

The Assembly met at 2 p.m.

Prayers

ROUTINE PROCEEDINGS

NOTICES OF MOTIONS AND QUESTIONS

Mr. Britton: -- Thank you, Mr. Speaker. Mr. Speaker, I give notice that I shall on Thursday next ask the government the following question:

Regarding the Department of Executive Council, please provide the following information on the position of communications event coordinator. I want a full: (1) job description and list of duties and responsibilities of the position; (2) in which branch of Executive Council this position has been created; details regarding public competition for this position if any; (3) qualification of the individual appointed, Ms. Anne N. Davis; and (4) justification for a salary range of between \$51,900 and \$67,400 per year.

I so submit.

INTRODUCTION OF GUESTS

Mr. D'Autremont: -- Thank you, Mr. Speaker. I'd like to take this opportunity to introduce to you and through you to the House a . . . he used to be a constituent of mine, from my constituency, who now resides in the Moosomin constituency and after redistribution will be again back into my constituency, Mr. Archie McKenzie up in your gallery, sir. I'd like the House to welcome him here today.

Hon. Members: Hear, hear!

Mr. Knezacek: -- Thank you, Mr. Speaker. I'd like to introduce to you and through you to the members of the Assembly, a family from Esterhazy, Lloyd and Delphine Tochor, and their daughter Dennille. If you'd please rise -- they're in the Speaker's gallery.

They're in Regina for a few days to enjoy the spring break that Lloyd is having from the teaching profession. I would like to welcome them to Regina, and also extend a hearty welcome from the Assembly; wish them well in their sojourn here in Regina, and wish them a safe trip back home, I believe tomorrow. So please welcome Lloyd and Delphine.

Hon. Members: Hear, hear!

Mr. Devine: -- Thank you, Mr. Speaker. I just want to take the opportunity to introduce to the House and to yourself the former MLA (Member of the Legislative Assembly) from Kelvington-Wadena, Mr. Sherwin Petersen, who joins us in the gallery on the west side of the House. Please welcome Sherwin.

Hon. Members: Hear, hear!

Hon. Mr. Lingenfelter: -- Mr. Speaker, I'd like to introduce to you and to members of the Assembly, 12 patients from the cancer lodge here in Regina. I want to recognize them, because as members will know, we have an excellent cancer treatment facility here in the province of Saskatchewan in Regina. And I know all members will want to wish you well with your treatment. We understand the ordeal that this is for you and your family, and we want to extend best wishes to you and hope you enjoy your stay here, and look forward to seeing you after question period.

Hon. Members: Hear, hear!

Mrs. Bergman: -- Mr. Speaker, I'd like to introduce through you and to members of the Assembly a young man in the gallery, Mr. Jim Tsakas, who was an enthusiastic supporter and worker for me in my recent by-election win in Regina North West.

Hon. Members: Hear, hear!

The Speaker: -- I would also like to join members in welcoming a guest here today. I think most members will recognize her. She's seated in the Speaker's gallery. She was a page in the Assembly last year. Larissa Fuhr. Could everybody welcome her?

Hon. Members: Hear, hear!

ORAL QUESTIONS

Cigarette Taxes

Mr. Martens: -- Mr. Speaker, my question is to the Minister of Finance. Madam Minister, the official opposition has consistently and strenuously opposed the ill-advised and harmful federal policies with respect to national cigarette taxation policy. We maintain that our federal government has overacted on the concerns of eastern Canada and particularly Quebec at the expense of western Canadians. In this, Mr. Speaker, history is repeating itself.

I want our federal government to be assured that the official opposition wholeheartedly supports the anti-smuggling measures announced yesterday by the four ministers . . . western provinces. It is encouraging to note that the two Conservative and two NDP (New Democratic Party) governments are able to generate a coordinated and unified approach to this most important issue.

Madam Minister, I would ask you to report to this Assembly the actions which our government intends to take to assure that the interests of Saskatchewan people remain a priority.

Some Hon. Members: Hear, hear!

Hon. Ms. MacKinnon: -- Mr. Speaker, I thank the member opposite for the question and for the support. We agree with the member opposite that the Liberals have been very ill-advised. This is not the correct way

to deal with smuggling. All the Liberals are really doing here is encouraging young people to smoke. We know that.

The other thing the Liberals are doing though is almost implicitly encouraging smuggling because if you can make smuggling successful enough perhaps you can force the Liberal government to lower taxes.

So to give you a brief response, the western governments -- along with the northern governments -- are going to stand behind the Government of Manitoba, which is now under the spotlight. We're going to work with them to coordinate enforcement across western and northern Canada because we don't agree with the Liberal's ill-advised policy.

Some Hon. Members: Hear, hear!

Mr. Martens: -- Mr. Speaker, Madam Minister, I believe we all agree that removing the taxes on cigarettes to appease concerns in Quebec is a backwards step financially, politically, for the health of the people of Canada, and certainly in terms of this country's national health standards. At the same time they are reducing taxes on cigarettes there has been much speculation that the federal government may start taxing health and dental premiums, Madam Minister, where the federal government could contemplate taking off taxes on products that create health problems and tax those that could prevent a health care system being stretched to the limit.

Madam Minister, have you pointed out this obvious contradiction to the federal counterparts? And what submissions have you made to the federal government in opposition to the taxation of health care coverage?

Some Hon. Members: Hear, hear!

Hon. Ms. MacKinnon: -- Mr. Speaker, again I thank the member opposite for that question. And again I agree with the member opposite. That is a very good point. It would be absolutely hypocritical for the Liberals to choose to lower one tax. And of all the taxes in Canada that you could lower that might bring benefit to people, the one tax you lower is the tax on cigarettes, which we know leads to tragic health care problems and actually costs later on in the system.

We have also pointed out to the federal government that it would be especially hypocritical at this time to increase any taxes on health care benefits. We have made that point. I have no idea as to whether or not the Liberal government has heard that particular point.

Some Hon. Members: Hear, hear!

Funding for Municipalities

Mr. Swenson: -- Thank you, Mr. Speaker. Mr. Speaker, my question is also to the Minister of Finance. Madam Minister, today your federal counterpart will deliver his first budget. On many

occasions in the past you have said that the federal government should not continue to offload its funding responsibilities onto the provinces. And I believe that is a fair criticism, Madam Minister, although I think it is somewhat hypocritical considering the way you have offloaded time and time again onto municipalities and school boards.

Madam Minister, in your consultations with municipalities, have you determined what effect this year's massive cuts will have? How much can Saskatchewan residents expect their property taxes to increase? What services will be cut, and how many jobs will be lost?

Some Hon. Members: Hear, hear!

Hon. Ms. MacKinnon: -- Mr. Speaker, in response to that question, I'd like to make a few points initially. Our first choice was not to make cuts in the area of education or health care. The problem is, about 80 or 90 per cent of our budget is taken up by education, health care, social programs, and agriculture. We are not like the federal government; we don't have a helicopter program that we can easily get rid of. So that was a very difficult decision for us to make.

Now with respect to third parties, I would also make the point that we have established a municipal round table with urban and rural municipal leaders in which we are trying to work through the proper relationship between the two levels of government and the proper funding.

I believe sincerely that our counterparts at the local level will join with us and they will tighten their belts, and I do not believe that we will necessarily see these increases passed on to the electorate.

Some Hon. Members: Hear, hear!

Mr. Swenson: -- Thank you, Mr. Speaker. Madam Minister, when you delivered your budget last year, we called it the iceberg budget because so much of it was hidden beneath the surface. Some of that is coming to the fore today.

Madam Minister, last year you announced that this year's cut to urban revenue sharing would be 8 per cent. But in this year's budget, you cut revenue sharing from 50.6 million to 45.4 million. That's a reduction of 10.3 per cent.

Madam Minister, why has the revenue-sharing pool been cut by an additional 2.3 per cent on top of the 8 per cent announced in last year's budget? Why have you not been more forthcoming about the actual size of the cut to urban revenue sharing; and what additional effect will this have on municipalities in terms of job cuts and property tax increases?

Some Hon. Members: Hear, hear!

Hon. Ms. Carson: -- Mr. Speaker, in reply to that question from the hon. minister, I would like to say that we have only reduced our revenue-sharing pools

by 8 per cent. What has happened though as we have looked at our transfer of funding on SAMA (Saskatchewan Assessment Management Agency), that we've reduced the pool in revenue sharing, both the urban side and the rural side, by \$2 million in order to make a direct contribution onto the operations of SAMA from the revenue-sharing pool.

So the revenue sharing really essentially stays the same, except instead of having it transferred from the provincial government to the municipal governments and then have SAMA requisition them, we have made a direct contribution to SAMA through the revenue-sharing pool on their behalf.

Some Hon. Members: Hear, hear!

Mr. Swenson: -- Mr. Speaker, to the minister who just answered. Madam Minister, your cuts to SAMA, your proposed cuts to SAMA, I believe amount to another massive download on municipalities. Municipalities will see their SAMA requisition increase by about 250 per cent this year with further increases planned for '95 and '96. And that is in spite of your pledge of no further downloading.

Now, Madam Minister, the RM (rural municipality) of Pense in my constituency has seen their SAMA bill jump from \$4,400 last year to \$11,600 this year. The RM of Reciprocity has seen their's jump from \$3,000 to \$8,000.

Now, Madam Minister, do you think it is reasonable to expect municipalities to absorb 250 per cent hikes in one very important area of their budget? Now can you tell me what effect this massive hike will have in terms of jobs and property tax increases this year?

Some Hon. Members: Hear, hear!

Hon. Ms. Carson: -- Mr. Speaker, a number of responses to that question. One, first of all, urban and rural governments have a fairly healthy reserve in all of their accounts. We will be bringing forth those figures later, but there is a very healthy situation within the budgets of the urban and rural municipal governments.

Second of all, we have talked to them extensively for the past two years and they acknowledge and agree with us that assessment is essentially a service that is provided for municipalities in order for them to establish their revenue base.

So assessment is a legitimate expenditure that should be accounted for through municipal budgets, and what we're doing is making that move gradually. We've done it through consultation with them and we'll continue to work and monitor the situation as we go.

It is simply a matter of us trying to adjust to the debt that we have been left with and we have been trying to do it in a compassionate and reasonable way, not like Alberta which has simply unilaterally decided to remove all funding without any consultation or

discussion.

Some Hon. Members: Hear, hear!

