greener pastures, their life savings will be disbursed within this province and will not be reinvested by the kids in the province of Saskatchewan.

The problem of cross-border shopping is not isolated to the Alberta side of our province. We have two other long borders which will also be affected. The problem along the U.S. (United States) border is endemic. The attractions have been cheaper fuel, cheaper booze,

tobacco, and the ability to avoid the PST.

This budget makes those temptations even greater. While the province may be able to collect the PST on alcohol and tobacco imported into Saskatchewan, I do not believe it will have a major impact on the amount of beer imported from North Dakota or Montana; in fact, shoppers will simply return to the province by way of Manitoba and Alberta.

Because of the tax increases, the breweries will be forced to increase their base price. Their input cost will be higher because of increased fuel prices, increased PST on their business costs, increased costs for corporate medical protection for employees which are no longer protected under the drug plan, and significant increases in property taxes. These property tax increases will be there to offset the cuts last year and again this year to municipal grants, also to make up for the provincial government's offloading in the form of decreased grants to school boards and hospitals.

Mr. Speaker, we should not forget this government will not relinquish its hold on the hospital revenue tax Act. This Act will be its vehicle to tax property and provide funds it cut out of the budget to the new, super health boards. When this hospital tax is used, who knows how high it will go. Perhaps the government might even start a lottery and collect more money on just how high the tax rate will be set. This rate has been set at 2 mills for those areas outside of a union hospital district. The problem is this rate is set by order in council and does not even come before this Assembly.

The third border which will be a problem to border-town Saskatchewan is that with Manitoba. Manitoba, unlike Alberta, does have a provincial sales tax -- I believe it's set at 7 per cent. So even in Manitoba there can be a significant savings if you're purchasing major consumer items.

The clothing merchants of Flin Flon, Manitoba, will be happy that adult clothing will now be taxed in Saskatchewan. I'm not quite so sure the merchants of Creighton will be as enthusiastic.

Most people in Saskatchewan know you are supposed to inform the Finance department of any out-of-province purchases and that you are supposed to remit the proper amount of tax. I would wonder, however, just how much money the government gets this way. Very little, I would suspect, Mr. Speaker. The reason I mention this is because goods shipped into the province arrive free of PST. If you shop in Alberta or Manitoba and have the goods shipped to you here in Saskatchewan, the Saskatchewan sales tax does not apply.

Even more interesting is the fact, if you shop in Manitoba and have the merchants ship or deliver the goods into Saskatchewan, there is no Saskatchewan sales tax and no Manitoba sales tax. By cross-border shopping in Manitoba and having the goods shipped or delivered, you can avoid paying all provincial sales

tax.

Since the Minister of Finance and the Premier are from Saskatoon, they may not even be aware of this. Perhaps they should consult with some of their back-benchers. The members from Yorkton, Pelly, Saltcoats, or Kelsey-Tisdale should also be aware of these loopholes.

Mr. Speaker, perhaps my expectations of the Premier and cabinet are too high when I expect them to discuss such matters with back-benchers. But, Mr. Speaker, the Premier and the Minister of Finance either did not talk to their back-benchers or completely ignored them. The voters of Kelsey-Tisdale, Pelly, Saltcoats and Yorkton constituencies, and, I can only hope, the back-benchers from these constituencies, were concerned enough about the people and merchants of these areas to bring this matter to the attention of the Premier and Minister of Finance.

If they did, then the fault lies with the Premier and his cabinet. If they did not, then the fault lies with those MLAs (Members of the Legislative Assembly). If they did not bring the perils of cross-border shopping to the attention of the Minister of Finance, they should explain their lack of concern to the merchants in their areas. Their constituents should be asking -- no demanding -- an explanation.

Mr. Speaker, while this government and its socialists might wish to build a wall around Saskatchewan, it cannot be done. We cannot live in splendid isolation. We must deal with, indeed be part of, the world around us. We must accept the challenges from outside of our borders. We must allow our entrepreneurs to compete from a level playing-field. Given the opportunities, they will create the jobs and the tax base we need.

Mr. Speaker, we do not want, we cannot afford, to subscribe to the protectionist theories of the U.S. Democrats. The Minister of Finance may invoke the name of Bill Clinton, alias slick Willy, President to the United States, but the people of Saskatchewan pray she does not invoke the traditional anti-trade, protectionist policies of the Democrats. In fact the minister herself should be praying that Bill Clinton does not head in that direction.

Mr. Speaker, the NDP's protectionist bent does not serve us well.

The member from Saskatoon Greystone spoke earlier today. That member is demanding that the government cut \$6 million from the Board of Internal Economy. This, Mr. Speaker, is after she herself has received extra money. The member from Saskatoon Greystone demanded, she demanded, Mr. Speaker, \$52,000 to fund her office. No other MLA in this Chamber, Mr. Speaker, gets an extra 52,000 for their office, but the member from Saskatoon Greystone does.

If she were serious about cutting government

spending there is one place she could make a personal contribution: her office. When she is complaining about the spending of MLAs and the Board of Internal Economy but offers nothing from her own staff and office, does this mean, Mr. Speaker, that it's okay for her to gouge the public but it's not okay for the NDP to do so? Mr. Speaker, this does not even speak to any funds that she may be receiving from the Liberal Party as leader.

The member from Saskatoon Greystone demands to be placed on various legislative committees and then she doesn't even bother to show up to work.

The government, with this budget, is acting like the Liberal Party and being selective as to who receives its largesse. The NDP fired many people then hires back its political hacks. Mr. Speaker, with the Liberals they just appoint their friends to run for office. It does not matter what the people and the party members in Saskatoon-Humboldt want. What is important is what Mr. Chrétien and the party elitists want. I ask: does the member from Greystone support this type of action? If she's still the leader of the provincial party will she use similar undemocratic, autocratic measures to ensure candidates meet her personal agenda? Reform, democratic reform in the Liberal Party is only a word between re-election and rejection. The member from Greystone mouths the word reform to try and gain re-election, but her actions demonstrate a rejection of the people's democratic desires.

Mr. Speaker, I return to my comments on the Democrats both old and new protectionist policies. Mr. Speaker, this government's protectionist attitude will not attract businesses or people to this province. When the NDP government is not putting anything into building the infrastructure of communities, what is going to be appealing to outside investors or businesses? Nothing, Mr. Speaker. Nothing will attract new businesses, and the NDP track record for the past 18 months proves that.

What does Saskatchewan have to show for a year and a half of an NDP plan? Ten thousand less people working than before they took office, the highest unemployment rate in about 20 years, massive erosion of the health care system, closing of rural health facilities, and massive cut-backs to vital facilities like the Wascana Rehabilitation Centre, closure of rural schools, and the biggest tax grab in the history of this province. Businesses and people are leaving Saskatchewan in droves; the buses and moving vans are hauling people and students out of this province, Mr. Speaker.

And, Mr. Speaker, that's what the NDP have to show for their year and a half of betraying the Saskatchewan people. That's what the members opposite are doing for this province. The same man who said to the *Star-Phoenix* a month before forming government that he would cut -- not increase -- taxes, is the same member from Riversdale who has handed the public a sales tax increase of 16 per cent last year and almost 12 per cent hike in sales tax in this last budget, along, Mr. Speaker, with expanding the tax base.

(1930)

Another 2 cents per litre in fuel taxes, the elimination of both the prescription drug plan and the children's dental plan, further reductions to rural and urban municipalities, reductions to hospitals and school boards and universities as well -- all of these things, Mr. Speaker, and the NDP said they would not do so. The members opposite, even after knowing full well the deficit situation, trotted all over this province promising more, more, and more. But I say to the members opposite that the only more, more, and more coming from the NDP government is more taxes to families.

Promise after promise, Mr. Speaker, has been cast aside by the members opposite. And I'm not sure one of them . . . and I'm sure one of them will stand up and waive the little bubble gum card talking about opening the books and being responsible.

Well first off, Mr. Donald Gass said the books were already open to anyone who wanted to look. Second, Mr. Speaker, since the bubble gum card that the member from Riversdale likes to quote from so often doesn't include all the promises he and his colleagues made, I would like to remind them of just a few. If I went through all of them, there wouldn't be enough time to sit in the day, Mr. Speaker.

Let's see. The member from Riversdale, during the writ period in 1991, said to CKCK television, and I quote: we, the NDP, think \$4.5 billion expenditure in the province of Saskatchewan is enough. Well apparently it's not enough, Mr. Speaker, and the actions of the NDP prove it.

That's not all, Mr. Speaker. The same member said on September 6, 1991, that, and I quote: no new taxes would be imposed. If he were given the chance to be Premier, no new taxes.

The *Star-Phoenix* on October 12 says, and I quote: creating more jobs will also stimulate revenue without raising taxes, Romanow said. Another quote from the member from Riversdale and the list from that member alone goes on and on.

And has the member from Riversdale kept any of those promises? No, Mr. Speaker, he has not kept one. And he knows it, Mr. Speaker, and that's why he gets up and starts to rant and rave and wave his little bubble gum card. But facts are facts. And unless the member from Riversdale was misquoted on about 30 occasions, he made promises he knew he couldn't keep. He did not just promise to raise taxes, he had a whole litany of other promises that he should be reminded of.

In January of 1991, the member from Riversdale said, and I quote: doesn't believe health care costs in the province are sky-rocketing. The cost of medicare is well within the budget.

Not only did he think that health care was affordable

without tax increases, he promised to spend more on health care and education. A far cry from what the second NDP budget has done.

And, Mr. Speaker, another quote from the Moose Jaw *Times-Herald*, February 27, 1989: Romanow said the Devine government caused considerable harm to the finest health care system in Canada by destroying the prescription drug plan and the dental care program and not providing hospitals with adequate funds.

What a joke, Mr. Speaker. The deductible on that was changed to \$125. Last year the Minister of Finance changed that to \$380 a year, and this year there is no drug plan.

The Premier was talking at the time of an almost 3 per cent increase in funding to hospitals when he made those statements. And the member from Riversdale didn't think it was enough -- 3 per cent was not enough, Mr. Speaker. How do they like a 3 per cent cut?

Instead, what do we see in this budget, Mr. Speaker? After already slashing the operating budgets of hospitals and schools, the NDP budget introduced another reduction to both. Another broken promise, Mr. Speaker, another betrayal by the NDP.

Mr. Speaker, the member from Riversdale is not alone in that category. He is not the only NDP member who told untruths to the people of this province. His colleagues did the same. The member from Regina Hillsdale, while in opposition said, and I quote:

The opposition is going to fight these health care cut-backs and these changes to medicare. It's going to fight the erosion of the principles of medicare . . . I feel rather certain we'll be having a change in government next time around and then the public isn't going to have to worry about these problems.

Well not only did they get fooled, Mr. Speaker, they got ripped off.

A quote from *Hansard* of August 21, 1989. That quote was from *Hansard* of August 21, 1989, Mr. Speaker. Mr. Speaker, the *Leader-Post* has a quote the member from Riversdale might remember. It says, and I quote: the NDP Health critic, Louise Simard, immediately accused the government of eroding the health system by starving it of money. End of quote.

Starving the health care system, Mr. Speaker, by increasing the funding by 3 per cent -- increasing it by 3 per cent, not cutting as this Minister of Finance has done.

And what do we see from the Minister of Health now? We see wings in facilities closing, rural communities struggling to keep their hospitals, and the scrapping of the prescription drug plan unless you're on social assistance, and another reduction to the operating grants to hospitals -- all of these things because of NDP choices. In other words, add the member from

Regina Hillsdale to the list of those NDP who were willing to promise anything to get elected.

Mr. Speaker, we got another bubble gum card in this budget. It seems that the Minister of Finance felt left out about not having her own bubble gum card while the Premier was waving his around. So she presented us with this bubble gum card in her budget address, and it's entitled **Securing Our Future**, Mr. Speaker. And it talks about sacrifices, but the only sacrifices being made in Saskatchewan, Mr. Speaker, are by the people and the children of this province, not by the government.

The bubble gum card talks about, "Jobs are our first priority." We've lost about 10,000 jobs since this government was elected, and if you totalled up all their promises for jobs and included in the jobs that were lost, we're looking at a shortfall of approximately 34,000 jobs, Mr. Speaker. Now if eliminating jobs is a priority, well then this government is doing a good job.

It also says on here that the government is reducing the small business corporate income tax rate by 20 per cent. Well, Mr. Speaker, that's a very laudable thing to do and I'm sure all the small corporate businesses are appreciating this because a 20 per cent tax reduction, you would think, would be significant. But when you look at the numbers, Mr. Speaker, that's a drop from 2.4 per cent to 2 per cent. It is indeed 20 per cent, but it doesn't add up to a lot, Mr. Speaker.