Mr. Swenson: -- Thank you, Mr. Speaker. To the same minister. Madam Minister, the question here is fairness -- fairness in Saskatchewan. On account of your downloading, property taxpayers are being asked to pay more and more taxes at a time when property values are actually declining in many areas of our province.

Most people, Madam Minister, consider the property tax to be a regressive tax, because it really isn't based on the person's ability to pay. There are many farmers in this province, Madam Minister, for example, who own a lot of land but may have little or no income over the past few years. Yet they are expected to pay more and more property taxes because of the downloading that you're instituting on municipalities and school boards.

Now, Madam Minister, at a time when people are looking for fair taxation, why do you continue to load up the property tax base with increase after increase through this provincial downloading? Why do you do that, Madam Minister?

Some Hon. Members: Hear, hear!

Hon. Ms. Carson: -- Mr. Speaker, what we have been trying to do through a period of two years of consultation is to decide which services can and should be funded by the municipal property tax.

We have, through the changes that we made in the union hospital requisition, removed from the property tax load, \$4.6 million. In other words, by simply changing the mill from the union hospital requisition to a revenue tax of 2 mills, we have provided a benefit of \$4.6 million to municipalities.

What we are doing also is, by changing our relationship with SAMA and providing them with more authority and more accountability and more responsibility for a service that is essentially needed for them in order to raise their revenue base, we are now saying that we're going to transfer to them approximately \$3.5 million. So we have removed \$4.6 million from the property tax base by virtue of the changes we have made to The Union Hospital Act, but we are also making a change of providing them the authority to raise their own revenue by the requisition of \$3.5 million through SAMA.

Liquor and Gaming Authority Early Retirement Package

Mrs. Bergman: -- Thank you, Mr. Speaker. My question is to the minister in charge of the Saskatchewan Liquor Board.

Mr. Minister, could you please advise this House what retirement packages were recently offered to employees of the Saskatchewan Liquor Board, specifically regarding the formula for years of service

and age which would qualify employees for this retirement package, and whether this package differed according to whether an employee was in the scope of the union, or out of scope?

Hon. Mr. Lautermilch: -- Thank you, Mr. Speaker. I can indicate to the member opposite the retirement package that would be offered by the Liquor and Gaming Authority would be in line with what would be set down by the Public Service Commission.

Mr. Speaker, these, as the member will find, are answers that are much more suited to estimates. And when we go through the estimate process, I would be more than willing to discuss with her the number of employees who would be impacted by this, the exact cost to the Liquor and Gaming Authority, and if she so wishes, the people who chose to accept early retirement.

Mrs. Bergman: -- Mr. Minister, I have been advised by someone from the Liquor Board that 35 individuals expressed an interest in the early retirement option, but that the Liquor Board had only 15 packages available. Can you confirm for me how many employees accepted this offer and how were the 15 finalists selected?

Hon. Mr. Lautermilch: -- Thank you, Mr. Speaker. I would want to indicate to the member that the only positions that would be qualifying for early retirement would be positions that we would not be refilling in the future. So in terms of those who would be offered early retirement, it would be quite clearly in positions where the jobs wouldn't be filled.

Now we have gone through an extensive reorganization in the Liquor and Gaming Authority. Some of the roles and some of the positions are changing with this reorganization. And I can indicate to the member opposite, I have no idea how many have chosen early retirement and how many have been offered. But I can indicate to her that the people of this province will be saving money in the long run through the early retirements because those jobs will not be refilled.

Some Hon. Members: Hear, hear!

Mrs. Bergman: -- Mr. Minister, of the 15 employees your agency selected for early retirement, did any of them not meet the minimum years of service plus age? And if there were exceptions to this rule, on what basis were those exceptions made?

Hon. Mr. Lautermilch: -- Mr. Speaker, as I've indicated to the member in my last answer, I have no idea the number of early retirees that came from the Liquor and Gaming Authority, nor do I know the details surrounding who in fact they might be. I can indicate to the member what the policy of the Liquor and Gaming Authority is, what the policy of this government is, as I have done.

In terms of more detailed answers, I can indicate to the member that she's more than welcome to ask me any

of these questions. And I would be more than forthcoming in answering them, as I was in the last session of the legislature.

Some Hon. Members: Hear, hear!

Mrs. Bergman: -- Mr. Minister, just take notice if you're unable to answer the questions. Over the weekend I received a call from a constituent who is employed by the Liquor Board. This gentleman is 61 years of age and has 33 years of government service. He has spent the last two years on long-term disability as a result of a heart attack. Yet he did not receive an offer in the recent round of early retirements. Could you please undertake to look into his situation, as it is causing serious concerns for him. I will send his name and personal information across to you.

Hon. Mr. Lautermilch: -- Mr. Speaker, I would be more than willing to look into this individual case that is raised by the member. Given the short period of time that she's spent in the legislature, Mr. Speaker, I would want to suggest to her that the process, if she's looking for information from any of my cabinet colleagues, we have offices -- each and every one of us -- in the legislature. We have staff that are hired to do research and we are certainly more than willing to get answers to these questions. And if this is the most pressing question that she has, I'm afraid we're in for a session of very dull questions in this legislature.

Organization of Rural Health Care

Mr. Boyd: -- Mr. Speaker, my question is for the Minister of Health.

Madam Minister, in rural Saskatchewan a number of hospitals have operated tremendously efficient. They have scraped and saved and ended up with operating surpluses. These facilities were told by your department officials that the funds could be used, within the health care facility for the care of patients. Instead, Madam Minister, we have learned that they are being used for the expenses of the health care board.

One administrator we spoke to, Miss Marlene Chapellaz of Loon Lake, says this is a frivolous use of money -- money for travel, unnecessary salaries, etc. Madam Minister, can you confirm that some of the funds that were earmarked for patient care are being used to fund the expenses of the appointed health care boards, and why is this being done, Madam Minister?

Some Hon. Members: Hear, hear!

Hon. Ms. Simard: -- Thank you very much, Mr. Speaker. With respect to surplus funding that was in union hospital institutions and districts, this money was to be turned over to the district board and was going to be used to administer health care services in the community and within the context of the district. Union hospital boards entered into agreements with district boards as to how the funding would be dealt with. As to what may be happening in a specific community with respect to specific dollars, of course

I'm unable to answer that question. I'd be pleased to look into it on behalf of the member opposite.

Some Hon. Members: Hear, hear!

Mr. Boyd: -- Thank you, Mr. Speaker. Mr. Speaker, Madam Minister, rural hospitals that had rainy day funds set aside are no longer able to control those funds. For instance money that was willed to specific health care facilities is no longer controlled by those facilities originally intended. Instead you make them go through the district health board and an ad hoc committee for permission to use their own money.

Unfortunately, Madam Minister, many reasonable requests have been turned down. For instance, Oxbow Union Hospital, one of the 52 rural hospitals to have their acute care funding eliminated, had enough money in their contingency fund to adequately staff their facility for 24-hour-a-day care. Their request, Madam Minister, was denied. They were told the money could be spent on promoting your wellness program but not on staffing their hospital.

Madam Minister, why did you find it necessary to tie the hands of the local health care facilities? Why are you taking away the local control of that money that rightfully belongs to those rural hospitals?

Some Hon. Members: Hear, hear!

Hon. Ms. Simard: -- Mr. Speaker, with respect to surplus funds, I want the legislature to know that these funds were dealt with in a different fashion depending on where they came from. If they came from the Government of Saskatchewan and governmental organizations, they went to the district boards via pre-amalgamation agreements that spoke to how the funds would be used. If these funds were from bequests or charitable donations, they were often set up in a charitable fund for the purpose of use within that community. So depending on where the funds came from, they were used in a different fashion, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Boyd: -- Thank you, Mr. Speaker. Madam Minister, you know very well that in the Oxbow Hospital that is not the case. Money that was willed to that facility was requested by your department to go to other promotions, not to the facilitating of patients, Madam Minister.

Further criticisms, Madam Minister, stem from the fact that your appointed boards are filled with political supporters. And if you stand today and say that isn't so, I would welcome the phone calls from administrators, elected officials, and others, who expressed that very concern to us. Again, Marlene Chapellaz, the administrator at Loon Lake, estimated that 10 of 12 of the board members are political appointees on that board -- 10 of 12.

Some of these people are hard-working individuals

who only have the betterment of their districts at heart, and I congratulate them on that work. However, Madam Minister, many hospital administrators say your political appointees have been arbitrarily placed on the boards, having tainted the process; that they are carrying out the wishes . . .

The Speaker: -- Order, order. I think the member should put his question.

Mr. Boyd: -- Thank you, Mr. Speaker. Madam Minister, under these circumstances, how can you say that rural communities have had local input? Are you prepared to give the boards the legitimacy they deserve in their job? Will you give the commitment today, Madam Minister, that the boards will be elected and elected as soon as possible, as you people have promised?

Some Hon. Members: Hear, hear!

Hon. Ms. Simard: -- Mr. Speaker, clearly, unlike the government opposite, this government in legislation has stated that there will be elected boards because we believe in elected boards.

Some Hon. Members: Hear, hear!

Hon. Ms. Simard: -- The members opposite had 10 years in which to do that and they chose not to, in spite of the fact the public was asking for a movement towards elected boards. The members opposite also know that there has been a process put in place to review how we proceed to elections, when we proceed to elections, and exactly how the election process will take place. But this government believes in elections, Mr. Speaker, and we've stated it in legislation.

Some Hon. Members: Hear, hear!

Mr. Boyd: -- Thank you, Mr. Speaker. Madam Minister, the Premier said the train has left the station. And now we see, Madam Minister, that you're pulling it to a screeching halt and asking it to back up. Madam Minister, will you give the assurance today to the health care boards out there and to the general public of rural Saskatchewan, to Saskatchewan in general, that you will hold elections this fall as promised, Madam Minister -- as promised? Will you give that assurance today?

Some Hon. Members: Hear, hear!

Hon. Ms. Simard: -- Mr. Speaker, as I've indicated before, there is a process in place to review how we proceed to elections. The member opposite is also aware that the Saskatchewan Association of Health Organizations feels that there is more that has to be done in terms of consolidating the boards and putting more of the reform process in place before they proceed to elections.

Now surely the members opposite are not going to say to all of the members of the Saskatchewan Association of Health Organizations that they're wrong and out to

lunch.

Some Hon. Members: Hear, hear!