We also have some other numbers that you can throw around in a similar fashion. How about a 20 per cent increase in the corporate capital tax resource surcharge? That's a 20 per cent increase also, Mr. Speaker. It goes from 3 per cent to 3.6 per cent; that's a 20 per cent increase. Or the 12 per cent increase in the PST, from 8 to 9 per cent. Or the 28.6 per cent increase in the provincial sales tax in the last year from 7 to 9 per cent. So, Mr. Speaker, while indeed 20 per cent reduction in this tax is the truth, it's playing with numbers and trying to hide what you're actually doing.

The government fought the election against harmonization. Harmonization was a terrible thing according to them. But it was a good thing for Sears and it's a good thing to . . . introducing a temporary manufacturing processing tax credit for Saskatchewan co-ops and small business. Well, Mr. Speaker, this is harmonization with a different name, that's all. This is a temporary harmonization to year end for these businesses.

And it's interesting to note, Mr. Speaker, how in the Minister of Finance's little bubble gum card she often refers to the co-ops. You'd almost think she was trying to butter up to the co-ops or sneak in beside them again. Because after the comments that were made dealing with the oil upgrader plant, I think this government needs to regain its friendship with the co-op system because they suffered a major capital loss in friendship from the co-op systems.

The Minister of Finance talks here of investing \$51 million in research and development, high-tech export, tourism, and industrial development. Well, Mr. Speaker, \$51 million is a lot of money, but unfortunately in this budget it's less than what was there last year.

They talk about \$62 million in capital projects. Well last year Education received \$68 million in capital projects; this year it's getting 44 million. Health last year received almost 34 million; this year 27 million. Highways. Now Highways is one of the areas where the government has indeed added some extra money.

Rural and urban municipal capital grants -- almost 24 million last year, down to just a little better than 18 this year. New Careers. Last year there was no capital funding for New Careers but this year there's 8 million. And I would be interested to find out exactly what that 8 million is going to be spent on.

Sask Water. Their capital grants last year were almost 7 million; this year, just over 4.

And the environment. This year Environment has a \$990,000 capital program. We realize that there was quite a bit of interest in the environment, and so you would think, well this has got to be something good, but unfortunately, Mr. Speaker, when you look at the numbers and what it is, it's simply \$990,000 that was in the budget also last year but is dedicated to Natural Resources and not to the Environment department.

While I'm mentioning the Environment department, one would think that the government opposite, from all their rhetoric, would be friendly to the environment, and yet we have seen a major program in this province, the use of ethanol . . . the program being cut. What was there currently was a 40 cent a litre existing subsidy rate. They aided the production of ethanol used in gasolines in this province. So what's happening to it now? Ethanol's a very environmentally friendly product. It also uses Saskatchewan commodities, namely grain, to produce it. So what's happening to it? Well in two years this program is eliminated. No new ethanol plants will receive any funding, so we can't increase our production other than at these two particular plants.

Now that's very good for the Saskatchewan Wheat Pool because they happen to own one of the plants. And the other plant is at Kerrobert, but their program ends at the end of July, and the government has given them a renewed subsidy rate but lower, a 25 per cent decrease in that rate for the next four years. And the principals involved in that situation say that that subsidy rate is not enough to keep them in business.

The government talks, and the Minister of Finance talks in her bubble gum card, of a \$320 million support for agriculture. Well that's a significant amount of money, Mr. Speaker, but it was \$360 million last year. So again, rather than bragging about what they're doing, they should be commenting on why they are cutting funds to these programs.

Mr. Speaker, the card talks about "eliminating more than one-quarter of government boards, agencies and commissions." Well, Mr. Speaker, from the evidence we have seen from the government operations opposite, they might as well eliminate these boards and commissions because they don't listen to what they have to say anyways.

They're talking about cutting . . . creating new health boards. The Minister of Finance says it's not for financial matters, but whenever the health boards receive their funding numbers, all of a sudden there's a lot less money there.

The CBC (Canadian Broadcasting Corporation) phoned out to one of my hospitals the other day to do an interview with some of the people working there. And they wanted to talk to the people, how the budget was going to affect them. But right at that particular time, the hospital had an emergency case and the people responsible for the hospital could not talk because there was a heart attack victim there in the hospital at that particular time.

(1945)

Now without rural hospitals in place -- which is what the Minister of Health envisions, is the elimination of rural hospitals -- where are this type of person going to go to? Where are they going to receive the health care that they need on an emergency basis?

If you have voluntary surgery, you can drive in to the larger major centres and receive your care. But in emergency situations, Mr. Speaker, such as this one where the person had a heart attack, it's a matter of life and death to have a health care facility close.

Mr. Speaker, the government talks about getting all their ducks in a row and balancing the budget. Well, Mr. Speaker, with a lot of luck they might be able to. If they get an increase in oil prices, in potash, in uranium, and grain, they just may be able to balance the budget. But if they do not get those lucky breaks, Mr. Speaker, they will not balance the budget because in four years there will be no one left in Saskatchewan to pay the taxes necessary.

Mr. Speaker, the people of Saskatchewan have a right to feel betrayed by the Premier and the Minister of Finance and their bubble gum cards, because of what they have outlined in their speech. Because, Mr. Speaker, it's the truth that they have been betrayed.

If this budget is supposed to outline the direction the NDP government is taking, then it looks like the whole province will be down the toilet before a real plan can be put into place. In fact the budget address talks about blazing a trail for Saskatchewan. The only trail blazing that is going to take place under the NDP administration is the trail that is left as people leave this province.

Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Upshall: -- Thank you, Mr. Speaker. It's a pleasure for me to get up in this budget speech debate after hearing a number of members of the opposition, the doom-and-gloomers, the negative people, people who aren't willing, who aren't willing to participate, the people who aren't willing to participate in the recovery this province so desperately needs. Although over the next few months as we sit in this legislature, Mr. Speaker, I think possibly some of those lost sheep will come onside because once they see the tide that's stemming in Saskatchewan to rebuild this province, I don't think they'll have a choice.

As I start, Mr. Speaker, I want to talk a little bit about the Humboldt constituency. Times are tough. We've had cut-backs. We've had to alternate . . . make changes in management plans. But because all of that . . .

An Hon. Member: -- You've got Fair Share.

Mr. Upshall: -- The past premier says we got Fair Share. Well I'll tell you, the people from Humboldt, Mr. Speaker, the people from Humboldt sent the message last October about Fair Share very, very plainly. He ran his campaign in Humboldt on Fair Share and got his butt kicked severely. So he can talk about Fair Share.

In fact this is, Mr. Speaker, is symbolic of what's happening in the tired opposition. They have absolutely no new themes, no new stories to tell. So what do they do? They talk about the past. Well it's okay to talk about the past a little bit, which I will do tonight, but it's more important to talk about the future.

The opposition members put on a brave face, Mr. Speaker, but I will go back to the Humboldt constituency even in these tough times. I'm very pleased that we now have one of the two pilot projects for waste management control. This is a co-op . . . (inaudible interjection) . . .

There's one thing about the members chirping from their seat, Mr. Speaker. They don't make any more sense sitting down than they do standing up.

Some Hon. Members: Hear, hear!

Mr. Upshall: -- I'm very pleased that we have announced the waste management pilot project in the Humboldt-Watson areas. I think that's a leading edge in controlling waste. Waste management is one of the problems that rural municipalities have always had, and hopefully that we can, through these pilot projects, start to formulate some new measures in order to control wastes in rural Saskatchewan.

I'm also very pleased to see, Mr. Speaker, that in this budget that the budget for PAMI (Prairie Agricultural Machinery Institute) has been increased. And we saw . . . I'll never forget fighting for my life for PAMI under the previous government. I believe it was 1988 when

Alberta pulled out, or '87, around then. Alberta pulled out and the past government was very seriously thinking of pulling out as well, and dropping funding to the most prestigious manufacturing testing institute in the world, Mr. Speaker -- in the world.

Right now PAMI has about 50 per cent funding from the public sector and about 50 per cent from the private sector. Case International, John Deere, most of the major companies, Mr. Speaker, are working daily with the people at the Prairie Agricultural Machinery Institute. And the people of Humboldt . . . And I especially am very pleased to see that this is the edge of the turnaround -- the edge of the turnaround. The important parts of our Saskatchewan budget, many important parts . . . But to Humboldt these are two important parts, Mr. Speaker.

People do not enjoy hurting, and the people of the Humboldt constituency do not enjoy it any more or less than anybody else in the province. But I'll tell you, Mr. Speaker, they understand what's taken place in this province. They understand the history, the legacy that was left, and they understand what this government is attempting to do and will do in the future to turn this province around.

We don't seem to be able to have any cooperation from the members opposite. The official opposition, Mr. Speaker, is made up of 11 members. And right now I want to talk just for a brief moment about the 11th member of the official opposition. The 11th member of the official opposition, Mr. Speaker, is the member from Saskatoon Greystone. Because if you look at the speeches, you listen to the speeches, you hear the comments, if you didn't see the faces or hear the tone of the voice, you wouldn't know if it was . . . which person from the official opposition it was, because it's all the same.

Now you would think that a person who is aspiring to further themselves in this province . . . (inaudible interjection) . . . Well the member for Estevan says that they have nominations and the Liberal Party doesn't. Well that's just a guess, I think, because we don't know for sure. We don't know for sure.

I listened to the 11th member of the official opposition today, Mr. Speaker . . . (inaudible interjection) . . . The ex-premier has a lot to say from his seat tonight, Mr. Speaker. Actually at times it's very entertaining, although it never makes any sense.

Mr. Speaker, I want to talk about the few words that the 11th member of the opposition, the member from Saskatoon Greystone, said today. What she said, as I listened to her and hear what she said before, she said I want more money for myself, then turned around to run down the expenditures of the legislature -- a little inconsistent.

She said she had some phone calls from some people saying that they're going to shop in Alberta. Well all I can deduce from that is that her Liberal friends are going to shop in Alberta. I know . . .

An Hon. Member: -- There's a lot of people shopping in Alberta.

Mr. Upshall: -- Well maybe some of the Tories' friends are going to shop in Alberta. But I'll tell you, Mr. Speaker, the people in this province who love Saskatchewan don't run around saying, well everybody's going to go shop in Alberta, and that's what they're saying.

What they should be doing is saying, look, there is a problem here.

An Hon. Member: -- And where was Bob Lyons when the budget was dropped?

Mr. Upshall: -- Well the member from Morse with his suit that he bought down in Minot, I believe last session, is asking where one of our members is. Well I mean this is the facts. I mean I don't have to . . . But that's the point, Mr. Speaker. We have to become more positive about cross-border shopping.

But the member from Saskatoon Greystone said, basically what she was saying was, you first after me, and don't do as I do but do as I say -- in her sanctimonious way. But I don't want to give that too much credibility because there is very little credibility there. Just because she said she was going to bring one new business opportunity a week forward, and the last 52 weeks has brought none, with her constant criticism and no solutions, with a party in such desperation to become elected, as we saw in the Merchant-Goodale fiasco, with the appointment of a member from Saskatoon-Humboldt with no process to go through to select a candidate, but the leader appoints it.

People talk about jobs, but no solutions. I want to ask the member from Greystone, do you think that she should be allowed to go and whine to the press when what she says in this session, in this legislature, is of very little consequence and very little credibility? It reminds me of the whipped puppy running back to its mother to have its wounds licked.

Mr. Speaker, I think the people look at the package and are starting to see what's inside that package. And once the people see what's inside the package from Saskatoon Greystone, they will very quickly shake their head and say, no, that's not for me.

The person who, on one hand, wants to give CPR (Canadian Pacific Railway) a break by cutting their tax rates on fuel and on the other hand wants to push for deregulation of the industry, begs me to ask: for whom does she represent? Whom does she represent? Deregulation means less service and more profits for CPR. And cutting taxes means more profit for CPR. I don't think she represents the needs of rural Saskatchewan, Mr. Speaker.

Lastly, I want to restate the position of that member on her farm policy. That member is quoted in the papers as saying that she does not . . . In fact I'll read from the quote from the *Star-Phoenix*, 1991: Crow benefits

should be paid directly to farmers, is what the Liberal member for Greystone says. And also, paid directly to farmers, when we saw at the farm rally in Saskatoon, Mr. Speaker, 13,000 people get up and say, no. Say no, it shouldn't be paid to farmers . . . or it shouldn't be paid to farmers.

Canadian Wheat Board, it says, and I quote: Haverstock has at times been critical of the degree of control exercised by the Wheat Board. She says farmers must be more reliant and more directly involved in marketing their own crops -- deregulation of the Canadian Wheat Board.

Mr. Speaker, 13,000 farmers in Saskatoon said no to deregulation to the Wheat Board and said no to changes in method in payment for transportation. Well my question is, like one of my colleagues says of the member from Saskatoon Greystone, what part of no doesn't she understand? Because it was very clear at the meeting and yet refuses to change the position. Transportation, Wheat Board, third line of defence.

Mr. Speaker, one other thing. One last point I want to make to the member from Saskatoon Greystone, the 11th member of the opposition. The last point is: please, I understand, I think I understand what your strategy is, but for the life of me I don't understand why you fall in line with your federal leader, Mr. Chrétien.

And if you will do something for me, Ms. Member from Saskatoon Greystone, tell me what your leader's position is on the Canadian Wheat Board. Does Jean Chrétien want the Canadian Wheat Board to stay or go? He's never said he wants it to stay and that's the key. It's transportation. Does Jean Chrétien want the transportation policy to change? We don't know that either, but he hasn't said he wants it to stay the same, which the farmers want. And on third line of defence, I ask the 11th member of the opposition, the member for Greystone, does Jean Chrétien want a third line of defence payment? I certainly have not heard him say that.

So not only is there 11 members of opposition here, no matter what colour you paint them, it's the same thing in Ottawa. We see the current government trying to get rid of our steadfast farm programs and the Liberal opposition falling right in line with them, Mr. Speaker. Mr. Speaker, I want to just leave that for a moment, simply because I think the point has been made very well of the credibility of the 11th member of the opposition.

(2000)

Now, Mr. Speaker, I want to talk just for a brief moment about something that is a little bit personal. You will recall, Mr. Speaker, that -- I believe it was on February 26 in this legislature -- that I introduced a motion under rule 42, asking that this Assembly call upon the Government of Canada to end its policies of offloading federal responsibilities on the backs of farm families by reversing its decision on increased grain transportation costs to Saskatchewan farmers, and by fulfilling its promise to provide at least \$500 million in

third line of defence.

Mr. Speaker, that was on February 26. I was going to use the word offended, but considering the source, I don't know whether I should be offended or not. But on March 4, the little member from Kindersley, standing in his place speaking on the throne speech, said, and I quote, Mr. Speaker:

. . . on the very first day that we thought there was going to be a debate, throne speech debate, that the member from Humboldt rises in his place and said, we want to debate agriculture. We couldn't believe our good fortune, absolutely couldn't believe it, just absolutely . . . And then not only that. He proposes it but he wasn't prepared to speak to it. Could you believe that? He got up and had a few little comments about it . . .

That was the member from Kindersley, Mr. Speaker, talking about my comments on the previous February 26, on an emergency motion in agriculture. Well when he says I had a few little comments and I wasn't prepared to speak on it, Mr. Speaker, I will bring to the record the motion under rule 42, came up right before orders of the day, which is approximately 10:30 in this House, went on, went on, Mr. Speaker, three pages in *Hansard*, until approximately 11:15. Now that is a 45-minute . . . And I see the member from Kindersley leaving and so he should.

The Speaker: -- Order, order, order. The member knows full well he is not to refer to the presence or absence of members in this House.

Mr. Upshall: -- I apologize, Mr. Speaker. Anyway, my point is this: the desperation of the opposition is reflected in the words of the member from Kindersley where basically he is not telling the truth -- I know I can't say "lie" in this Chamber -- but basically he is not telling the truth because . . .

The Speaker: -- Order, order. I'll ask the member to please obey the rules of this legislature and avoid using unparliamentary language even if he does it by imputation. He knows he can't do that, and I ask the member to apologize to the House and withdraw the word.

Mr. Upshall: -- I apologize, Mr. Speaker, and withdraw that comment. My point is this. My point is this: why would the member for Kindersley stand in his place and say something that was not altogether true? I have three and a half pages in *Hansard*, in my estimation approximately 45 minutes of speaking, and yet the member for Kindersley is talking about agriculture. Do you think it's a bit of a problem for the member?

And you'll notice in this House, Mr. Speaker -- how many days have we been in now? several weeks -- and the members avoid the question of agriculture, avoid agriculture and finance on the 18th day. As a matter of fact, Mr. Speaker, they've avoided many subjects in this legislature but the one subject that they

hadn't avoided up until a couple of days ago was the fact that they ran this province into debt up to \$15 billion and now are asking why we're cleaning it up.

Basically that's what they're saying. Their questions in question period: why are you doing what you're doing -- forgetting that they ran this province into \$15 billion worth of debt. A handful of has-beens, Mr. Speaker, a handful of has-beens.

I want to touch for a minute, Mr. Speaker, on the credit rating of this province from 1976 till 1993. Mr. Speaker, the Saskatchewan credit rating . . . First of all, Canada's credit rating has been a AAA right through the piece. And there's another little component to this. Canada's credit rating, AAA, and the members opposite say, well Ottawa's got no more money -- charming what Ottawa says, well we have no more money -- but the credit rating hasn't dropped one iota. Saskatchewan credit rating, Mr. Speaker, was the highest credit rating in Canada in the period of the mid-'70s to early '80s.

Now the member says it had nothing to do with us, but just think of it. The highest of all the provinces. I mean every province was in the same boat. Every province had the privilege of living through the times where things were going fairly well, but Saskatchewan, little Saskatchewan, had the best credit rating. Now you talk about management, Mr. Speaker.

An Hon. Member: -- If that's a coincidence, it's a coincidence worth voting for.

Mr. Upshall: -- That's exactly right. My colleague said, if it's a coincidence, it's a coincidence worth voting for, and that's what the people did.

I just want to point this out to the members opposite who whine about, well anybody could have done anything in good times. But, Mr. Speaker, and members opposite, don't ever forget that the management in Saskatchewan under a New Democratic government gave us the best credit rating in Saskatchewan during the years from '71 to '82. Just wash that little comment, that little whine line off your books.

Mr. Speaker, I want to move now to a little question of what is fun and what isn't fun. The members opposite, the question I have for them, Mr. Speaker, is this: were you having fun? Were you having fun when you were increasing the revenues to this province and reducing the services and driving up the debt? Things were pretty easy. Things were pretty easy, weren't they, Mr. Ex-Premier, sitting on there just doling out the money, watching the credit rating go down and watching the interest rates go up and watching the debt go up. I'll bet you were having a pile of fun.

And the member from Morse -- I'll bet he was having fun as well. Can you just hear a cabinet meeting or a caucus meeting? Of course there wasn't a very big caucus; they only had one back-bencher so it was all cabinet meetings.

Can you imagine them sitting around the caucus table talking about the fun they were having when they were talking about paying John Gormley \$1,000 a month from the Liquor Board to go to university? I'll bet that was great fun, eh. I'll bet John thought you were real good guys. I bet he just loved you -- \$48,000 of taxpayers' money old John got. I'll bet that was fun at the time, wasn't it? I bet it was a great lark.

I bet it was fun when Ted Urness put in 11,485 . . . 800 . . . \$11,845 bill for charges, real estate fees it was. I bet there was lots of giggling around the table saying, oh well, you know, we'll give this to old Ted. I mean he didn't use a realtor; he just sold it privately but we'll pay him his real estate fees anyway. I'll bet you Ted thinks we're real good guys, eh? I'll bet that was fun.

Or when Property Management Corporation paid \$30,000 for the boogie van so the premier could boogie around the province watching a TV, and the VCR (video cassette recorder) in it and all the other luxuries. I'll bet you that was great fun, eh? Anybody over at the opposition get a ride in the boogie van? Driving up the debt, increasing fees and charges and revenues and decreasing services, but I bet you were having fun. It was never going to end.

Or SPMC (Saskatchewan Property Management Corporation)? SPMC paid one individual over \$53,000 to organize a summer tour for the ex-premier. At that rate, it would take 49 weeks at \$230 a day. That was a long tour, but I bet that was great fun, eh? I'll bet you Davey Black thought you guys were great guys. Just \$53,000. Can you imagine the giggling around the caucus table, the cabinet table -- getting away with it, nobody knows what we're doing.

Or SPMC -- this is a good one. Can you imagine the decision . . . who made the decision? Member from Morse, were you in on the decision? I'll bet you thought this was real good fun. Paying **SaskReport Magazine** \$324,000 so it could be used as a propaganda tool. And under the terms of the agreement, SPMC had control of the magazine's content including a 16-section editorial page. I'll bet you thought you were really rolling high then, eh? Really having a great time. It'll never end -- \$324,000, Mr. Speaker. I'll bet, I'll bet that was great fun and the Tory caucus and cabinet were having fun.

I wonder if you were having fun when they developed the Saskatchewan Investment Corporation. Do you know what the Saskatchewan . . . (inaudible interjection) . . . As one of my colleagues pointed out, the Saskatchewan Investment Corporation, if you use the first letters, it stands for SIC. And this really was sick.

A little private corporation of Grant Schmidt's and a couple of the other cabinet ministers. I bet they were really having fun when they set this corporation up, thinking that nobody else knew and they could just take this money and pay off their political hacks and squander it in any way they wanted. I bet it was great fun for a while.

Or GigaText. Can you imagine Mr. Berntson sitting back in his chair just having a gay old time.

Mr. Berntson is one of the people . . . or the person who said that they were going to drive this province into such great debt that we'd never get them out of it. Well he got his undue reward in the Senate and he's still happy, I'll bet. But I know his former constituents aren't real happy.

And the list goes on and on and on, Mr. Speaker. I mean you bet they had great fun setting up Supercart. I bet the people from Supercart thought this government was a great government. Financed them to the hilt, financed them to the hilt and then walked away with the money. Or the heavy oil upgrader. Or the pasta plant. Or Trinitel. Or M.A.S. Medical. Or the band-aid factory. I'll bet all these people thought the former government were really great guys and I'll bet they had a great time with their economic process they were going through.

The Rafferty-Alameda dam. A few people made a few bucks off of that one. Privatizing SaskEnergy. Well they had fun for a while on that one, until the people grabbed them by the throats and reined them in and said, you can't do it.

Well what about privatizing the Potash Corporation of Saskatchewan? Mr. Speaker, the Potash Corporation of Saskatchewan had a debt of about \$261 million, if my figures are right. This government drove it up to \$700 million -- the former government, the former government -- \$700 million. And then what did they do? They wrote off \$500 million. I bet they had a great time writing off \$500 million with Chuck Childers. I bet Chuckie thinks they're a great bunch of guys. Wrote off \$500 million which the taxpayers picked up, and then privatized.

Well, Mr. Speaker, I could go on with their little fun and games that they were having. But the reality has all of a sudden hit home; it's hit home in the province of Saskatchewan. But the part that really bothers me, Mr. Speaker, is that as a government we have taken extraordinary steps to try to address the problem. And what were the questions before the budget from the members opposite? Why are you cutting here? Why are you cutting there? Why aren't you spending more here? Why aren't you spending more there? Well, Mr. Speaker, that line of questioning is absolutely incredible, uncredible, no credibility, and irresponsible. It's just like they don't even know the page of history has been turned. It's like they're in another movie. Have you ever seen one of these big screen TVs where you have one movie going on in the main part in the little corner box where you can watch another channel? Well that's what they are. And it's still in black and white, as far as they're concerned, because it's the old style -- a handful of has-beens from the past asking questions with no new ideas.

Well, Mr. Speaker, there is one thing I will not do. And they will stand in their place and chirp to the press and their friends: well all the NDP can do is blame us,

blame the past. Well, Mr. Speaker, there's one thing that I will always, always do because I believe in learning from your mistakes. As long as I live, I will never, ever forget or let anyone else forget the devastation, the mean-spirited, the bordering-dishonest, corrupt government that the past premier and his band left this province.

Some Hon. Members: Hear, hear!

(2015)

Mr. Upshall: -- And they want people to forget. But, Mr. Speaker, people won't forget. And there are people, there are people out in Saskatchewan, Mr. Speaker, who are hurting. And because they're hurting, they don't want to believe the truth. They don't want to believe that what this government is doing with our changes to health care, improvements to health care, with economic development, agriculture, and everything else, people who are severely hurting don't want to believe that we have to do what we're doing. And I don't think there's too many of them, but some.

And there're also people who are blind, Mr. Speaker, people who are politically blind, and say that we shouldn't be doing what we're doing. But, Mr. Speaker, what's happening in Saskatchewan today is a course that's being charted to economic financial freedom.

Whether they want to come along with us, dragging and kicking and screaming or whether they want to just live in the past, I could care less. But the course has been charted. We have an economic plan that includes full employment. We have an economic plan, Mr. Speaker, that includes a number of small businesses coming to Saskatchewan.

And the members may laugh. But just before I get to that, let me go over what's happened in the last little while.

Retail sales, Mr. Speaker, going up modestly -- one and one half per cent over the last year -- but going up. Mining industry, Mr. Speaker, the mining industry which is very close to me in one respect because I have three mines located in my constituency, and one's mining in my constituency, so that's four altogether. Potash sales up 22.19 per cent from the same time period in 1991. Uranium up 11, just about 12 per cent. Coal sales up 8.2 per cent, and crude oil sales up nearly 20 per cent, Mr. Speaker. And in the construction industry, housing starts up 59 per cent. Value of building permits up 16 per cent.