Mr. Boyd: -- Thank you, Mr. Speaker. Madam Minister, people believe in rural Saskatchewan that this process has to be given some legitimacy. You must, Madam Minister, they're telling us, hold elections as you've promised, as soon as possible. Why will you not give that commitment today, Madam Minister? You promised to hold elections for these health care board positions. Are you or are you not going to set election dates as promised, Madam Minister?

Some Hon. Members: Hear, hear!

Hon. Ms. Simard: -- We have told the member opposite, and I have been saying all along, that we will move to elections. There is a process in place to determine how we do this, when we do this, and we need to design the boundaries, the ward system, for the elections. The member opposite knows that. There needs to be consultation with the public on this process. The members opposite may prefer to ram it down the public's throat, but we are going to consult with the public before we proceed to these elections.

Some Hon. Members: Hear, hear!

MINISTERIAL STATEMENTS

Non-utility Generation

Hon. Mr. Anguish: -- Thank you, Mr. Speaker. As the minister responsible for SaskPower, I wish to announce the government's decision regarding non-utility generation in the province of Saskatchewan. I'd like to outline how the government has arrived at its decision.

In 1992, the ministerial steering committee on co-generation identified the potential for non-utility generation in Saskatchewan. Following the steering committee's findings, SaskPower embarked on a program to develop a 25 megawatt non-utility generation demonstration project. All projects had to meet the criteria of being reliable, environmentally sound, and economic. The first step in that program was to go to a competitive proposal process. While a number of proponents expressed an interest in submitting proposals, in the final analysis SaskPower received 10.

A team of expert engineers, economists, planners, environmentalists and support staff from within SaskPower, assisted by outside experts both from within government and the private sector, evaluated these proposals. The result of the request for proposals is we now have actual costs based on solid data for non-utility generation projects that have undergone the most comprehensive and expert scrutiny.

While the first two conditions were met, the third, that being economic, was not met at this time. Therefore I'm announcing today that the plan to proceed with

the 25 megawatt demonstration project has been postponed.

Purchasing electricity from a non-utility generation project can be a good investment for the people of Saskatchewan, but not at this time. In the final analysis, the provincial government cannot justify spending the additional dollars, during these times of fiscal restraint, to enter into a contract to purchase electricity that is not needed in our system. We simply cannot ask the electrical consumer to carry this additional burden.

While we will be postponing this project, progress has been made toward future non-utility generation developments. SaskPower now has a process to solicit and evaluate non-utility generation projects.

I want to emphasize that SaskPower and this government remain committed to proceed with non-utility generation. They will be an important part of the considerations made in the development of our comprehensive energy strategy now under way. The strategy will bring forward a number of options for the future of our province's energy industry. I expect to have a final report on the comprehensive energy strategy this summer.

Given the significance of the first non-utility generation project, government has spent some time in reviewing the process and carefully weighing the costs and benefits of the demonstration project. While this review has delayed the announcement for some weeks, our main priority was to ensure the best decision was made on behalf of all the people of Saskatchewan.

In conclusion, Mr. Speaker, I want to commend the proponents for the high quality of their proposals and the considerable effort they put into their submissions.

Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Devine: -- Thank you, Mr. Speaker. Mr. Speaker, obviously the public in Saskatchewan will be disappointed with the minister's announcement today. And I find it a little interesting that he's announcing it at the time when the federal Minister of Finance is going to come down with the budget.

I suspect that he wants to camouflage the announcement because so many people will be disappointed that the NDP administration in the province of Saskatchewan can't even see far enough down the road towards economic development to entertain the benefits of research, and education, and co-investment, and interest in the province of Saskatchewan for the co-generation project. The public learns, investors learn, the general public is concerned with the fact that we have a monopoly with . . .

The Speaker: -- Order, order. Order. I'll ask members please not to interrupt when the member is

responding. There was very little interruption when the minister made his statement. I expect members to give the member from Estevan the same courtesy.

Mr. Devine: -- Thank you, Mr. Speaker. It's just disappointing, Mr. Speaker, to hear the minister stand in his place, and particularly today with all the other media events, to try to frankly hide the fact that either he doesn't have the courage or the administration doesn't or they're being run by bureaucrats in the Crown corporation that has excess profits and a combination of excess profits 3 or \$400 million dollars because of utility rates going up. And he won't even present a budget to this House or to the Legislative Assembly that says we've looked at co-generation, it just won't work right now, and tell us what some of the numbers are.

Secondly, Mr. Speaker, it seems rather interesting that government is being criticized across the province and certainly from a lot of valid circles about economic activity, diversification, value added, and a plan for economic activity, that they would deny industry in one of the more profitable areas -- that is energy and co-generation -- to participate with a large Crown corporation to learn about co-generation in the province of Saskatchewan. And they won't.

Mr. Speaker, in light of the fact that the NDP administration will take SGI (Saskatchewan Government Insurance), a utility and a monopoly, and go invest in a neighbouring province, take SaskEnergy and go invest in the neighbouring province in Alberta, why couldn't they invest in the province of Saskatchewan a modest amount of money for the education, research, and economic incentive to allow people to think about co-generation in a province that needs that kind of break from the monopoly that's been here for the last several years?

So, Mr. Speaker, I would just say in light of the fact that MLAs supported co-generation -- MLAs from Moose Jaw, NDP MLAs; it was the big answer when you turned down the nuclear activity here and say, well we'll be into co-generation -- I think it's rather disappointing, to say the least, that the minister would stand in his place on this Tuesday during the federal budget and say it's not on in the province of Saskatchewan because the NDP doesn't have a plan.

Some Hon. Members: Hear, hear!

Ms. Haverstock: -- Thank you, Mr. Speaker. I too, on behalf of the Saskatchewan Liberal Party, can state unequivocally that we are truly disappointed with the minister's announcement today.

This was first announced in the throne speech some two years ago with emphasis that this would have a focus on rural Saskatchewan. And the amount of electricity that is being discussed is such a small portion of SPC (Saskatchewan Power Corporation) generation. In fact if I recall correctly -- we're talking about 25 megs here -- even 100 megs was going to be proportionately a very, very small percentage of SPC generation over all.

Now if we're talking about such a small percentage, Mr. Speaker, that does not mean much to SPC but it definitely does mean something as far as the jobs and industry, particularly to rural Saskatchewan. There should be no additional costs to the taxpayers. I mean my understanding is that there were numerous private monies that were going to be the driving force behind non-utility generation projects. And if that isn't the case, then I have to question the minister as to why it is he wouldn't bring forward the numbers instead of simply saying that the criteria was met on it being reliable, the criteria was met on it being environmentally sound, but the criteria was not met as far as economics are concerned.

A great deal of time and effort and money has been spent on behalf of the contenders with the government with having no intention of proceeding. And that's the great disappointment.

I guess an even greater disappointment to me, Mr. Speaker, is the fact that this particular minister, to my knowledge, has been in favour of non-utility generation projects. And if he's not in charge of his department, then I don't know who is. Perhaps it happens to be the CEO (chief executive officer) at SaskPower. Thank you very much.

The Speaker: -- Why is the member on her feet?

Ms. Bradley: -- Before orders of the day, I request leave for a private member's statement about SaskTel scholarships.

Leave granted.

STATEMENTS BY MEMBERS

Ms. Bradley: -- Thank you, Mr. Speaker. As we know, SaskTel is now a world leader in telecommunications technology, an accomplishment of which we are all justifiably proud. But while SaskTel reaches out to the world, it hasn't forgotten its roots, that it began as an instrument of Saskatchewan people whose function was to bring together those early citizens who are isolated in their pioneer homes, separated from their neighbours by miles, blizzards, and darkness.

SaskTel linked them, and since then has provided quality, low-cost communication service to all of Saskatchewan. And the people have supported their communications corporation. In recognition of their support, SaskTel is committed to the people of Saskatchewan and their pursuit of excellence in all fields. Consequently, as part of its education equity program, it has established the SaskTel scholarship program for individuals pursuing education directly related to communications.

I am proud to announce that two of this year's award winners are from Bengough-Milestone constituency. They're enthusiastic, talented citizens who are entering the open-ended world of communications technology.

Nancy Leubke of Ogema is in her second year at SIAST (Saskatchewan Institute of Applied Science and Technology), Palliser Campus, Moose Jaw; and James Wolvanshy of Milestone is beginning his studies at the same school.

Nancy won an undergraduate scholarship of \$3,000, and James an entrance scholarship of \$2,000. To win such an award takes a lot of dedication and hard work on behalf of these students. I congratulate my two constituents for their award and I applaud SaskTel for its commitment to Saskatchewan people.

Some Hon. Members: Hear, hear!

Mr. D'Autremont: -- Thank you, Mr. Speaker. Leave to reply about the scholarships for SaskTel.

The Speaker: -- Did the member say he wanted to reply?

An Hon. Member: -- He wanted leave.

The Speaker: -- There really is no mechanism to reply to a private member's statement, but by leave it can be done. But I just want to remind members, we don't ordinarily allow a reply to a private member's statement.

Leave granted.

Mr. D'Autremont: -- Thank you, Mr. Speaker. I'd like to congratulate the students who received the scholarships from SaskTel. They are worthy students and they have I'm sure worked hard throughout their educational careers to achieve this accomplishment.

It's good that SaskTel recognizes that students across this province deserve to have some support, some financial support, to further their education. And SaskTel as one of the major Crown corporations in this province that profits greatly from the people of Saskatchewan, should indeed participate in that kind of an educational venture.

It was interesting when the member commented on the low-cost communications that SaskTel provides for the people of Saskatchewan. When you look at, Mr. Speaker, the \$5,000 in student scholarships that went to that particular constituency, you have to wonder where the funds come from though, when SaskTel is able to do this.

My colleague just happened to have a piece of paper here that explained where some of those funds came from, Mr. Speaker. When you look at it, that SaskTel raised the residential rates by 59 per cent on March 1, 1992, you can understand where SaskTel is profiting to such a great manner.

(1445)

The Speaker: -- Order, order. Another member has called order, and I assume from that that the member is overstepping his bounds and getting into debate rather than making a comment on the statement that

was made. And that's why we don't really allow comments on private members' statements.

ORDERS OF THE DAY

WRITTEN QUESTIONS

Hon. Mr. Lingenfelter: -- Mr. Speaker, as it relates to questions no. 25 and 26 put by members opposite, in the spirit of cooperation I table the answers to them.

The Speaker: -- Questions 25 and 26, the answer has been tabled.