And look at the other side of the coin, what about bankruptcies? Personal bankruptcy is down 11.29 per cent; business bankruptcies down 10.7 per cent, Mr. Speaker; farm bankruptcies down over 16 per cent; and others down 7 per cent. So, Mr. Speaker, what's happening is that there is a small but significant attitude shift.

I mean, I've heard in this legislature over the past 18

sitting days the members opposite saying, well you've got so much doom and gloom you're driving people out of the province. Well, Mr. Speaker, the facts say different. And they can stand up here and give their political rhetoric and ignore the facts. But I'll tell you, Mr. Speaker, what they say doesn't matter because they're yesterday's group, yesterday's party, so it doesn't matter.

Mr. Speaker, we have outlined an economic strategy. Part of that economic strategy -- and it's a long-term, sustained strategy -- is to foster a positive environment for economic development. And that is one of the major things we have to do in this province, and we'll be doing. And it is done by a competitive tax system, renewing the infrastructures, developing training and labour markets and seeking community-based solutions. And that is exactly what we've set out to do.

Another point of our long-term, sustained strategy, Mr. Speaker, is to build on existing strengths of our political economy, focusing on existing resource-based industries and encouraging value added processing.

And the third point, Mr. Speaker, is to coordinate a targeted effort from government -- a single window, a single window whereby people who are coming in to establish business in this province can have a one-stop shop to set up their business.

Some Hon. Members: Hear, hear!

Mr. Upshall: -- Most new jobs, Mr. Speaker, under this strategy will come from medium- and small-sized firms as opposed to the megaproject mania of yesteryear. And the results are in the statistics, Mr. Speaker.

The job strategy seeks to promote partnership with organizations and government -- not have a government over here and organizations and business over here, but a partnership, a cooperative effort, and the goal is to seek full, long-term employment.

Now, Mr. Speaker, the members opposite may laugh at that. They may laugh at that, but I'll tell you, it wasn't even in their vocabulary because they cared not about working people in this province, and it was one of their downfalls. They cared not about the people who are producing the economic activities. They talked small business; they talked working people; they talked agriculture. But what did they deliver? They delivered the megaproject mania. And the spinoff of megaproject mania did not do the job. The opposite is true under our economic strategy, Mr. Speaker.

Mr. Speaker, I have a list here of 15 or 16 new programs or expansions to business. I just want to go over a few of them. The Spar Group in Swift Current, a hardware manufacturing expansion; Hitachi Canadian Industries, a turbine component expansion in Saskatoon -- 25 jobs, \$9 million. In fact the Spar Group in Swift Current is estimating 60 to 80 jobs.

Norquay Alfalfa plant, 45 jobs, Mr. Speaker; Babcock & Wilcox, 30 to 35 jobs, boiler parts manufacturing in Melville; Sears Canada, 900 jobs by 1995; AECL (Atomic Energy of Canada Ltd.) research agreement, 140 jobs, very high-paying jobs at that; Hudson Bay Mining and Smelting, rebuilding the smelter, 375 jobs, \$170 million invested; Goldenhill Cattle Company, 24 jobs, \$5 million invested.

Mr. Speaker, it goes on and on. One interesting little side note here is a little . . . from the *Star-Phoenix*, March 16, 1993, it says: "Hefty Contracts":

Two Saskatchewan companies have received a total of \$400,000 in contracts for developing technology that could have applications in space.

DSG Communications Inc. and APRO Applied Robotics Inc., both of Saskatoon, have received the contracts under the Canada-Saskatchewan Strategic Technologies for Automation and Robotics program.

The contracts are part of a joint venture between the Canadian Space Agency and the Saskatchewan Economic Development Department to develop space-related technology with other industrial spinoffs.

That's the kind of projects, Mr. Speaker, that are taking place in Saskatchewan. And while the members opposite might think this is insignificant, which it isn't, but while they might think it is, the proof of the pudding will be in the eating. Little by little, this government has a strategy. And that's the key -- is the strategy.

And when I hear the members opposite start talking about their . . . or whining -- I shouldn't say talking -- whining about why we're spending money here, why we're not spending money there, and why we're cutting back programs, Mr. Speaker, all I can say to them is that they better open their eyes. And let's be honest about it. Let's be honest about what's happening.

And, Mr. Speaker, you might see a very significant change in the last couple of days since budget. The change was, before budget they were asking budgetary questions. But since the budget, all of a sudden there's been a real lack of questions about the budget. And I think the reason is, Mr. Speaker, and as I've been around the province of Saskatchewan since the budget, most people are accepting of it. And they say it is a tough budget. Yes, it's tough.

An Hon. Member: -- But it's necessary.

Mr. Upshall: -- But it's necessary, exactly. And not only is it necessary, but it has a component of compassion to it where the poor people will not be paying more, where the people who are looking for jobs have a ray of hope with economic development, where the farm communities can look around and say

to themselves, we now have a government in Saskatchewan who is going to put forward an honest plan for recovery -- not a phoney plan.

We're still going to bash on Ottawa for the much needed federal dollars and third-line defence, absolutely necessary. And tradition has that it comes before an election, so we're counting on that, besides the negotiations. But farm communities that will be able to sustain themselves with agriculture, with business, and with any other spin-offs that might come out of those two. And that's a strategic, economic plan for recovery, for rebuilding this province.

Mr. Speaker, I want to end by saying we have in this province a legacy. The New Democratic Party has a legacy. The last speaker, the member opposite from Souris-Cannington, said this is going to be . . . the NDP are going to be a flash in the pan. Well I would remind him that the New Democratic Party in this province has governed for more years than he's lived.

And for the most part it's been . . . Do you know what the job has been? The job has been twofold. In the 1930s we cleaned up the mess and built the economic activity for recovery from the past Conservative government, the Bennett government, I believe it was . . . No, Anderson government. Right. In the 1971 took over from the Thatcher government, cleaned up the mess, built the economic activity for prosperity in this province.

And unfortunately, Mr. Speaker, here we go again -- the worst mess ever -- cleaning it up. A plan for economic recovery. A plan for renewed health care to the 19 . . . to the 20th century . . . 21st century, rather. A plan for Agriculture and Highways and Education and Health and all the other departments of government.

The key, Mr. Speaker, is there is a plan, not just throw the money out and buy yourself an election until all of a sudden you're out. There is a plan. And I believe, Mr. Speaker, that the people of this province, I believe when they look at this plan, when they look at what this government's doing, when they're looking at the economic activity and the recovery that this province is going to go through, they will accept.

They will turn to the New Democratic Party once more, as they did in the 1930s for many, many years and in the 1971 to 1982, and from 1991 until the year 2010 and beyond, Mr. Speaker. They will turn to us because the plan for recovery, sustainability, and wealth, is in this province, in this government. And I say, let's get on with the job. Thank you very much.

Some Hon. Members: Hear, hear!

Hon. Mr. Wiens: -- Mr. Speaker, it gives me a great deal of pleasure to have this opportunity to stand in this House today and, on behalf of the people of the Rosetown-Elrose constituency, support the budget introduced last Thursday by the Minister of Finance.

This is the first opportunity I've had to speak in

response to the major initiatives of this government, and I want to respond from the soul of the people of my constituency to all of the things that have been happening in government and the future that we are seeking through the plans we've laid out in this most recent budget address.

The vision and determination of the people of my constituency and from across Saskatchewan is reflected in this budget document that has been just tabled. Mr. Speaker, it astounds me to listen to the members opposite as they reflect on financial matters. It's difficult enough to conceive of the fact that they, for 10 years without understanding an ounce of what they were doing, drove the province to the edge of bankruptcy, but that they should now, while we are working with the people of the province to try and restore the damage, that they should show such little understanding of financial matters and of good sense and restoring good management to the province.

I'm reminded of a story that reflected an equal amount of lack of understanding by the recent vice-president of the United States who responded in the circumstance, when he was informed that the United States was about to impose an air embargo against Iraq, with a comment of, but how will the people breathe? Well it is that sort of lack of understanding or good sense that is reflected in the members opposite and their response to the financial matters of the province of Saskatchewan.

Saskatchewan and the west-central part of the province which is home to all of my constituents has been a rich homeland for people of a variety of backgrounds for the last 8 to 10,000 years. In fact the record of life extends, according to some recent findings in our area, back 70 million years ago. There was the remains of a plesiosaurus skeleton from 70 million years ago found in our area recently.

(2030)

Then we also have in the rich natural history of our area, the archaeological remains that are in the Coteau Hills of our constituency and the Bear Hills, a record of human occupation that go back 8 to 10,000 years ago and reflects the rich human culture that has existed in the area for a long time and reflects the response to challenges of humans in this rapidly changing and harsh climate of the area.

There were significant changes in our area about 100 years ago when immigration became a major initiative, when probably the greatest change in any ecosystem on the earth took place when Saskatchewan became occupied by European settlers and the rich lands of a previous means of occupation was converted to an agricultural-industrial area.

This change in circumstance again required a great deal of perseverance and determination by the new settlers. It was a challenge for new people in our area to maintain a strong economy, to maintain a just society and to maintain a strong social fabric under these harsh circumstances.

But whether it was the people who lived in our area 8 or 10,000 years ago, or the people who have become immigrants and residents of the last hundred years, it has been the spirit of our people which has for this period of time met with determination these challenges that have confronted humanity living in the climates of our area and has provided determination to deal with new challenges that now face us. And today we debate our response to a challenge that no one would have anticipated 10 years ago.

The members opposite who have left us all with a series of unprecedented messes in a number of government policy areas have left one particular mess of note in the financial area which will haunt us for generations. This is not the first time the people of Saskatchewan have had to tackle a mess, but it's the first time the mess has been this bad.

In the early 1930s, M.J. Coldwell became leader of the Saskatchewan Farmer Labour Party to give political voice to the plight of both workers and farmers. In 1935, M.J. was elected as the Member of Parliament for my area of the province, Rosetown-Biggar. Until 1958 he fought for rural Saskatchewan and justice for all people across the country.

In 1944 the new CCF (Co-operative Commonwealth Federation) government of Tommy Douglas and later of Woodrow Lloyd began a process of rebuilding Saskatchewan from the ashes one more time -- defining the new Saskatchewan, visionary health care, renewed educational enterprise, progressive agriculture, farm electrification and the initiatives go on and on.

Again strong leadership for this renewal came from people in my constituency -- Maurice Willis, MLA for Eston-Elrose; Jack Douglas, MLA for Rosetown, and Minister of Highways; Ollie Turnbull, MLA for Eston-Elrose, and Minister of Education; Al Stevens, MLA for Rosetown; and Hayden Owens, MLA for Eston-Elrose.

In 1971 Allan Blakeney took over in another period of crisis and built again on the strengths of the governments of Douglas and Lloyd, developing our resource sector, building our agriculture, and creating a net of services for people which we will not see again for a long time. We will not see them again because the members opposite, who came to government in April of 1982, destroyed the financial stability which had been built up over the previous 11 years. They destroyed the financial base, gave away the assets, and built a debt to pass onto their children -- not only to their children but to all the rest of our children in the province as well.

The members opposite should be ashamed of what they have done. But rather than apologizing and joining together to restore fiscal balance to the province, they snipe and complain and criticize.

Well we will not let that stop us from carrying out the

will of the people of Saskatchewan, the will to re-establish financial stability. I want to express a special congratulations to the member from Saskatoon Westmount, the Minister of Finance, for the vision and the determination to bring forward this budget.

Some Hon. Members: Hear, hear!

Hon. Mr. Wiens: -- When we see other provinces struggling with their budgets, it is indeed a credit that she has brought to this province, with the greatest debt and interest load, the most decisive steps to curtail the problems. We are all in this together, all in this mess here together in Saskatchewan. And not only the policy direction of we who are in government, but the many civil servants who are part of administering the efforts of government need to be congratulated for their efforts in this as well.

Saskatchewan, last year, was the only province to achieve a reduction in expenditures. That requires visionary leadership from the likes of our previous Finance minister, the member from Regina. It requires visionary leadership from the Premier. But it also requires the dedication of civil servants in every department of government, and to them I want to express my gratitude for their efforts in helping manage the problems of this province.

Some Hon. Members: Hear, hear!

Hon. Mr. Wiens: -- When we look at what's happening in other provinces, we see parallel struggles. Manitoba has had difficulty keeping their budgets in line, and again the credit goes to our civil service in keeping our budget within several millions of the original targets. In Manitoba, they're seeing last year's budget sky-rocket to something in excess of double the projected deficit, and this is with a great deal of effort on their part. And they are struggling to achieve sensible numbers in their deficit for the current year.

But in our neighbour to the west, we see a different kind of struggling. There is almost a struggling to deny the fact that a problem exists.

Our neighbours to the west, following it seems the lead of the members previously in power in Saskatchewan, are doing their best to bankrupt their province at as fast a rate as they possibly could. I think there must be a good series of lessons being offered across the border. The province of Alberta is now facing a \$2.7 billion debt for this year saying there are a number of measures they are not going to take.

Well the members opposite talk about what's happening across the border, and Alberta saying thank you. The only thing Alberta should be saying thank you for is the example in good budget management that our Minister of Finance is demonstrating. Because they must, they must recognize, and if you have an ounce of sense of brotherhood with them you will help them recognize, that they are only a year or two from the same

devastation that you wrought . . . brought on to Saskatchewan, at the rate they are going.

And when they come to their senses and stop denying the problem, Saskatchewan people will not have to compete with government dollars flowing into Alberta at a rate that they themselves cannot afford.

Our people in Saskatchewan are ready to deal with the problem. While I express congratulations to our Minister of Finance for putting together the budget plan that is here, I want to say that that budget plan reflects the will of the people of Saskatchewan in all corners, the will of people in the face of the difficulty it will cause for them individually on a number of fronts.

And whether we're talking about health care changes or the cost of fishing licences or agricultural programs or you name your piece of the list, constantly since the introduction of the budget last Thursday we have had reinforcing messages from within our constituency saying, you're doing the right thing. We know it's tough. We think you've picked a good balance of initiatives to bring good sense back to the province of Saskatchewan. And for the future of our children and grandchildren, we're with you.

The people . . . I've been around my constituency a number of times in the last number of months and in preparation for this budget. People have said they're willing to work with us in trying to achieve the objectives of the province.

On agriculture, clearly it's an area where the people of Saskatchewan are leaders in the world, but leaders in spite of the fact that we are . . . that we continue to have to fight the feds and the banks and the CPR. There are some things that never change, and except for the period when the members opposite were in power and handed over to the federal government the keys to Saskatchewan, governments in this province have recognized that their interest lay in having the federal government of this country take responsibility for agriculture.

And it is again in the spirit of that national interest in this important resource that we call on the federal government to take their responsibility one more time and let the people of Saskatchewan get on with the business of running the things that it is our business to run. Let us do the agriculture, and let the federal government deal with the matters of international trade.

So whether we're talking about transportation on which the members opposite's brothers in Ottawa continue to want to distort the stability that's here; or whether it's on the question of farm debt, in which case the federal government wants to deny their responsibility to our farm people; or whether it's on the question of farm support, where again the members opposite support their brothers and sisters in Ottawa in denying the required support to our agricultural sector; or whether it's on the Canadian Wheat Board, where the members opposite continue to support the initiatives of their federal counterparts

in undermining one of the key agricultural policies in Canada, it is our belief that it is our responsibility to continue to fight on behalf of Saskatchewan agriculture to maintain the stability that has been built up over the years on these key policy areas.

But in spite of the fact that the members opposite's friends and they themselves support the demise of some of these programs, Saskatchewan farmers continue to reflect the energy and the willingness to diversify that circumstance demands. We have in Saskatchewan a most innovative farm sector, a farm sector that has survived the toughest of circumstances, and will once again survive. In the process of struggling with some of these initiatives, we have again come up with some very innovative responses.

In my constituency is the home of the co-op farm, the Beechy Co-op and the Matador Co-op farm, where a number of farmers banded together to say, we are stronger working together than we are working apart. I say with pride that the Matador Co-op has continued to flourish. There are nine or ten families there now in the revitalized co-op of a number of years ago, and they continue to reflect a methodology of the Saskatchewan spirit of cooperation in dealing with the struggles and strains of an agricultural sector in a harsh climate.

There are other initiatives by farmers in their responses to changing technology, that the farmers are increasingly concerned about soil conservation, about the reinstatement of habitat, about the impacts of drainage on the wildlife of our province. And farmers will continue to look for ways of keeping a healthy ecosystem around them and look for other solutions to farm income, ranging from growing trees to fish farming. I'm proud to say that within our constituency both of those kinds of initiatives exist and I'm confident that the farmers in our community will continue to respond to the changing circumstances of the world.

It's curious to listen to the members opposite snipe and criticize the economic activity in the province because it was only yesterday in church I was visiting with a friend of mine, who works at Flexi-Coil, who says they're now running three full shifts a day at Flexi-Coil, I think six days a week. It's not just Flexi-Coil, but a number of other farm machinery manufacturing enterprises across this province that are responding to the requirements of our industry in Saskatchewan, and the requirements of the markets internationally, to produce the necessary equipment that has helped keep Saskatchewan agriculture in the forefront in the world.

So not only are they manufacturing at a record rate, they are engaging in research in new products to capitalize on more markets, not only in our country but in the United States and in what was once the Soviet Union. The economic developments in Saskatchewan, economic initiatives, are inseparable from the agricultural sector, not only in all of the parts of the province, but especially in my constituency.

Within my constituency there are initiatives that include the manufacture of a chaff spreader, the straw storm; a brand-new axle manufacturing plant in Rosetown of only a couple of years ago; a trailer manufacturing facility. There is a fellow who has developed a pea burger. And there's a fellow who has begun to do in excess of a million dollars a year in woodcrafts, calls himself the Wood Farm. It's an excellent enterprise which brings hardwoods in from other parts of the world, manufactures them into products which are then sold across Saskatchewan and across Canada.

(2045)

The impetus of our economic development initiatives in Saskatchewan are essentially that we want to keep our capital at home, to do with our resources what we can to build in our communities, and our communities are fully behind that initiative. And the energy of the people in my constituency will continue to drive the economic growth that is going to create the restoration of the economy that was so badly bungled under the members opposite.

There are other initiatives in the province and again in my constituency that are worth noting. My constituency I believe has the longest water boundary of any constituency in the province. The full east and south sides of my constituency are bounded by the South Saskatchewan River and the South Saskatchewan River dam. The opportunities that are there for . . . This is a unique dam. This dam actually has water in it, not like the kind the members opposite build. That's right. There's water in our dam . . . (inaudible interjection) . . . Well you could fix that.

The member from Estevan suggests they could fix that too, and I suspect they could. If anybody could screw up a good water project, I think the members opposite would have the ideal tools in their hands, as they have with a number of other policy initiatives and the finances of the province. If anybody has the capacity to screw up a good thing, they are. The remnants of them are sitting opposite us here now.

But in our constituency there are marvellous tourist opportunities in the water resources that are there, in the natural history that's there, in the rich Indian culture that I described earlier, and in a number of initiatives that have subsequently developed in recent years, be they ski hills or marinas or other such endeavours.

But there are other initiatives in our area which also reflect a willingness and a determination to face the future with vision and with determination. And it has to do with the vision of the people of our part of the province, my constituency, to look at the reorganization of services in Saskatchewan.

As the members opposite know, the regionalization of a number of services is becoming the logical way to go. Now the members opposite have stood opposite and challenged our Health minister for a number of days; curiously had a turn of heart today. I'll be

interested to see if this is now a complete Damascus road conversion or not.

But today the members opposite were claiming that this was an initiative now of their previously failed brother, George McLeod, that now they're coming onside after having criticized our Health minister for a month and a half. Now it's their idea, the way it sounds.

Well we welcome you if you've actually had such a positive change of heart. We will welcome you onto the train. And if you've finally seen the error of your ways, well we welcome you to join us in this initiative of regenerating a positive health delivery system in Saskatchewan.

But I want to say that in spite of the difficult adjustments that face us in health care, the people of our constituency have joined together and became the first rural health district, the Midwest Health District, to put together all of the communities of the district from corner to corner to say, we want to look at the challenges of the future together, not apart.

I'm delighted to say that I had two people from the Midwest Health Board visit me over the supper hour today and say that in spite of the very tough budgetary implications that come from a budget such as this, they are willing to sit down and plan cooperatively with all of their communities to deliver a health care system that is affordable and that provides the kind of sensitive and required care, both preventative and acute, that is required for the people of our part of the province. And I take my hat off to them for their positive attitude in this initiative.

But their vision does not stop there. They challenge us as government to look at the full integration of social services with these initiatives. And they recognize the value of re-examining the delivery of educational services as well. And I think it's perfectly logical to believe that the same area that created the first regional health district may be the leaders in providing even a broader scope of integrated services for the people of our communities, because that's the way of the future and because they believe that it's the most efficient way to deliver services and the most effective way to pay attention to the individual needs of people young and old in our area.

I want to say also that independently of this there is another initiative springing up in our area. The Rosetown & District Credit Union has recently engaged in discussion with credit unions from across the west-central part of the province and are in the process of creating a very large, regional, rural credit union because it's a sensible way to address the financing needs of farmers and farm communities. And again I take my hat off to them for seeing the benefits of cooperating, the benefits of working together, because there is a common interest in that area of the province for the delivery of banking services with a rural tone, and I wish them all the best in their planning.

I want to say as well, that as I was meeting with all of the municipalities and town councils in the southern part of my constituency only a couple of weeks ago, again the message of cooperation and working together came through a meeting where they looked at the frustrations of dealing with their municipal waste disposal in that region of the province. Here are 14 or 18 rural municipalities and town councils sitting down together saying: we have a problem; together how can we face it?

They committed to each other at that meeting to go home, identify their most serious solid waste needs, come back together and to put a plan together jointly to deal with this. It is this kind of spirit of recognizing a challenge, facing it together and cooperating, that will lead us out of the morass that has been created by the mismanagement of the past and the failure to address the solutions of the future by the members opposite.

I want to say, in returning to the theme of economic development, that there's been another important regional initiative in our area of the province, where we had one of the first soap exchanges. Now in a world where the waste system is becoming an increasing challenge to our municipalities, in the town of Rosetown, about a month ago a soap exchange was opened, where you buy your cleaning products and you bring your container back and refill them from a bulk supply. This is an initiative that is financed and developed through Saskatchewan business people. It's their expectation that within the year they will have 70 or 80 outlets across the province and reflects the kind of spirit of innovation and response to the critical needs of a population and to the realities of the future in a way that is responsible.

And that brings me to the theme of our environmental change and the theme of reorganization of government services in this last budget. One of the things that the people of the province have said to us repeatedly is that we are prepared to do our part in addressing the financial dilemmas in the province, but we think government should rationalize as well. And as you well know, there have been a series of integrations in this last budget where departments have been eliminated, and agencies brought together in the area of agriculture, in the area of municipal services, in the area of environment, in the area of natural resources, and in the area of cleaning up a large number of boards and commissions. Our government has responded to that public belief that government needs to make their services more efficient.

In the areas of . . . in integrating the departments of Environment and Natural Resources, we have done something other than introduce an efficiency to the delivery of services. We have introduced the theme of sustainable development into government departments.

As you know, a Round Table on Sustainable Development in Saskatchewan over the last year made a number of recommendations to government, amongst them being that we as a government have a

responsibility to lead on environmental matters. I tell you that the way of the future with respect to the management of our economy is that in fact it will be through recognizing that the economy cannot be separated from the environment, and environmental decisions cannot be separated from their economic impact, and that both need to consider the impact on the community when we make those kinds of decisions.

In bringing together the department of the Environment and Natural Resources, we have moved a significant step towards integrating resource management decisions with environmental initiatives, and in that way are responding to an ethic that already exists out in the community and the business community that recognizes that business decisions and environmental decisions go hand in hand.

Saskatchewan is a province that is dependent very heavily on international trade. And the product that we produce is very heavily dependent on the environment. We are very aware in Saskatchewan that matters . . . that through international negotiations people have been trying to reduce trade barriers in order to allow trade to happen more freely around products like our grains.

I want the members opposite to recognize that we must demonstrate environmentally sound practices in our production or we will be the subject of trade barriers that are based on environmental considerations in the near future. This is a truth that is evident to our business community, it is a truth that is being reflected in the reorganization of government, and I'm proud to say that our government has responded to that public will to say, keep our environment clean but build the economy at the same time. These are objectives that have a common interest for all of us and we should work together to achieve them.

So as we face the challenges of keeping our environment clean, of looking after the interests of our water and making sure that our soil resources are preserved in a productive state for the future, and so that they are used in the best balance for our future and that of our children, we commit ourselves as Saskatchewan people to achieving those objectives while we struggle with the other objective that we began this speech talking about, that is the objective of maintaining or re-creating a sound financial base for this province.

I want to say that, in conclusion as I began, that the people of Rosetown-Elrose recognize the collective needs of our society. They recognize that if the future for our children is to be a sound one, we will require all of us working together to overcome all of the hurdles, not the least of which is the monumental financial mess left to us by the members opposite.

I congratulate again the Minister of Finance for her initiatives in this regard and commit to her the support of my constituents in dealing with this problem and

wrestling it to the ground. Thank you very much, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Hagel: -- Thank you very much, Mr. Deputy Speaker.

Mr. Deputy Speaker, it is my honour and my privilege to enter into this debate on the budget address before us and to offer some remarks from my perspective.

Let me make it very clear as I begin, Mr. Deputy Speaker, that it is my intention, on Thursday evening when we come to a vote, to stand in support of a responsible and compassionate budget having been presented by the Minister of Finance last week.

Some Hon. Members: Hear, hear!