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. Britton: -- Thank you, Mr. Speaker. Mr. Speaker, it is a pleasure to rise and make a few comments in response to the budget, and the budget's entitled **Delivering the Promise**. I'm afraid, Mr. Speaker, that I can't guarantee that all constituents in the Wilkie constituency would agree with that title.

Mr. Speaker, the budget . . . delivering the budget is arriving a little too late. Mr. Speaker, the NDP took on a large number of promises during the last election -- promises that never were and were never intended to be kept.

For example, Mr. Speaker, the promises were: eliminating the provincial sales tax -- not done; increased funding for education -- not done, cut; increased funding for health care -- again not done, cuts; more money for social assistance recipients -- there again, not done; the delivery of jobs -- there again, not done. We are somewhere in the neighbourhood of 12,000 jobs less than when the Premier made this promise.

Mr. Speaker, all these promises were made by the now Premier who at the time said four and a half billion dollars was enough income for the government to keep all these promises. Well, Mr. Speaker, I could go on for the rest of the afternoon and point out to you where these promises were not kept.

Not only did this government fail to deliver on these promises, they downright broke each and every promise made on the campaign trail. And I hope the Saskatchewan people will remember that fact, Mr. Speaker.

Mr. Speaker, the NDP have continued this trend. They say no cuts, no new taxes. Well, Mr. Speaker, the Finance minister and her colleagues are proud to announce at each and every opportunity that this budget has no new taxes and no major program cuts.

Mr. Speaker, I beg to differ. All the spending cuts for this year were announced last year. Now, Mr. Speaker, this is another first for the NDP government. Maybe this is where they can budget a year ahead. If you tell everybody a year ahead what you're going to do, then when you bring your budget down you can say no, we have no new cuts, no new taxes; these things were all pre-budget.

Mr. Speaker, we even had a tax increase this year because at its inception at the middle of the last tax year, there was a 5 per cent surcharge as a deficit reduction. Well, Mr. Speaker, that was in last year's budget.

The NDP announced cuts to third-party groups and that will be felt by every Saskatchewan family -- everyone in Saskatchewan. No new cuts? I don't think so. Not now, but the impact will surely be felt all across my constituency.

For example, Mr. Speaker, cuts announced last year include 4 per cent cuts to K to 12 education for 1994. That means that \$14.2 million in operating grants will be taken out of the system this year. How does that square with the bragging and the boasting going on over there of no cuts? Well I can't agree with that, Mr. Speaker.

The Finance minister said today during question period, she didn't think the cuts would be passed on to the taxpayer -- or the electorate, as she put it. Well where do the NDP think the money is going to come from? Where do they think the municipalities, cities, and towns are going to get the money to cover up the downloading that's going on? Mr. Speaker, it will impact on the mill rate, on property taxes. There's no other way.

The municipalities and cities are supposed to have balanced budgets, so they don't have large reserves to draw from. In cases like this they have to go back to the property owner, the taxpayer, and get the downloading money that's been taken out of their grants.

The revenue-sharing grants have been cut by more than 10 per cent this year. Reduction in provincial funding support to the Saskatchewan Assessment Management Agency -- that's SAMA -- will result in massive increases in assessment billed for every community in the province.

Mr. Speaker, there is no way that a massive increase in costs will not impact on the RMs and the cities and towns of the province. That has to be found somewhere.

Mr. Speaker, the NDP have failed to remove health care from the property tax base, so property taxes will be increased as the provincial government offloads more and more onto the health boards.

No cuts? No increases? I can't agree, Mr. Speaker. I do not agree with that concept.

Mr. Speaker, the new deficit surtax is now 10 per cent. Many people fail to realize that this tax of 10 per cent for 1993 tax year, when it was first imposed it was only 5 per cent. Again I ask you the question -- no increases?

Utility rates have been increased to the limit by this government, Mr. Speaker. I have a list of rate increases of SaskEnergy, SaskTel, SaskPower, SGI, Liquor Board, STC (Saskatchewan Transportation Company), totalling around 35 different tax increases. Mr. Speaker, they range from a modest 4 per cent up to, well, here's 54, here's 100 per cent, 77 per cent, 49 per cent -- and the list goes on and on. And again I ask the question -- no increases, no tax increases?

I would suggest, Mr. Speaker, that the people of Saskatchewan are not going to buy, they're not going to buy that package. You may have been able to convince the people of Saskatchewan, particularly in my constituency, that there was some changes needed; there had to be some tough decisions made. But, Mr. Speaker, they do not like to be hoodwinked. Tell the truth, tell it like it is, and you'll get more support.

These examples, Mr. Speaker, are evidence that there are program cuts and new taxes for the Saskatchewan people this year.

I want to talk about the social services. These cuts and new taxes, Mr. Speaker, are very hard on the people who are trying to earn a modest living. I receive calls and letters, Mr. Speaker, from people across the province saying how it is to make ends meet. I have a letter on file -- and I shared it with the Minister of Energy -- from a lady who wrote me the letter and pointed out the increase the first month of this year, the tremendous increase in their power bill. And I will agree that January, February was probably cold, but that doesn't help when the person has to write out the cheque to pay for the power bill. The increases are humungous, Mr. Speaker, and people are not happy.

Well, Mr. Speaker, if it's hard for people with jobs -- this lady has a job and her husband has a job -- I would like to have you imagine what these increases are going to be on the people who are on social assistance. How are they going to make ends meet, Mr. Speaker? And there are, as you know, very, very many people on social assistance today in Saskatchewan.

And if you don't recall, maybe I should just point out to the members opposite and the viewing audience: in November 1993 there was 76,799 people on welfare in this province; in 1991 there were just over 57,000. Mr. Speaker, that is almost 20,000 more people on welfare. How are those people going to pay the increase in telephone, power, energy, insurance, licence registration fees, all those things? How are they going to pay those bills?

Mr. Speaker, if the answer is we will raise their social benefits, then I would suggest that these raises in taxes

are probably counter-productive.

And, Mr. Speaker, I wanted once again to mention, while the social welfare rolls have raised by 20,000, jobs have gone down by 12,000. That doesn't tell us how many people picked up and left the province, Mr. Speaker, because they can't afford to live in Saskatchewan.

And I want to point out to you, Mr. Speaker, and those who are interested in listening, those things don't just happen; they are caused . . . (inaudible interjection) . . . No, they don't, Mr. Speaker. People are forced onto welfare and lose jobs because of the negative government policies and programs.

I have a letter on file, Mr. Speaker, from a man in the town of Macklin who tells me he is shutting down, or has shut down -- it was in January -- his storage business because he couldn't charge enough money to pay for the extra cost of keeping his warehouse warm. He shut the place down. Now the members might say, well what's two or three jobs over alongside the Alberta border. Well maybe those two or three jobs won't impact heavily on the government's programs, but that goes all across Saskatchewan. And when you find out all of the little businesses that have to shut down or are forced to let off people because they can't pay the extra cost, it amounts up to a lot of people. And those people either show up on welfare or they leave the province.

Mr. Speaker, it's no wonder that the government has been forced to earmark 4.4 million for children this session. Mr. Speaker, I applaud that. We all know that children suffer when parents are under stress, and the reason parents are under stress in most cases is they don't have a job. So I believe, Mr. Speaker, it is a snowballing effect. When you overtax people, the employer can't keep them on because he can't make a profit, so he lays people off and they end up on welfare, or UIC (Unemployment Insurance Commission), or out of the province. Now, Mr. Speaker, I don't think this amount of money, 4.4, warranted a full-scale, four-minister press conference. However I do think the amount, no matter what, will be welcome.

And I'm not here to criticize the government for the amount of money. That's their decision, and we're under constraints, and we'll accept that. But I wonder, are we approaching the problem from the right end? We're fixing the result and not the cause. And I most sincerely hope that the lion's share of the money doesn't go toward the formation of another branch of bureaucracy, Mr. Speaker.

The Children's Advocate is important but I hope it doesn't take up the lion's share in salaries paid to patronage appointees, Mr. Speaker. That would be unfortunate. Mr. Speaker, the children are important and I hope they will benefit through the expanded programs. Unfortunately, at first glance, this money seems to be spread too thin over too many areas. However, Mr. Speaker, I will stop short of criticism and wait to see how well it works. Perhaps we'll see it

in estimates and perhaps we'll be able to congratulate the government further.

Mr. Speaker, this year is the Year of the Family. Today I'd like to mention a few things about families. It is my hope, Mr. Speaker, that the government will take seriously some ideas that we have on this side of the House in regard to maintenance enforcement. I may be stepping into the portfolio of Justice, but this area does overlap and in many, many instances with Social Services.

(1500)

Single parent families often struggle unnecessarily because a parent has fallen behind and has, or never had, paid any maintenance. Parental responsibility is important; and unfortunately, more often than not, Mr. Speaker, it is the father who is not holding up his end of the deal. And I certainly don't want to sound discriminatory, Mr. Speaker, but the facts as we read them indicate that that is true.

Many single parent families headed up by women are forced into bankruptcy and welfare because fathers do not take the financial responsibilities for their children. And again, Mr. Speaker, I do not want to make wide, sweeping statements that all fathers are negligent, because I know that they're not.

However I think it's important to help in situations where the family is suffering from the lack of support from one parent or another. Saskatchewan maintenance enforcement has been extremely successful. Mr. Speaker, I understand that since 1986 this office has collected in the neighbourhood of \$50 million.

Mr. Speaker, the minister's office tell us the default rate in 1993 is still 29 per cent. Mr. Speaker, that is still too high. We in this legislature must assist in this regard, all of us. And I encourage and applaud pilot projects such as the one suggested back in September . . . or December, pardon me. And I know we have to be very careful in its implementation, and I understand, Mr. Speaker, that the maintenance office was considering a pilot project to prevent individuals who fail to make child support payments from renewing their driver's and business and professional licence. And I think this would be a good idea if it was conducted on a case-by-case basis.

We must be careful in trying to cure the disease that we don't kill the patient with the medicine. Because if we take the wherewithal of a father to earn money, then it's pretty difficult for him to make his payments. So while we encourage the government to take a hard look at this, we also caution you to do it right.

Now I understand the maintenance enforcement office has announced it's not going to go ahead with this pilot project, and perhaps it's something that will be considered in the future, hopefully.