Mr. Hagel: -- Well, Mr. Deputy Speaker, I say that because there are a whole number of things that are within that document that I feel are important to the people of Saskatchewan today. And I want to reflect on those things before this House this evening, Mr. Deputy Speaker. More than anything else, as I look at the budget, I find attractive most of all the fact that it's a document that offers solid reason for hope. It offers hope for a balanced budget in 1996 and for me, Mr. Speaker, that is an extremely important factor because it allows me, as an elected member representing the good people of Moose Jaw Palliser, to be able to go -- come the next election if I have the privilege of running for office to represent the New Democratic Party again -- to go door to door talking to my constituents, looking every one of them in the eye knowing, Mr. Deputy Speaker, that in this term of office we kept our promise in one of the most difficult tasks to achieve in modern government today. Keeping the promise is what it's all about.

(2100)

In the last election, Mr. Deputy Speaker, I went door to door, and at door after door after door with constituents, I talked about our commitment to bring a balanced budget by the end of the first term in order to regain fiscal control over the expenditures of our province for our future and for our children. And so far, Mr. Deputy Speaker, although I quite freely admit it's early in the review of the budget, I would have to say that it has met the test of fairness with my constituents and the people of Moose Jaw.

I had a chance over the weekend to talk to a large number of people on a number of different occasions. I have to admit, however, Mr. Speaker, at the same time that I say that it's met a test of fairness . . . And my good friend the hon. member from Thunder Creek wants to enter into debate. He has already, Mr. Deputy Speaker. I think it's only fair that I bring to the attention of the House that in fact it's been noted in my constituency that he's already entered into debate.

It has been said, as a matter of fact, as I talked to constituents this weekend, that . . . I have a deep

suspicion as a result of what's been said that he has, with his remarks on Friday, contributed significantly to television sales in the province of Saskatchewan. Because over and over, Mr. Speaker, as I talked to constituents this weekend, they said, what in the world was that man talking about? Do the PCs know no shame? And I say to you, Mr. Speaker, that if 1 out of 10 who felt like throwing something through their television when the Leader of the Opposition was up, actually did that, TV sales in Saskatchewan hit an all-time high in Saskatchewan this weekend.

Some Hon. Members: Hear, hear!

Mr. Hagel: -- Well, Mr. Speaker . . . well, Mr. Speaker, well the member from Thunder Creek, and he's joined by the hon. member for Morse, and I'm sure that we'll find a rambunctious debate on this and other topics through the session.

But I would think that it's only fair, it's only fair, Mr. Speaker, in spite of the . . . well in light of the enthusiasm expressed by the Leader of the Opposition and his good friend and colleague, the hon. member from Morse, who were wondering just why the people of Saskatchewan are feeling this way, to share with them an observation that was written in the *Toronto Globe and Mail* on February 6 of this year by Stevie Cameron, in an article entitled "How the gravy train went off the rails".

An Hon. Member: -- What's the title?

Mr. Hagel: -- "How the gravy train went off the rails". And I know that my good friends and colleagues opposite will take great interest in this article. And if I can just share with the House, Mr. Speaker, just a bit of this article, because I think it will be of special interest to the members opposite.

The subtitle, by the way, Mr. Speaker -- and I think it's only fair to include this -- says, and I quote:

The '80s were the province's time for expansive deal-making. Indeed, it sometimes seemed as though everyone was striking it rich. But today, with the province \$15-billion in debt, it's time to pay the piper.

Time to pay the piper. And is there any doubt whatsoever just why people across the province of Saskatchewan were exercising great restraint with their televisions on Friday morning as they listened to the Leader of the Opposition.

Well, Mr. Speaker, if I could just share with the members of the House, and particularly for the interest of the members opposite, the first few paragraphs of this article. And it goes like this, and I quote:

John Gries slides back the front window of his coffee shop, letting in gusts of wind and snow as he serves up a big bag of buttered popcorn to a pedestrian. Once the cash register has jangled shut and the window is tightly closed, he's back

at his counter, brewing fresh coffee and heating up knackwurst for his regular lunch customers.

It's a modest coffee shop and a modest living for an eager entrepreneur who had hoped to hit the big time in the heyday of the Conservative government of Grant Devine. Instead he crashed and lost everything, including his home and savings, when he was out-smarted and out-hustled by new partners. Mr. Gries isn't blaming Mr. Devine, "just those guys around him" -- guys like former deputy premier, Eric Berntson, now a Tory senator, prosperous businessman and a director of the company Mr. Gries helped to start.

To John Gries, it sometimes seems as though he is one of the few Tories in Saskatchewan who didn't strike it rich during the eight years of Devine rule. And it's not hard to see why.

Consider. In 1982, there were four people (four people I underline, Mr. Speaker) in Regina working as public-relations consultants for lobbyists; eight years later, there were 178 jostling for a place on the gravy train. Millions of dollars were poured into pet projects in cabinet ministers' ridings. And hundreds of untendered contracts were up for grabs, everything from legal work to advertising to decorating government offices.

Ah, Mr. Speaker, it is no secret why we etched our way into the fiscal debt that we've got today. Now it didn't say that in the article, Mr. Speaker, but let me go on to quote:

Just a couple of doors away from Mr. Gries's coffee shop, hoardings protect pedestrians from the construction debris of the new Crown Life building where more Devine largesse is making wealthy local businessman Paul Hill even richer.

Mr. Hill wasn't the only one. A number of well-connected developers grew fat from long-term government leases on their buildings. "We have an expression around here about those," cracks one local businessman. "The developers had 14-year mortgages and 15-year leases." What this means is that they would use the security of these government leases to borrow money to finance their buildings, then enjoy ownership of the building even before the government lease ended.

And I'll just conclude, Mr. Speaker, with this paragraph:

The days of the Tory pork barrel are gone now, leaving this province of 950,000 souls flat broke. The Devine era began with a small budgetary surplus . . .

This is from *The Globe and Mail*, not from within the province. This is not *The Commonwealth*; this is *The*

Globe and Mail:

... began with a small budgetary surplus and an accumulated debt in Crown corporations of \$3.5 billion. When the Tories left, the debt was nearly \$15 billion.

What, what, what a conclusion, Mr. Speaker, to pass on to the children of Saskatchewan, to the next government. And there is no doubt in my mind that when the people of Saskatchewan listen to the remarks of the members opposite, they say, do those Tories know no shame?

Well, Mr. Speaker, as I look at this budget, and it's an attempt, honest attempt and I think what will be a successful attempt, Mr. Speaker, to get the train back on the track -- not the gravy train, not the gravy train -- to get the good train Saskatchewan back on the track, Mr. Speaker, I see a budget that I would certainly label -- and I think many others -- as tough, but more important than that, Mr. Speaker, realistic and fair.

What's interesting, Mr. Speaker, as I look at it, is the interest itself, \$847 million just in interest to service the debt in this year's budget; \$847 million eating up, literally eating up health care and education and social services and highways and parks and on and on from the people of Saskatchewan -- \$847 million in interest to service the debt, \$2.3 million a day, Mr. Speaker, in Saskatchewan, \$97,000 an hour. This is even more money than the Tory government paid some of their consultants, Mr. Speaker, if you can believe that. Ninety-seven thousand dollars an hour is the price we're paying today for Tory largesse and patronage over the last decade; \$97,000 in interest just to service the debt.

Well, Mr. Speaker, in this budget there has been leadership demonstrated and I'm proud to say, Mr. Speaker, it's been demonstrated by members in this House, on both sides of the House, Mr. Speaker. And for the information of the people of Saskatchewan, I'd just like to remind the public, to advise them of some of the leadership in restraint and sacrifice that's been accepted quite willingly by the members of this House.

For the third year in a row, the salaries of elected members have been frozen -- third year in a row. This year, freezes in all allowances, all allowances for elected members and the caucuses, as provided by the budget. I add as well, Mr. Speaker, that last year elected members took a reduction of 25 per cent in the communications allowances to communicate with our constituents. And I add as well, Mr. Speaker, that last year the Premier, ministers, and even you yourself, Mr. Speaker, took a 5 per cent reduction in your pay for those duties.

I know, Mr. Speaker, this is not something that you've ever said and that you can't, I think, in all fairness -- that you would feel it would not be proper for you to say. But I simply want to recognize, Mr. Speaker, that it's a decision that you also made voluntarily and

contributed as did the members of Executive Council and the Premier of the Government of Saskatchewan last year in taking a reduction in pay. And so I simply want to recognize that there has been some symbolic -- granted it's not large numbers -- but symbolic willingness to share the sacrifice and restraint by the elected members.

Now, Mr. Speaker, there are two things I'd like to particularly comment on that have not been referred to so far, that particularly please me about this budget. This morning I had one of the most exciting moments that I've had for quite some time. I had the -- no it's not at all what you're thinking, Mr. Speaker . . . but in fact, while I'm not sure, I don't know what you're thinking, Mr. Speaker, but I would say no, it's not likely.

Mr. Speaker, this morning I had a chance to attend a news conference in the city of Moose Jaw, that represented a significant milestone in health care, certainly for Moose Jaw, for southern Saskatchewan, and across the province of Saskatchewan. And the honourable member from Morse expresses great interest in this and so I'd like to tell him about it, Mr. Speaker, because I know that he has a different point of view from me as to just exactly how we got to this announcement that was made this morning.

Well there were two very significant things, Mr. Speaker. First of all, number one, this morning it was announced the formation of the first rural-urban district health board in the province of Saskatchewan. Number one.

Some Hon. Members: Hear, hear!

Mr. Hagel: -- I am proud to say, I am proud to say, Mr. Speaker, that the good people of Moose Jaw and a number of rural municipalities around the city of Moose Jaw have come together, rural and urban together, town and country together, cooperatively with compromise, with cooperation, with vision, and with caring, to form the first rural-urban district health board in the province of Saskatchewan.

And in this budget, Mr. Speaker, it was announced as well this morning, that there will be a new facility that will be built in the city of Moose Jaw to serve Moose Jaw and the rural area with a new, improved geriatric services centre, which will be known as Providence Place and run by the good Sisters of Providence in the tradition that they've exemplified through St. Anthony's Home in Providence Hospital for many decades in the city so far.

And, Mr. Speaker, the member from Morse, hon. member from Morse, wants to remind the House that this has been . . . this announcement's been made before. He's right. He's right. The announcement of Providence Place was made before. It was made before the 1986 election, by the former premier. And then . . . just in weeks before the 1986 election. And

the member from Morse is right. It's been announced not once before; it's been announced twice before. It was announced again before the 1991 election. And they refer today to George McLeod having contributed to it, and he did. He did, Mr. Speaker, when he was minister of Health; there was some good review and consultation and cooperation and sacrifice going on. And George McLeod came over to Moose Jaw, and he sat down with the member for Thunder Creek. They had a public meeting, and before the 1991 election, they announced it again. They announced it again.

Well, Mr. Speaker, there was a difference. There was a difference because today Providence Place, the result of cooperation and compromise from people in town and city together, was announced for the third time. But there was a difference, Mr. Speaker, because today the announcement was for real. Today for the first time the announcement came after the provincial budget.

Some Hon. Members: Hear, hear!

(2115)

Mr. Hagel: -- And so, Mr. Speaker, I simply want to compliment all the people of Moose Jaw and rural area who have been a part of the planning that's gone on for a decade in reaching this point today. And I know that the member for Thunder Creek joins me in feeling pride and satisfaction because I know that the member for Thunder Creek also shares the same kind of desire that I do for good health care for his constituents and mine.

And so I'm pleased as well to say, Mr. Speaker, that the official name given to the new health district is the Moose Jaw-Thunder Creek Health District. How appropriate that is. How appropriate that is that it brings together town and country, and I welcome very much the support and appreciation that both the member for Thunder Creek and the member for Morse who will have constituents who will be able to make use of this new facility.

And I know that the hon. member for Morse, who is trying to enter into debate now, will want to speak later on, and I will be disappointed, Mr. Speaker, if he doesn't in fact recognize it in this budget. There is a facility that will help to better serve the health care needs of his constituents as well as his good friend and colleague, the member for Thunder Creek.

Well, Mr. Speaker, there is also something in this budget that I want to recognize as being important and not yet referred to. Now, Mr. Speaker, before I refer to the content of the budget, I want to draw attention to a social concern that exists in Saskatchewan today that unfortunately has not had all that much attention in this House -- all too little attention in this House over the last number of years.

I'd like to make some comments, Mr. Speaker, about the circumstances and the realities that faced the aboriginal people of Saskatchewan. The reality is this, Mr. Speaker, that in Saskatchewan we have some 30,000 people who describe themselves as

Metis; nearly 100,000 people who describe themselves as status Indian or non-status Indian but Indian, and together some 13 per cent of our population who would describe themselves as being of aboriginal ancestry.

Mr. Speaker, as we look ahead in Saskatchewan . . . I know the member from Thunder Creek is well aware of these statistics because he served for a while as the minister responsible for aboriginal affairs, and he and I have had some good chats about the challenges that lie ahead for us in this area. And as we look ahead, Mr. Speaker, forecasts suggest that because of the fact that about half of the aboriginal population is now under the age of 20 years today, that by the turn of the decade, by 2001, about a quarter, one of every four people coming into the labour force will be of aboriginal ancestry, and one out of every three new young children -- new students coming to school -- will be of aboriginal ancestry.

But unfortunately, Mr. Speaker, we have in our province discrimination. And I say not so much discrimination based on person to person in a restrictive or a prohibitive way, but we have discrimination in Saskatchewan which I describe as systemic. Our system, our social system, Mr. Speaker, has engendered discrimination against our aboriginal people.

If I can just describe some of the harsh realities for aboriginal people in Saskatchewan today. Review by the Government of Saskatchewan realizes that the conditions in wellness of aboriginal people can be described as nothing other than deplorable. Welfare dependency is steady at 75 to 80 per cent. Unemployment of 70 to 75 per cent. All across major social and health indicators, the situation for Indian and Metis people has worsened over the last 15 years.

Mr. Speaker, sad to say, aboriginals in Saskatchewan are three times as likely to die a violent death as a non-aboriginal person, five times more likely to be murdered, six times more likely to die by fire, two-and-a-half times more likely to commit suicide and five times more likely to die from alcoholism or cirrhosis of the liver. What a price to pay.

There would be some who would say, I suppose in a hard-hearted kind of way: well that's too bad; that's their problem. But you know, Mr. Speaker, even if you don't care about the human suffering that's been experienced by far too many of our aboriginal people in Saskatchewan today, there is a massive expense. And even if, even if you were so hard-hearted as to say that you don't care about the human side of the price, let me just report to the House, Mr. Speaker, the financial price of this systemic discrimination.

Of our Social Services budget, Mr. Speaker, 33 cents of the dollar, one out of every three dollars, is spent to meet the needs of an aboriginal person -- 13 per cent of the population, but a third of our Social Services expenditures; Justice, 47 cents on the dollar, nearly a half -- 13 per cent of the population, but 47 per cent of our Justice expenditures related to aboriginal people; in Health, a little over \$1.05, 22 per cent, Mr.

Speaker -- 13 per cent of our population, but 22 per cent of our Health budget; in Education, exactly a fifth, 20 per cent -- 13 per cent of our population, but 20 per cent of our budget.

And, Mr. Speaker, what I've described when I combine Social Services, Justice, Health and Education, I've lumped together two-thirds of our budget. Thirteen per cent of our population is aboriginal but 30 per cent of that two-thirds of the budget is being spent to meet the needs of aboriginal people.

What this says to me, Mr. Speaker, that we can only conclude that what we have done, those of us who are not aboriginal, in the past was not done particularly well. And about that I think there is very little debate.

And we must also conclude, I think, Mr. Speaker, that new approaches are necessary -- new approaches which involve the ideas and the efforts put forth by aboriginal people to improve their own circumstances here in our beautiful province of Saskatchewan.

And I say, Mr. Speaker, that this must be a new direction taken by the Saskatchewan government with the support of Saskatchewan people. And in my remarks this evening, I ask for that support from Saskatchewan people.

What I want to conclude my remarks on this topic with, Mr. Speaker, is by recognizing that in this budget, for the first time in the history of Saskatchewan, in this budget there is money which will be spent in this budget to honour long-standing agreements for treaty land entitlement for the first time in the history of Saskatchewan. And for that, I say to the Minister of Finance and the minister responsible and the cabinet, and the Government of Saskatchewan, I ask for the support of the members opposite to say that is an important reason for passing this budget.

I want to as well, Mr. Speaker, to recognize that in a small way we're trying to recover some ground, some lost ground. Forty-seven per cent of the Justice budget is being spent related to aboriginal people. I'm very, very pleased to recognize, Mr. Speaker, that that very important service to help aboriginal people stay out of the justice system unnecessarily has been reimplemented with the reintroduction later this year of the native court worker program. And to the minister responsible and the Minister of Finance, again I say, thank you.

Well, Mr. Speaker, I said before when I began, that I support this budget because I see it as a document of hope. It has hope, I think, for aboriginal people. It has hope and optimism for people in Moose Jaw and area, health care services. It has hope for us all because what is implicit in this plan is a balanced budget by the year 1996 at which time the Government of Saskatchewan will once again begin to take control of our fiscal management.

Now, Mr. Speaker, I was doing some reading the other day and I came across a phrase that kind of struck home to me. Because I thought the members opposite have been saying, well you know, that forecast is dependent upon some assumptions and you can't always count on your assumptions being right. And you know, Mr. Speaker, they are right. You can't always count on your assumptions being right.

But for the first time in a long time, in a decade, Mr. Speaker, the forecasts and the budget have been made on the basis of not wildly optimistic projections, but realistic projections, Mr. Speaker. And I'm kind of confident that this objective of a balanced budget by 1996 will be reached.

The budget forecast doesn't count on luck, Mr. Speaker. But you know, I think Stephen Leacock was right when he wrote: I am a great believer in luck and I find the harder I work, the more I have of it. Well, Mr. Speaker, I think that in a nutshell summarizes the kind of luck that this New Democratic government is prepared to receive because this is a government prepared to work hard, together with the people, to achieve our objectives.

At the end of the day, Mr. Speaker, this budget more than anything else is for our children. It's for tomorrow. There are a number of decisions within the budget that have been referred to by my colleagues before and will be after, which can be described as nothing other than gut-wrenching, particularly gut-wrenching for social democrats. I picked up the *Star-Phoenix* for March 20, Mr. Speaker, and it had an article entitled "Bond rating analysts call Sask. budget very positive step." It is. But you know what, Mr. Speaker, as a social democrat, I detest, I detest that this has to matter to me.

There was a day in this province in which political decisions and services provided to people were done for reasons of caring and compassion by the government, in concern for the people of the province. Far too many decisions today and in this budget are being made to meet the needs of the bond raters because we have been driven so deeply in debt that we can no longer ignore the priorities of the bond dealers. Now I know, I know the reality. We campaigned seeking the responsibility to govern and the reality is that we've inherited a mess.

As my good friend and colleague from Humboldt said earlier, consistent with the traditions of history in Saskatchewan in 1944 and 1971 and again now in 1991, a New Democratic government was elected by the people of Saskatchewan to clean up the mess left behind by the right-wing governments. And so here we are. And so I recognize and I appreciate that the bond rating analysts call the Saskatchewan budget a very positive step but I say to this House, Mr. Speaker: I detest, I detest that I have to care about that.

And so let me conclude, Mr. Speaker, by saying this. Do I believe in a comprehensive dental plan for Saskatchewan people? Yes I do. Do I believe in improved health coverage in optometrics and

chiropractic and geriatric without restrictions of financial payments, Mr. Speaker? Yes I do. Do I believe in a comprehensive prescription drug plan so the people of Saskatchewan can have access without restrictions of finances to the medicines for the need for their health? Yes I do. Do I believe in lower taxes for the people of Saskatchewan and particularly the middle class and the lower income groups of Saskatchewan, Mr. Speaker? Yes I do. And do I believe, Mr. Speaker, in increased funding for education and for municipalities to do their jobs to serve the people of Saskatchewan? Yes I do. And, Mr. Speaker, if there was no \$847 million debt in interest included in this budget, then there would be a surplus of \$550 million and those things could all be done now.

Mr. Speaker, I believe that people want this great province rebuilt for our children, to secure our future. And so I say for the children of Saskatchewan and their future, for the people of Moose Jaw, for aboriginal people of Saskatchewan, for people in town and country, for people working and those who want to work and those who have chosen to retire, and their grandchildren, on Thursday, Mr. Speaker, I will stand and vote yes to this budget. Thank you very much.

Some Hon. Members: Hear, hear!

(2130)

Mr. Toth: -- Thank you, Mr. Speaker. Mr. Speaker, I just want to take a few moments tonight to point out a few things regarding the budget and the budget debate that we are now entered into. And I listened with interest to the member from Moose Jaw Palliser who just told the Assembly that he didn't quite agree with the fact that this province or this government or this legislature should be dictated to by the bond raters of the world of North America.

The facts are, Mr. Speaker, that this province, as many other provinces and other governments, operates on borrowed money. Many people . . . in fact I don't know of very few people who don't operate on borrowed money. And when you're operating on borrowed money, you must make sure your credit rating is in order, in order for the lenders to continue to lend money.

And when I look at where the bond raters have us today and the fact that we must heed the warnings of the bond raters, I'm reminded of the fact that back in the 1970s, Mr. Speaker, and even prior to, there were millions of dollars that were borrowed outside of this country. And the taxpayers of Saskatchewan have, for years -- not just through the '80s -- but for years, been paying money, interest, sending it outside of this province and outside of this country to people, most of them in the East, most of them in the New York market.

And so it's imperative that certainly the Government of Saskatchewan take the time to try and get its house in order. But as I go through some of the remarks I want to make tonight, Mr. Speaker, I'm going to try

and take a moment to point out some of the areas where the government, many of the members opposite, government members, talked about choices and the difficult choices that were made and that must be made.

And I remember hearing the same phraseology back in the spring of 1991 when the former minister of Finance, the member from Weyburn, Mr. Hepworth, introduced his budget and talked about the difficult choices that must be made. The choices that were laid out for the public, laid out for the public to see going into the election of 1991.

And yet the public, Mr. Speaker, were fooled. They were fooled by a government and by a Premier, then opposition leader, who chose not to be honest, not to be very open with the public, but chose instead to tell the public there'd be no new taxes. In fact, if I could take a term from one of the world leaders, I think it was played up an awful lot. It says, read my lips.

And I'm sure as an election was taking place and as the election trail, the Premier was going . . . or the Leader of the NDP Party was going across Saskatchewan and the Saskatchewan taxpayers were asking him about taxes and asking him how he was going to address the deficit situation. And he kept referring to the fact that it was a deficit created by the Conservative government of the 1980s, forgetting about the debt that was there prior to 1982. And he kept telling people no more taxes. Read my lips. In fact I look at the *Leader-Post*, September 1991, no new taxes. That's what the present Premier said when he was in opposition.

And it begs us to wonder exactly where today's Premier was coming from when he was the Leader of the Opposition, if indeed he wasn't looking at the premier's chair and overlooking the realities of what we were facing and leading people to believe that the budget that was presented by the minister of Finance in 1991 was indeed a budget that was on the right track.

I look with interest at four points laid out by the Minister of Finance in this present budget. The Minister of Finance talked about a plan to create jobs and strengthen our economy. And as I relate some of my remarks tonight, Mr. Speaker, I just want to point out the fact that I'm not sure if there was a real plan in place to create jobs or if the choices that were made were the wrong . . . indeed the wrong choices, that instead of creating jobs they're going to chase away jobs.

The minister promised a plan that balances the budget within four years. One begs to wonder what happened to that plan to balance the budget within a matter of the first term of this government. At least that's what the members said when they were in opposition: within one term, they would balance the budget. And they would balance . . . or eliminate the debt, I believe it was in 10 or 15 years. Well it seems to me that's disappeared, and we just have to look at the budget that's presented today from last year. And we

already see an increase of \$1.5 billion in the overall deficit.

The minister talked about a plan that rationalizes and improves the delivery of services.

And as I relate tonight, Mr. Speaker, I'm going to show the fact that that plan of rationalizing and improving the delivery of services is not going to be a plan that's going to be carried out by the members of the front bench, but indeed they've offloaded as they complain about the federal government. They're putting all of those services and the decision making, putting it on the backs of the taxpayers, the ratepayers, the property owners of Saskatchewan through municipal governments, through our urban and rural governments, Mr. Speaker, through school boards and health boards.

And then the minister talked about a plan that is committed to compassion. Saturday, March 20, Saskatoon *Star-Phoenix* -- I just want to start out here, Mr. Speaker. I wonder where the compassion really was, the compassion that was talked about by the Minister of Finance.

And this, Mr. Speaker, headline is: "Nine farm service centres shut doors." What took place in this situation, Mr. Speaker, and what's on the headline of . . . what's part of the story under this headline, an individual from the farm service centre, rural service centre at Wakaw, a Wakaw employee said:

"We can't believe they handled the closure the way they did . . .

"They walked in 15 minutes before the budget and posted signs on the door saying it was a closure. I'd like to get my hands on the guy who planned this."

For the Wakaw employee it means the end of 14 years working at the same office -- 14 years working at the same office -- which begs me to wonder, I ask myself, who was the government 14 years ago when this person first started working, working in Wakaw, raising a family, being a part of the community? It says she now must use her seniority to bump into another position.