Mr. Speaker, statistics indicate that families are in trouble. Poverty -- one of the things the Premier

promised in the election to eliminate, one of the things he knew very, very well he couldn't keep, impossible. The Regina food bank statistics from January to October of 1993 show that 3,206 children used the food bank. Mr. Speaker, even one is too many, but that figure is outrageous. Just imagine what the provincial statistics would look like; if over 3,000 children were forced to use Regina's food bank alone, just think of what the provincial statistics would be if we knew them all.

This topic reminds me of another broken promise, Mr. Speaker, a promise made by the member from Riversdale, the Premier now. He promised to eliminate poverty, and that was in the **Star-Phoenix**, November 9, 1987. Mr. Speaker, that was a shameful promise. It was shameful, Mr. Speaker, because it was made by a man who knew full well it could never be fulfilled.

If this budget is entitled, **Delivering the Promise**, where is the promise to eliminate poverty? That promise has not been filled. That promise has fallen by the wayside, just like many others that I quoted as I went along, Mr. Speaker. Just like the promise to create jobs and the promise to stimulate the economy, the promise to assist farmers and so on, Mr. Speaker.

Mr. Speaker, we will be examining the budget more fully during estimates and committee meetings in days to come. And I look forward to questioning the ministers on many budgetary items and I anticipate their cooperation.

Mr. Speaker, if we would like to know, for our own satisfaction, every person in Saskatchewan could ask this question. When the Minister of Finance says, no cuts, no tax increases, no extra costs, ask yourself one question. Is it going to cost me more money to live in the province of Saskatchewan in 1994 than it did in 1993?

If you can answer that question and say no, it's not going to cost me any more, then the Finance minister is telling you the truth. But if that answer is no, I cannot live at the same cost that I did in 1993, then I suggest to you, Mr. Speaker, that the minister was a shade less than truthful.

As I said, Mr. Speaker, we will be questioning the ministers a little further in committee, and as of now, I would thank you for the time, and I'm sure the people of Wilkie will be watching this budget debate very closely. Thank you.

Some Hon. Members: Hear, hear!

Hon. Mr. Penner: -- Thank you very much, Mr. Speaker. I am pleased this afternoon to enter into the debate on the budget. First of all, let me congratulate the Minister of Finance for delivering her budget both on time and on target and according to the government's balanced-budget plan.

Before I get into the main part of my speech, I would just like to respond to a few things that the member

from Wilkie was saying in his remarks. The member from Wilkie indicated that the Minister of Finance had said there would be no increases. And I would refer him to page 18 of the budget speech -- if he would want to read that -- and he would read in the first few paragraphs there where the minister clearly says there's:

no increase in the gas tax; no increase in personal income tax; and, no increase in the sales tax.

And that's exactly what this government is delivering.

A few other things that the member from Wilkie was saying that I think deserve a rebuttal. He indicated that this government said -- this party said -- that they would live with \$4.5 billion on the budget on the expenditure side. Well I would like to suggest to the member from Wilkie that we are living on \$4.2 billion, and if he would take the time to turn to page 59 in the budget book, he would see that we are spending \$4.2 billion on the operations of the province of Saskatchewan. Unfortunately however we have to spend \$850 million on interest charges on a debt that his government, when he was in the government benches, ran up over the nine and a half years that they were in government; but we are living within the \$4.5 billion we said we would live within.

On the utility side, the member from Wilkie indicates that the utility costs in Saskatchewan are way out of line; they're sky-rocketing. Again I refer him to page 52 of the budget speech, where he can look for himself and see very clearly that in the \$25,000 income bracket for a family, we have the lowest utility rates in all of Canada. And if he looks beyond to the \$50,000, the \$75,000, he will see that we compare very favourably with the other provinces in Canada. The only provinces that have excessive utility charges are the provinces that are governed by Liberal governments today.

The one last thing that I want to correct that the member from Wilkie said -- and this requires a little bit of a lesson in mathematics but I'm sure that the member from Souris-Cannington will convey this message to his colleagues -- that last year we announced a 10 per cent deficit surtax on the people of Saskatchewan on their income tax but it was only implemented for half a year.

Now for most people in Saskatchewan that was a fairly simple piece of arithmetic -- that one half of 10 per cent is 5 per cent for 1993. And this year, since it's implemented for the full year, obviously it is going to be the full 10 per cent. It's a simple exercise in arithmetic, and if they would take the time to do that arithmetic, they wouldn't be making these outrageous statements in the legislature, saying that we raised the surtax from 5 to 10 per cent. It simply isn't a fact.

With that, Mr. Speaker, I'm going to go on to the main text of what I want to say here this afternoon. This government, working together with the people of Saskatchewan, will accomplish the goals we have set

for ourselves.

Since 1991 our government has taken some difficult decisions to solve the problems created by the Leader of the Opposition and his colleagues across the floor, but the results of the decisions we've made have given Saskatchewan a much-improved financial position. Our balanced-budget plan is on target and our economy is growing. And while we're clearly not out of the woods yet, the choices we face this year are nowhere near as difficult as they were in previous years.

Mr. Speaker, I'd like to start by thanking each and every resident of Saskatchewan. Deficit reduction is not easy; we all know that and we thank the people of Saskatchewan for sticking with us and cooperating with us in this deficit reduction process.

Some Hon. Members: Hear, hear!

Hon. Mr. Penner: -- Now it's not only the taxpayers of Saskatchewan that we need to have on our side; we also have to convince the investment bankers and the bond dealers that Saskatchewan's future is bright. And over the past two years the people who evaluate our numbers and our future prospects are quite impressed that the people of this province have supported and lived with some very difficult choices.

It's important to remember how far we have come. When we took office in 1991, we faced the highest per capita debt in Canada. The projected operating deficit that year, 1991-92, was \$1.3 billion. That simply means that in one year the government was spending \$1.3 billion more than it was collecting in revenue. In less than a decade Saskatchewan fell from one of the strongest financial positions in the country to one of the weakest.

Let's just put this into perspective. Today every cent of the sales tax and almost half of the gasoline tax collected goes to pay the interest on the public debt. Instead of giving this money to the money lenders, we would much rather be spending it in Saskatchewan on economic growth and on services to people.

A proud history of balanced budgets under the CCF (Co-operative Commonwealth Federation) and NDP was replaced by 10 consecutive deficit budgets in the 1980s. A history of pragmatic cooperative approaches to economic development was replaced by lopsided deals for megaprojects and for big business.

A history of compassionate policies for the less fortunate was replaced by a philosophy of every man and woman for themselves. These practices of the 1980s were at odds with our Saskatchewan traditions. Our goal is to restore those Saskatchewan traditions -- traditions of financial integrity, of community-based decision making, and a compassion for the less fortunate in our society.

Mr. Speaker, our government has devised appropriate strategies to address our problems -- strategies which are consistent with our traditions. One of these

strategies is a four-year, balanced-budget plan. And as the 1994-95 budget shows, this plan is right on track.

We met our deficit target for '93-94, and with continued effort and determination we will introduce a balanced budget in 1996. This will be the first balanced budget in Saskatchewan for 15 years. Our economic plans are also showing results. Small businesses and cooperatives are the main engines of economic growth and job creation in this province -- not the megaprojects of the '80s. Our approach is based on the recognition of this reality.

Our approach builds partnership among communities, local businesses, and cooperatives. And already we can see some of the positive results. We predicted that the provincial economy would grow by 2.8 per cent in 1993. In the first 11 months of 1993 manufacturing shipments rose by 6 per cent, retail sales went up by 5.7 per cent, and wholesale trade increased by 10.4 per cent.

And our prospects for future economic growth are just as hopeful. We can look forward to consistent, steady growth in all the key areas of our economy. As the minister responsible for the Crown Investments Corporation, I am pleased that the Crown corporation sector will make a significant contribution to the growth of the Saskatchewan economy in 1994-95.

(1515)

Of the more than \$700 million the government will spend on capital projects this year -- \$140 million increase over last year, incidentally -- \$517 million will be spent by the Crown corporations on capital projects. It is important to note that this is all provincial money. And I'd like to reinforce the fact that the Crown corporations sector will not be participating in the federal-provincial infrastructure program.

Crown corporations capital expenditures are estimated to increase by 19 per cent in 1994-95. I'd just like to give you some of the highlights of some of these expenditures.

There was a major plant expansion project in the Saskatchewan Forest Products Corporation; system modernization by SaskTel in northern Saskatchewan; the expansion of SaskTel services to its customers; and several million dollars will be spent by SaskEnergy on the expansion of their system and also upgrading their system.

Mr. Speaker, capital spending by the Crown corporations results in economic activity throughout the province -- economic activity that sustains our rural economy and creates well-paid jobs in the construction industry.

Mr. Speaker, we also have a comprehensive plan for health care. While other provinces hack and slash at rising health care costs, we have been working with the Saskatchewan people to change our system for the better. We have changed it by bringing in decision

making to the community level, where it rightfully belongs. We have provided funding directly to established district health boards by redirecting our precious resources away from expensive institutional acute care and toward community-based home care; and by focusing on prevention of disease rather than merely treating illness.

Our goal is to ensure a quality, affordable, publicly funded health system for ourselves and for our children. We have been adamant that despite our difficult financial circumstances, care is taken to ensure that adequate safety nets are in place for those most vulnerable in our communities.

Mr. Speaker, I'd like to discuss for a moment our long-term financial plan. The first part of this plan was to open the books of Saskatchewan. In the 1980s the previous administration formed secret corporations which invested millions of taxpayers' dollars in questionable projects. The activities of these corporations were not even reported to the legislature. This has changed dramatically. As my colleague the Minister of Finance reported on February 17, our government is now very open and accountable.

And I'll give you some examples. Annual reports from all Crown corporations have now been presented to the legislature. A mid-year financial report is published to let people know the financial status of the province midway through the fiscal year. Summary financial statements are prepared each year to give a total picture of the province's financial situation.

Our plan also entailed renegotiating the megadeals of the previous administration. These deals were another very serious threat to our financial viability. They meant that Saskatchewan taxpayers were facing serious future risks. To date, new deals have been negotiated with the Weyerhaeuser corporation, the Potash Corporation of Saskatchewan, and Crown Life, just to name a few. And progress is being made on many other fronts.

Altogether, so far in our two and a half years of government, we have reduced taxpayer exposure by \$407 million on loan guarantees to large corporations.

We have also taken write-downs in some of these projects, so that their true value is reflected on the province's books. And while there remains the potential for future problems in this area, we are in a much more solid position than we were two and a half years ago.

A final part of our financial plan is the balanced-budget plan. Last year we announced a four-year strategy to end deficits by 1996. The plan was based on realistic projections about economic growth. It set out deficit targets for each year. The plan involved difficult choices and sacrifices.

The third-party funding levels announced last year for 1994-95 were confirmed in the minister's budget speech. It was also confirmed that this is the last year

third parties will have to make do with less money.

Mr. Speaker, I've spoken of difficult choices and the sacrifices we've had to make as a result, but what about the benefits of these difficult choices? As we gradually turn this province around the benefits will become more apparent and the budget we're debating now provides ample evidence of this. We passed our 1993-94 operating deficit target by coming in \$2 million below the projected figure. And, Mr. Speaker, the 1994-95 projected operating deficit will be achieved without tax increases or further major program cuts.

Mr. Speaker, our budget provides financial support for key areas of the economy and society, for jobs, for economic development, for support to health care, and support for families. We have heard the message from Saskatchewan people. Further taxation would impose serious hardships. And that message has been front and centre in our decision making for this year's budget.

Others outside the province are also recognizing our progress. In its review of all provincial budgets last year, Salomon Brothers in New York, a New York financial agency, said this about Saskatchewan:

The province most beleaguered by the rating agencies is also the one with the most impressive attempt to attack its fiscal problems.

Nesbitt Thomson, a Toronto financial agency, has added:

While all Canadian provinces face similar problems of large deficits and debt loads as well as high taxes, Saskatchewan is demonstrating leadership in finding and implementing solutions.

Mr. Speaker, we are on the road to recovery. Already we have come a remarkable distance. When we came to office -- as I said earlier -- we inherited a projected deficit, annual deficit, of \$1.3 billion. In our first 18 months we brought that down to 592 million; the 1993-94 budget we reduced it to 294 million; and 1994-95 the operating deficit will be reduced to 189 million. That's more than a billion-dollar turnaround in three years.

But we still have difficult challenges ahead. There are always unforeseen circumstances which can develop. The impact of the federal government's budgetary announcements today have to be factored into our plan. As well we have large loan guarantee exposures on one or two financially troubled megaprojects.

Mr. Speaker, while we have a plan to balance the budget we are always open to ideas about how to improve it, just as we are about all our plans for the future -- whether it be in health, agriculture, or economic development. Accordingly I welcome suggestions and comments from the taxpayers of Saskatchewan for ways in which we can improve these plans for the future, to further increase the

efficiency of government, to enhance program delivery, and to streamline our operations.

In closing, Mr. Speaker, this government believes in the need for strong leadership. But it also believes in the necessity of listening and responding to the concerns of the people of Saskatchewan. With this budget we have responded in a positive way; responded with a realistic and workable plan to reduce operating deficits and balance the budget. We have responded with an economic development plan that is expected to add 5,000 jobs to our economy this year. We have responded with more support for children, families, and communities; and responded with funding to improve the level of community-based health care services.

Mr. Speaker, I am proud to say that I will be voting in support of this budget and I congratulate and thank the people of Saskatchewan for supporting this government in its many difficult choices.

Thank you.

Some Hon. Members: Hear, hear!

Ms. Lorje: -- Thank you, Mr. Speaker. I'm very happy to enter the budget speech debate at this point. Mr. Speaker, I want to look a bit further in the future perhaps than other members have done because I believe that is what this budget is all about. It is about the future for Saskatchewan people and most particularly for the children of Saskatchewan.

In six years and ten months, minus one week, we will enter the new millennium, Mr. Speaker. Not just the new century, but the next thousand years.

Now I'm not predicting the apocalypse or anything, and I don't plan on climbing the nearest hill and wait to be carried off in the rush of a mighty wind. But I do believe that something that happens only once every thousand years should at least give us pause. I think we want to consider very carefully just how we're going to go through the doors into the new era of the new century and the new millennium.

And, Mr. Speaker, appropriately enough and for good or for ill, as we approach the year 2000, we are in the midst of a revolution -- a revolution whose significance we're only just beginning to understand in communications, in technology, in global trade, and so on.

Again, for good or for ill, the world is becoming increasingly unrecognizable, especially if we continue to use the same tools, the same rhetoric, the same narrow partisanship as we prepare ourselves for the coming millennium. We do not, Mr. Speaker, enter the information highway using only a quill pen.

Mr. Speaker, I think that this budget plan and the government plan outlined in the throne speech are steps in the right direction. I believe they provide us with the tools we need to join the revolution unencumbered by old attitudes and outdated

approaches. And because we are following the plan outlined in this budget, we'll be able to hit the new decade, the new century, the new millennium -- we'll be able to hit them running.

And I want to talk a little bit about what I think are the virtues of this budget and this government's plan. I want to talk a bit about the how and the why of this budget. How it will position us to approach the millennium with eagerness and anticipation. Why it is necessary for us to embark upon this journey of discovery.

I'm going to quote once again, as I did last week when I spoke, from Marcel Proust. He said: the real voyage of discovery consists not in seeking new landscapes but in having new eyes. To do that, Mr. Speaker, to look to the future, to its problems, its opportunities, challenges, and fears, it is imperative first of all to look back a bit over the last decade.

Others have said it, and I would like to repeat that the budget miracle presented by the member from Saskatoon Westmount, the billion-dollar turnaround, was due in no small measure to the sacrifice of the people of Saskatchewan. I truly believe that.

And yet at the same time, I don't want to be merely congratulatory of the people. I want to remind them, us, me, that the problems of the '80s, the deficit financing, the out-of-control government spending, the notion of tossing money into the wind and hoping for a blizzard of capital return was the result of an unholy combination of two unfortunate things.

First, we had a group of politicians all too willing to say what people wanted to hear, to promise what people wanted to have, to jump for the voters and then only to ask, how high, on the way up. Secondly, we had a privileged citizenry, mostly people like me from the baby-boom generation, who had grown up expecting that everything was possible, that things would just keep on getting bigger and bigger, better and better.

These people created in the '80s a revolution of expectations, like an open-mouthed, hungry lion that can never be fed enough; people -- the voters -- demanded more and more of their politicians and their political systems. And their politicians promised more and more until we arrived in 1991 at the point where Saskatchewan recognized with bell-like clarity that it had to do something different.

An illness, a disease, an economic malaise had our province in a death embrace. This malaise was caused by politicians trying to use old-style economic solutions to cope with the revolution of expectations of consumers and corporate interests. The solutions, the notion that you can solve any problem by throwing enough money at it, the notion that trickle-down economic theories feed the bird in the dung heap just as well as the horse with his muzzle in the oat bag, the solutions that centred on sexy, big megaprojects and big-business might, those solutions ran smack dab into the brick wall of reality.

The brick wall of change, the poverty and the deficits, created by old-style solutions for new-age problems. For we are indeed, Mr. Speaker, in a new age. An age of increasing technology. An information age. An age of globalization and transnational companies. An age where the concepts of national sovereignty are being increasingly challenged and negated. An age potentially of tribal anarchy.

The debt and the deficit this government inherited from the previous administration is the result of simply trying to throw money irresponsibly and without plan at problems. The result of trying to woo voters with their own 30 pieces of silver.

I said earlier on, Mr. Speaker, that the problem we've been dealing with in the past three budgets -- the problem of the deficit -- was the result of an unfortunate combination of voter expectations, politicians' eagerness to please, and stale, dated economic theories. Luckily, the people of this province, and the New Democratic Party, realized the sterility of this economic approach early on. We realized that we had to pull back from the edge of the cliff. We recognized that our roots, our values, were deep and were planted firmly in the good old Saskatchewan soil.

And so, Mr. Speaker, we reaffirmed what any good social democratic knows -- thrift, good old-fashioned thrift is a socialist virtue. We've always known that the underlying rationale for Tories and Liberals is their belief that governments are wasteful and inefficient. While they're in power, it seems, they do their best to prove that that is so. And their best, as Saskatchewan became painfully aware, is sometimes overwhelmingly wonderful -- \$12 billion in debt, \$1.2 billion operating deficit.

On the other hand, Mr. Speaker, as New Democrats we believe that good government is probably the only lever of power that most Canadians will ever pull. We have an enormous stake in being prudent, thrifty managers. Socialists simply cannot afford to be spendthrifts for we know all too keenly that there's nothing a money lender loves more than a socialist government at its mercy.

(1530)

And so, in tough times we made the tough choices. We moved to protect the basic financial integrity of this province. We worked to keep, or in some few instances to enhance, the good programs that dealt with the real needs of the people of this province.

We listened to the people when they said, enough; we listened when the people said they were tired of having their left pocket picked just so that their right pocket could feel full; we listened to people's genuine fear and anxiety about out-of-control government spending.

And we did more than listen; we did something about it. We started on a careful, considered program of

deficit reduction, slowly at first, to give people and businesses time to adjust; gradually picking up speed. Building on the virtue of thrift, building on shared values of community, consultation and cooperation -- the values that have kept this province going for the past 90 years. Building on the wisdom of people, building on our social democratic values.

I like to tell a story that Tommy Douglas used to relate about his early years in government. It seems particularly appropriate now, as we look back in fondness at the 50th anniversary of the first CCF socialist government in North America. It is especially timely to remember as we deal with this budget, a budget that positions us, like the Douglas government, on the verge of doing away with a deficit inherited from an old-line party.

You know in 1944 Tommy Douglas beat the Saskatchewan Liberals, and he began an 18-year career as the head of Canada's social laboratory. The Liberals, Tommy used to recall, went into that election warning the voters that if they let the socialist hordes in, their farms would be seized, their businesses would be nationalized, their homes would be expropriated. Well, Tommy laughed, when we didn't do any of those things, they said we'd broken our promises.

Well, Mr. Speaker, today, in 1994, 50 years after the first election of the first socialist government in North America, we are not breaking our promises. No, we're delivering our promises. Make no mistake about it. We've been dealing with the deficit -- successfully, I might add. We've created a billion-dollar turnaround in just two short years. At the same time, we have also, without fanfare, without fuss, we have been protecting and enhancing those programs that fulfil our social democratic values -- our values of cooperation, community, compassion, economic and social justice.

We've been doing this, Mr. Speaker, not out of our some blind, doctrinaire sense of self-righteousness. No. We've been doing this because we know that Saskatchewan is facing one of the most difficult challenges that it ever has in its short 90-year history. We know that we have to have the foundation, the building blocks in place as we look to the next century. And so, Mr. Speaker, the budget as presented by the member from Saskatoon Westmount is really part of a twofold plan.