Mr. Speaker, when I saw that, I thought where indeed is this compassion that the minister talked about, a plan committed to compassion. And that's just not the only story. If we went around the province of Saskatchewan we would find many individuals who have just received notice without any . . . or were just warned without any previous notice that their jobs were terminated. And then you talk about when people are looking at using their seniority to bump, is that compassion? So we've got men and women across this province, young people, working at jobs, doing their best to fulfil their responsibilities, now looking over their shoulders to see who is going to be bumping them from their positions. Is that compassion?

When I look at the seniors, and I'll get into this a little later, the seniors and the boards of education and the drug plan and people on . . . As I've had some calls into my office already regarding the drug plan, an individual who's facing \$600 a month charges for his oxygen so he can continue to live at least a somewhat normal life. Or the seniors out there, in many cases, Mr. Speaker, senior women who have substantial drug bills and all they've got is a basic pension, and today that basic pension doesn't even come close to meeting their drug needs and will wonder where the compassion is.

But the children of low income families who are now faced to pay for their dental fees, a dental plan that created jobs in rural Saskatchewan, and the government today talks about the fact that they might revisit the old dental plan, the school-based dental program which was a major cost to the province of Saskatchewan, to the taxpayers of this province. And yet when the plan was changed and young people were offered the service at the hands of professionals, and businesses were built and created across this province, they would begin to wonder how many communities are not going to have a dentist any more. If I get a chance, I'll get to that a little later.

But first of all I want to take a quick look at the debt and where it was. Back in the leadership debate in October 1991, the present Premier of this province, then NDP leader, debating on provincial television acknowledged the fact that there was an overall debt of just over 14 billion -- 14.3 billion. In the minister's financial statement of 1992, the gross debt of the province was 13.2 -- the same as the debt shown by the previous minister of Finance prior to the October election -- 13.2, and the additional 1.1 billion comes from capital projects and funds in that area, Mr. Speaker.

So I just want to point that out so people realize that prior to the election the Premier, who said no more taxes, we'll live within \$4.5 billion and we'll provide more for schools, we'll provide more for hospitals, we're going to provide more for rural and urban Saskatchewan, we're going to do so much more -- all of a sudden can't hide behind the fact that the debt was beyond his wildest imaginations. And then he talks about how the debt has mushroomed again.

And yet we look at last year's financial report and we see that the Minister of Finance chose to move \$875 million of its debt from CIC (Crown Investments Corporation of Saskatchewan), transferred it to the Consolidated Fund. Well that's a nice way of ballooning a deficit. In fact, Mr. Speaker, if the Minister of Finance in the spring of 1992 would not have transferred that long-term, amortized debt into the Consolidated Fund, last year the Minister of Finance would have brought in a budget right within the realms predicted by the former minister prior to the election of 1992, of 265 million. And in fact with what the government today have taken and grabbed, Mr. Speaker, that operational budget would be balanced. That operational deficit would be balanced, Mr. Speaker. And that's right in the 1992

financial statements. This is coming from a Premier who said no more taxes. Well what about taxes, when we say no more taxes? We don't have to look all that hard, and every taxpayer across this province realizes that.

I believe it was the member from Humboldt, the member from Moose Jaw Palliser, who talked about the fact that the line has been held on public sector salaries, and indeed on MLAs' salaries, in fact a reduction in a number of cases, Mr. Speaker. And we see people right across the sector who have taken reductions. Well the reductions are fine, but what hurts people, Mr. Speaker, is the fact that power rates have increased. Telephone rates have increased. Natural gas prices have increased. We now have a sales tax that's gone from 7 per cent this year to 9 per cent, and it's expanded, Mr. Speaker. And the bottom line, Mr. Speaker, is the fact that the take-home or the net that a person has in their pocket has diminished substantially since the fall of 1991.

Mr. Speaker, no wonder people in Saskatchewan are beginning to ask themselves what kind of a decision did they make in October of 1991. How could they be taken in and be fooled and fall for the so-called promises of this government while they were . . . as this NDP Party when it was campaigning, rather than being realistic with the people of Saskatchewan? Indeed, as one person has said, last Thursday was black Thursday. And just to reiterate it: a 29 per cent increase in sales tax over two years, bringing the total sales tax burden to 16 per cent; an addition of 9 per cent new sales tax on clothing and shoes; gas tax jacked up 2 cents a litre -- we're one of the highest provinces in Canada now for provincial sales tax on gasoline; 20 per cent increase in resource tax threatening mining and oil jobs. Mr. Speaker, one wonders where this will end or if it will ever end. My guess, Mr. Speaker, is that this tax increase will not end, and I want to point a few of those areas out why I believe we haven't seen the end of the tax increases yet.

The tax increases announced by the Minister of Finance the other day will grab nearly \$200 million from taxpayers, double the amount cut from government spending. But the tax and utility increases already announced and the hidden property taxes resulting from the offloading onto municipal government will amount to millions more than that amount.

(2145)

And that's the big problem we see out there, Mr. Speaker. That's the big problem that people are going to have to deal with and to face, the fact that the tax increases announced by the Minister of Finance on Thursday last are not the end. In fact there are major tax increases that we are going to continue to see as the offloading into education and health and rural and urban municipalities, and means our local governments and school boards and hospital boards sit down to assess their budgets and to make the decisions they are going to be forced to make.

We are going to find out, Mr. Speaker, that indeed the tax grab hasn't decreased because what we'll find is all these levels of government have only one option and that is to go to the property taxpayer of Saskatchewan. The farmers and the small-business men and the working people of this province are still going to have to cough up that much more.

And the member from Humboldt said we should have thought of that a number of years ago.

Mr. Speaker, you look at the deficit created through the 1980s. You look back to 1982 and you ask yourself how many home-owners in 1982 were on the verge of losing their houses. Was it wrong for the government of the day, Mr. Speaker, to subsidize interest rates when they hit 22 per cent? It doesn't take too long, Mr. Speaker, to show that, yes there was a deficit. The deficit was added to in the 1980s, but indeed that deficit was added to because there was a government that cared, because there was a government that was willing to back young men and women who were just nicely starting families and to subsidize their interest rate so that they could continue to make their payments and maintain their own home. There was a government that was continued and committed to trying to meet the needs of people, in not only rural Saskatchewan, but even large, urban Saskatchewan.

Mr. Speaker, I think of the fact that a number of members have talked about all the money that was supposedly left in the treasury in 1982 by the then Finance minister. I believe Mr. Tchorzewski at that time was the Finance minister. The present member for Regina east was the Finance minister and the government of the day, the NDP, would like to remind us of the fact that there was \$139 million surplus in the Consolidated Fund. But they forget about the debt in the public pension fund liabilities, they forget about the debt in the Crowns. This is all part of the overall deficit.

And they like to lead us to believe that there was so much money and that the former government, the Conservative government of Grant Devine, just wasted it. And yet when I think about that, I look back at some comments made by the then leader of the NDP Party in 1982 -- says even Allan Blakeney acknowledged that there was no money left in the kitty when the Tories took power in 1982. Quoting from the Moose Jaw *Times-Herald*: the public believed the government was well to do, had lots of money. There was, in fact, no lots of money.

And I'd like to believe that indeed maybe the member from Moose Jaw North . . . or Palliser is right, that you can't believe the Moose Jaw *Times-Herald*, but I would have to put a little bit of faith in the editors of the Moose Jaw *Times-Herald*.

The money supposedly in the Heritage Fund was illusionary, and in fact had been spent mostly by the now Premier, Romanow himself, in purchasing already existing assets like potash mines.

Again, Alan Blakeney confessed. This is from the Moose Jaw *Times-Herald*. He says on an open line, CFQC open line, November 7, 1985: The Heritage Fund was to take money and invest it, like Saskoil and potash and uranium mines. It was not the belief that the money would be there in cash to build hospitals or nursing homes. And yet, up to the election of 1982, the spring of 1982, we were led to believe that there was a Heritage Fund of some \$1 billion.

And yet, as we found out, Mr. Speaker, the government of the day found out on being elected in 1982, there wasn't that \$1 billion. In fact, that Heritage Fund was depleted.

And I go on to quote from the Moose Jaw *Times-Herald*: Blakeney was pressed on the wisdom of putting all the province's windfall revenues during the 1970s into resources and farm land. What would happen, reporters asked him, if all the commodity prices fell at the same time?

Blakeney responded that it would never happen. But what if it does, the reporters persisted. It would be a disaster, Blakeney finally consisted . . . or conceded. It would be a disaster. And in the 1980s, lo and behold, it did happen. It was a disaster.

The province was left holding nearly useless assets and no bank account for the tough times to come. Arthur Andersen conducted an independent study that shows the purchase of the potash mines alone cost the province over \$1 billion that can never be recovered. That represents almost 20 per cent of the accumulated operating deficit in just one NDP transaction -- **Budget Address**, May 1992 by the minister of Finance.

Mr. Speaker, there's a long litany that we could go into and I think that over the period of even this Assembly that it will be the responsibility of this opposition to bring forward, to let people know exactly where some of the debt was and the fact that there was debt in 1982. And it would be fitting to the people of Saskatchewan that the government of the day, instead of always blaming somebody else -- the third parties for their spending or blaming the federal government for not providing enough revenue -- would acknowledge the fact that there was a deficit in 1982.

And yes, through the 1980's that deficit increased, but a lot of that deficit increased because of money put into land at high values and you know where land is today, Mr. Speaker, land bank I'm talking of and the loss of land bank, potash mines. As I said, Mr. Speaker, there is a long litany I could get into about the debate regarding financing, and my colleagues and I will certainly get into more of that as we continue the debate on the budget process and the budget presented by the Minister of Finance.

But I want to go through a couple of comments from individuals who are writing about the budget process and the budget brought down by the province of Saskatchewan and some of the decisions that were

made. And no one acknowledges or discredits the fact that some tough decisions had to be made and will continue to be made. I look at an article from the Regina *Leader-Post*, Friday, March 19, 1993, "Different battle plans" is the headline, Mr. Speaker. And in this it talks about the Saskatchewan and Newfoundland budgets. It talks about the two different governments and what they tried to do in presenting their budgets:

Both (it says) managed to whittle down their deficits -- Saskatchewan to . . . 296 million, Newfoundland to . . . 51 million.

But then, it goes on:

But while Saskatchewan hiked provincial sales tax, fuel tax, and corporate capital tax, Newfoundland didn't announce any new taxes.

In fact, they heeded the words of the present Premier. They didn't increase taxes, not unlike what this government has done for the first two budgets that it's presented to this Assembly in its term as government of this province.

While Saskatchewan cut 363 civil service jobs, Newfoundland's budget contained no large-scale layoffs, but called for wage and benefit cuts for public workers, politicians and non-unionized employees.

It would seem to me that that is a lot fairer.

And I believe, Mr. Speaker, that is one of the areas the Government of Manitoba is working on too, in asking its employees and asking people to work together and to share and to give a little bit, not always demanding more. And it's going to fall on politicians to follow and give some leadership in that area, Mr. Speaker.

So while Saskatchewan's cutting jobs without any care or a shred of compassion, Newfoundland asked their employees to do some job sharing and to take some cuts. Therefore, Mr. Speaker, that was the option they offer.

Another difference: a year after Saskatchewan laid off members of its Social Services Department (get this, Mr. Speaker) "fraud squad," (as the members opposite talked about) Newfoundland was announcing it would hire extra investigators to catch welfare cheaters and thus save tax dollars.

And, Mr. Speaker, there isn't a person in this province -- you can talk to anyone on the streets -- who doesn't want and doesn't believe that welfare should be there and should be available to those in need. And we should reach out to help those who are less fortunate and those who, due to circumstances beyond their control, need some help. But there are many people across this province also believe that people should be accountable for the public funds that are put into their hands, Mr. Speaker. So while the

NDP government has eliminated what they call the fraud squad, we have Newfoundland taking the other approach and making sure that their money is invested and handled wisely.

And again, Mr. Speaker, it says Saskatchewan slashed spending on its prescription drug plan and children's dental plan while Newfoundland laid out a more gentle plan to save money through shorter hospital stays and increased use of out-patient surgery. Mr. Speaker, this is just a bit of a scenario in showing what the government . . . some of the decisions the government could have worked themselves into.

And, Mr. Speaker, I realize my time is quickly depleting, but I want to take time at another date, Mr. Speaker, to getting into a larger debate and an overall debate on the budget address. So at this time I move to adjourn debate.

Some Hon. Members: Hear, hear!

Debate adjourned.

Mr. Neudorf: -- Thank you very much, Mr. Speaker. By leave of the Assembly I would wish to make a motion concerning the composition of *Public Accounts*.

Leave granted.

MOTIONS

Substitution on Public Accounts Committee

Mr. Neudorf: -- Thank you very much, Mr. Speaker. I move that:

The names of Mr. Martens and Mr. Boyd be substituted for those of Mr. Swenson and Mr. Muirhead on the Standing Committee on *Public Accounts*.

I so move, seconded by the member from Thunder Creek.

Motion agreed to.

The Assembly adjourned at 9:57 p.m.