The first part, the part that most people know about already, is the part that deals with the deficit, the part that rights the excesses of the '80s. Our challenge of course is to get the deficit under control, to make balanced budgets a shared community value so that no one -- not politicians, not anyone -- will ever go back to the old-style economic solution of throwing money into the winds of the blizzard. We must never let ourselves start over again on this silly, short-sighted, and wasteful spiral of debt.

The second part though, Mr. Speaker, is the trickiest part, the most challenging, because that's the part that

focuses our government, this province, on the need to modernize ourselves; the changes needed to respond to the international forces of globalization and technology and the blurring of national borders.

Forasmuch as most of us admit it only reluctantly, Mr. Speaker, we do have to modernize. If we in Saskatchewan are going to survive and thrive, we have to become a real and meaningful part of the global village; and at the same time, we need to make sure that we're not deluding ourselves about the real nature of the global village, for it is not a kindly and genteel place.

Most of us think, when we think at all, about a village as a friendly and a stable community; a place where good neighbours are always there to greet you, a place where the door's always open and coffee pot is always on. But the real global village that we're seeing isn't kind and gentle at all. Instead it's a huge and scary megalopolis full of a few mansions for the rich and many slums for the poor; full of streets overflowing with squalid factories and further up a few gleaming skyscrapers and satellite dishes.

The global village, as we are now experiencing it, consists of many busy streets shared by a few affluent consumers, too many workers rushing off to part-time jobs, too many unemployed beggars, and a growing number of angry bandit soldiers.

Right now, Mr. Speaker, we're lucky here in Canada. Although we may not like to admit it, we're living in the high rent district of this global village. But if we're not careful, we'll move into the slums. So we cannot blindly resist the push and pull of the global village. We can't resist change no matter how much we dislike it. We have to take stock right now from the comparative comfort of our insulated and isolated position. As we observe the coming anarchy all around us in this planet, we have to take stock of who we are in Saskatchewan, of what we are, where we are, and why we are.

We have advantages, Mr. Speaker, and we have to recognize these competitive advantages in the global village and plan for the future. That's the second part of this budget -- the plan to position our province to be able to cope, to survive, to thrive with the changes that none of us like, that all of us know are coming.

So consequently, new directions, new ways of looking at the landscape with new and fresh eyes are needed. We need to renew Saskatchewan society and economy in all areas. We need to do this with a sense of social democratic principles. We need to look at key aspects of life here in our little corner of this global village and build on our collective strengths.

I'm talking here about how we respond to things like health care, the economy, agriculture, aboriginal relations, labour, and, most importantly, in the way we create opportunities and hope for children.

We respond, as I've said earlier, by culling some of the easy rhetoric and pruning some of the divisive

attitudes that have characterized political debate for generations. Then we can examine the set of values we supposedly operate on and decide if they're still relevant.

Old solutions and old prejudices simply won't work. Our challenge is to change them but to hold onto the timeless values and principles which have guided us from the beginning, even though sometimes we may occasionally lose sight of them. The thing to remember, it seems to me, is that tactics are different from principles. The one changes with the times; the other doesn't need to change at all.

Also, it seems to me in Saskatchewan the commonly held principles are social democratic ones: compassion, cooperation, community, economic fairness, and social justice. The difference in tactics, I think, is that now this government is using those principles and having them bubbling up from the bottom, not drifting down from the top. As the Minister of Finance said, the people are leading this parade. The government is simply playing the bass drum.

In health, with the wellness model for instance, the 30 health boards are making their own decisions based on their own needs assessments. Perhaps that's risky for politicians because we're not as in control as we might like. But you can't pay lip service to community control and dictate at the same time.

The main difference between the NDP government of today and those before us is simply that we are moving away from the comfort of centralized decision making. If human nature is to be trusted, as we are always saying, we must give it the means to express itself.

The same tactic cuts across the board for this government. In economic development we're creating the climate for communities to generate wealth. We've moved beyond merely thinking about redistributing wealth. We have REDAs (regional economic development authorities) who, like the health boards, understand their individual communities and what will work. We are simply providing the assistance, when asked, to drop-kick them into the global economy, into areas such as eco-tourism and high technology.

Saskatchewan's economy, even more than most, depends on international trade, and we're providing incentives and examples for traders to think globally. It shouldn't be too difficult a task after all, merely a matter of encouraging a mind shift, a change in attitude, a change in the way we see things.

For instance, how many people would believe that Saskatchewan, our little land-locked province, is already a major transnational trader. In our province, 40 cents out of every dollar of our GDP (gross domestic product) comes from foreign markets. One in three jobs -- a ratio higher than anywhere in Canada -- one in three is directly attributable to international sales.

Now so far those sales have been primarily bulk sales -- big boxcars of grain and so on.

But what would happen, Mr. Speaker, if our already existing international traders, our farmers, started talking directly to their customers? What would happen if they beefed up their marketing skills? What would happen if they learned to read the market signals a little more clearly? What would happen if they built on our great public educational system and learned how to speak the international trading languages of the world?

(1545)

We already have an excellent example -- look at SaskTel. The Douglas government knew very well that the Bell telephone monopoly was hardly likely to be interested in the needs and concerns of rural Saskatchewan. So consequently we created our own telephone company. But more than that, Mr. Speaker, when our current Premier realized that deregulation was coming in in the telephone industry, he moved prudently and aggressively to give us a competitive advantage and to create SaskTel International, a scrappy little company out-battling the big boys of the world in India, Indo-china, and England -- and doing it successfully. Saskatchewan's very own transnational company.

That, Mr. Speaker, is a great example of new, social democratic thinking and responses to the problems we anticipate for the future. We have to, we will, stop looking internally. We need to look outwards as well.

The same tactic of looking for new solutions applies to the children's action plan, to our aboriginal self-government initiatives, and to agriculture. We're looking at decentralization, community involvement, and cooperation. The children's action plan will cut across and into bureaucracies to create compassion, hope, and social justice for the most important people of this province.

In agriculture we will encourage diversification and proper international marketing to encourage initiative and effort from farmers. We will strengthen our opportunities for value added processing and we'll do this by seeing ourselves as winners, not beggars, in the strategies for the 21st century.

For instance, Mr. Speaker, let's take a look at something we're already doing very well and let's do it even better. Not many people in this province know that we're the lowest-cost producer of pork in North America. We sold 3 million hogs last year at prices competitive even with Mexico.

Curiously, we produced only 1 million hogs. We had to buy the balance from Ontario and Alberta and Manitoba. And even then we were still able to sell them successfully. The reason? Because we have a natural advantage here in Saskatchewan. We have access to feed, land, technology, genetics, and research capabilities. We are a success in this area and we can build on our success to be even better. It's

not true that we have to fear the future.

Finally, Mr. Speaker, I want to mention briefly our proposed labour legislation. In my remarks today, I have been focusing on the budget and how it puts the key building blocks in place for us to approach the changes of the future with calm assurance.

Our labour legislation will be pivotal in this task. It is only if we have a secure and stable workforce where both business and labour recognize that they have the same goals, that we will be able to position Saskatchewan for the 21st century.

Our labour legislation changes, occupational health and safety, Workers' Compensation Board changes, Labour Standards Act amendments, and finally, Trade Union Act will provide a comprehensive package to help Saskatchewan build on one of its greatest strengths -- the reputation of its hard-working, dedicated labour force. They have initiative, ambition, and a collective sense of purpose. The workers of our province will be strong and able to meet the demands of continentalism and globalization.

In conclusion, all government speakers in these two debates always return to two basic themes, two basic and crucial themes. One, we have to fix the deficit and debt problem, because it is choking us. It was created by old-style thinking and would have resigned us to the historical dustbin if it had not been tackled. Step one is being done.

Two. Step one is just that -- a step towards what we really want to accomplish. That, quite simply, is the creation of a society, a sustainable society, built on the endurable principles I mentioned earlier. In order to approach that day, we have to create the infrastructure which will allow Saskatchewan to survive and thrive in the future.

We can't just sit back and watch the 21st century come in like a tidal wave. We have to meet it head on, openly, enthusiastically. To do that, we have to look beyond our own provincial and national borders. We have to concentrate on what we do best, exploit our natural advantages, and push like crazy. We have the educational, research, and technological base. We have the ability to generate prosperity in the new age. We have the ethical foundation, based on our history, not to lose sight of why we are doing it.

Mr. Speaker, perhaps Saskatchewan's greatest writer, Sinclair Ross, would be the appropriate person to quote from at this time. One of his most memorable phrases in one of his most memorable novels is a very plain and profound one. One character tells another: "You've got to learn to read the signals. Read them wrong and you perish. Read them right and you survive."

That advice, I think, captures the Saskatchewan spirit, the Saskatchewan way. If we read the signals wrong, we end up with a \$15 billion consequence. If we read them right, as I believe we have done in this budget

and this throne speech, then we have a better-than-even chance of marching into the millennium with our heads high. In this world, a better-than-even chance is pretty good odds.

I enthusiastically support this budget. Thank you.

Some Hon. Members: Hear, hear!

Mr. Cline: -- Thank you, Mr. Deputy Speaker. I want to say that I believe this budget confirms that the government's plan of fiscal management is working very well. Our deficit reduction is exactly on target. For all the reasons that have been expressed by my colleagues on this side of the House, I believe the government is clearly on the right track. I will be very happy and proud to support this budget when it comes to a vote.

Thank you.

Some Hon. Members: Hear, hear!

Mr. Harper: -- Thank you, Mr. Deputy Speaker. It is with great pride that I enter into this debate, the debate on the budget speech. And, Mr. Speaker, I want to start out by congratulating our Minister of Finance on the very fine delivery of that budget speech and to thank her, and also to thank the former minister of Finance, to thank the Premier, the cabinet, and all of my government colleagues for the fine job of tackling a very tough situation.

A little over two years ago when we took over the Government of Saskatchewan, a situation of a \$1.3 billion deficit, and in just shortly over two years wrestling that to a deficit of \$189 million -- a billion-dollar turnaround, Mr. Deputy Speaker, one that I think we can all be very, very proud of.

But at the same time, Mr. Speaker, we have to give a lot of credit -- in fact, Mr. Speaker, all the credit -- to the fine people of Saskatchewan who through their determination saw this come into being.

Some Hon. Members: Hear, hear!

Mr. Harper: -- Mr. Speaker, our government set forth a plan early in our term, a plan to reduce the deficit, to get the deficit under control so that we can regain financial freedom for Saskatchewan people. I'm very proud, Mr. Speaker, that in this budget speech it shows that we kept our promise, the promise of meeting the deficit reduction targets, the promise of no major program cuts, and the promise of no new taxes.

Mr. Speaker, I think in the short time that we've been in power, a tremendous job has been done on behalf of the people of Saskatchewan.

Some Hon. Members: Hear, hear!

Mr. Harper: -- Of course, Mr. Speaker, I'm sure everyone has an idea of the method that was used to tackle the deficit, but our method was a method of

fairness, of honesty, and open government -- something Saskatchewan hadn't seen, Mr. Speaker, in a number of years.

A common sense approach to financial management was the hallmark of the plan of this government in rebuilding Saskatchewan's economy -- common sense approach to fiscal management using the little things, using the principle, I guess, Mr. Speaker, that you watch the pennies and the dollars will take care of themselves.

And some of the examples of that, Mr. Speaker, is cutting over \$18 million out of the day-to-day operations of government. One way of doing that, Mr. Speaker, was sending out little stickers for our health cards rather than brand-new cards. So those stickers could be applied to the health card and the health card could continue to be used, saving Saskatchewan taxpayers over \$200,000.

I also want to compliment the Minister of Highways in showing leadership in cutting down the costs of operating his department by simply using the signs, highway signs, for two years longer, saving over \$12 million for Saskatchewan taxpayers.

Mr. Speaker, these are the ways of turning the problem around in Saskatchewan. And I'm very proud to say that our government has taken a leadership role in that.

But open and honest government, Mr. Speaker, is something that Saskatchewan hasn't seen for some time, and something that we are re-establishing in this province -- open and honest government, making it available to the people.

And I'm proud to say, Mr. Speaker, that in the Provincial Auditor's report, in 1991-92 annual report, he stated that the government moved from providing what the Financial Management Review Commission viewed as the weakest and least useful financial statements in Canada to providing one of the most useful financial statements issued by any senior government in Canada.

Some Hon. Members: Hear, hear!

Mr. Harper: -- Without a doubt, Mr. Speaker, that is the beginnings of returning integrity and honesty to government. And I'm proud to say, Mr. Speaker, we are leading the way.

As our budget has indicated, Mr. Speaker, that there have been very positive signs of the turnaround in the Saskatchewan economy. It hasn't happened fast and it isn't going to happen fast. But everybody knows in Saskatchewan, anything worth having takes time to acquire. And that, Mr. Speaker, is indicated in the Conference Board of Canada's estimate that our economy has grown faster than the national average, than the national economy has.

In the first 11 months of last year manufacturing shipments rose 6 per cent here in Saskatchewan.

Retail sales have gone up 5.7 per cent and wholesale sales are up over 10 per cent. Mr. Speaker, that is a clear turnaround in the Saskatchewan economy.

This didn't happen by accident. It was a part of a plan, part of a plan put forward by our government, part of a plan of partnership of renewal. Provide the pillars of strength in our economy, the pillars of growth so that we can once again have a provincial economy that for the first time in a large number of years, 12 or 15 years, will once again offer the young in this province a province of opportunity and a province of prosperity.

That, Mr. Speaker, has to be the ultimate goal of all of us in this great House, is providing a climate, an economic climate, an economy where the young people of Saskatchewan will be able to stay here, build their homes here, raise their families here, and be a part of a province that offers them that hope and offers them the opportunity to prosperity.

Some Hon. Members: Hear, hear!

(1600)

Mr. Harper: -- Mr. Speaker, as a farmer from the Pelly constituency . . . and my constituency primarily, Mr. Speaker, is made up of agriculture. And we all have experienced and have a vast knowledge of the tremendous financial pressures that agriculture has been under over the last number of years.

But I'm proud to say, Mr. Speaker, that some 10 or 12 years ago when I would drive through the countryside in my constituency, I would look on either side of the grid roads that I drove through and I would see miles and miles of acres and acres of golden wheat. And, Mr. Speaker, in those days wheat was king, and wheat was of good financial return to the farmer.

But as we've seen agriculture change over the last number of years, we've seen greater global pressures, and we've seen a lot of changes that have affected agriculture directly. No longer, Mr. Speaker, can we in Pelly constituency and in rural Saskatchewan sit back and rely on the production of wheat, barley, and canola as a sole means of revenue for our farming operations.

The international market-place has changed. The demands of the international market-place have changed. And with that, Mr. Speaker, we have to change too. And I'm proud, Mr. Speaker, to say that the Saskatchewan farmer has taken up that challenge of change and you can see that today as you drive through the countryside, a countryside that today looks like a patchwork quilt.

For yes, you continue to see wheat production, but now you see canola, peas, lentils, and numerous of other crops, that farmers have taken their farming operations and diversified them into the matching and meeting the needs and the demands of the international market-place.

But, Mr. Speaker, change is about -- and I think that

probably we're going to see change a lot faster now than we've ever seen it in the past. And the name escapes me, Mr. Speaker, but there was a professor from McGill University a few years ago suggested that the amount of change that we've seen in our world in the last 100 years, we will see that much change again in the next 10.

And if you look at, Mr. Speaker, what has happened, particularly in the technology of communications, I believe that could very well be a reality. For 15 or 20 years ago much of the world was days if not weeks or perhaps even months away from us; but now, Mr. Speaker, any place in the world is only seconds away, either through a telephone, long-distance telephone call, through a fax, computer modem transmissions.

Mr. Speaker, 20 years ago if you would have told me as an individual that I would be able to sit in my living-room in front of my TV and watch the Olympics taking place halfway around the world and be able to watch the events of those Olympics instantaneously via satellite communications, well, Mr. Speaker, I would have probably suggested you were smoking something.

But those are the changes that we have seen in our society and those are the changes we have seen in communications. Those are the changes that we have seen in our economy. And, Mr. Speaker, we're in a situation where we must change with the times in order to stay with those times. And agriculture will play a part of that change, and our Agriculture minister and his department has recognized that and they have laid out for us a road map for agriculture. That road map is called **Agriculture 2000**, and that emphasizes the strengths of Saskatchewan agriculture. It emphasizes the stability, the growth, and the diversification of our industry.

To match that change and to meet the challenges of the future, our budget contains some agriculture programs to support the new and growing concept here in Saskatchewan, and that's the concept of value adding to agriculture products. And I'm proud, Mr. Speaker, that our government was able to put \$20 million in a program over the next four years, a program called agriculture-food equity fund that will provide and help assist and search out new markets for Saskatchewan agriculture products, assist new export markets for Saskatchewan products and Saskatchewan economy, and in turn, Mr. Speaker, will create jobs here in Saskatchewan.

And, Mr. Speaker, I'm very proud that in my constituency, a group of individuals who have the foresight, who are progressive individuals, who've seen these changes coming, were able to get in on the change and institute a value added project in my constituency -- and of course, Mr. Speaker, I'm referring to Norquay alfalfa processing plant at Norquay, Saskatchewan.

It was five years in getting up and running, Mr. Speaker, and the group that was in charge of it and worked hard at getting all the . . . jumping through all

the required hoops and putting all the funding in place, received a tremendous amount of support from the local community, the support not only verbally, Mr. Speaker, but financially. They were able to raise over \$1 million from local investments.

At the same time, Mr. Speaker, they were able to attract funding from the aboriginal communities; the two Indian reserves close to Norquay, the Key Indian Band and the Cote Indian Band, formed Thunderhill Investments Corporation and invested in that project.

The only stumbling block at that time, Mr. Speaker, was the provincial Conservative government who refused to assist getting that project off the ground in any manner, shape, or form. Yes, Mr. Speaker, when the Norquay group would approach SEDCO (Saskatchewan Economic and Development Corporation) at the time, they would get the pleasant reception but nothing but a run-around.

And I'm proud, Mr. Speaker, to say that it was after our government took over power in October that the due diligence was done, that the project was looked at from a common sense point of view. It was seen quite clearly that it was a viable project and a project that we supported to a tune of \$1.8 million in a SEDCO loan.

That, Mr. Speaker, created the bridge financing so that the group could construct their plant and get it up producing a product. Construction started on March 1, Mr. Speaker, of 1992, and on July 1 they were producing an alfalfa pellet. And I want to take my hat off to those people involved in that group for the tremendous and tireless job that they did in getting this project off the ground.

Some Hon. Members: Hear, hear!

Mr. Harper: -- But just to show the viability of the project, Mr. Speaker, within a year of operation, Norquay Alfalfa Processors Ltd. was a strong corporation, strong enough to stand alone in the commercial market-place. Standing alone meant they were able to refinance through the Royal Bank their SEDCO indebtedness, and pay SEDCO back so this government now has the \$1.8 million to support another project with.

Some Hon. Members: Hear, hear!

Mr. Harper: -- And, Mr. Speaker, in the first year of operation of Norquay Alfalfa, their gross sales was almost \$3 million. Mr. Speaker, that's \$3 million worth of alfalfa that was sold abroad, primarily in the Pacific Rim countries of Japan and Korea. Mr. Speaker, that was \$3 million of new money that was brought into this province, and brought into the community and district of Norquay.

Mr. Speaker, that plant in the first year's operation harvested 16,000 acres of alfalfa. The payroll -- the payroll of nearly a million dollars, in fact it's a shade over \$800,000 payroll -- was spent right in the Norquay community. That project, Mr. Speaker, has

created 55 jobs, of which 25 are full time. A tremendous boost to that community.

And the spin-off effect has benefited not only the farmers there, Mr. Speaker, where last year the farmers received \$330,000 from the Norquay Alfalfa plant in return for the crops they produced, but the small business in Norquay and the surrounding community has benefited to the tune of \$250,000 from parts and services purchased by the plant.

Mr. Speaker, that is what this government is all about -- community-based industries that's owned and controlled by the community, where all the proceeds from those operations stay within the community and within the province. Mr. Speaker, that is the key to the recovery of the Saskatchewan economy and a long-time survival of it.

Mr. Speaker, I am proud to say that our government is taking a leadership role in assisting the beef industry in this province to further develop: through establishing a beef industry development fund that will continue to support a beef industry that is not only growing, but will continue to grow, Mr. Speaker; to fulfil the international demands for quality beef -- the quality beef that we produce here in this province.

Mr. Speaker, our government has recognized some of the inequities in the crop insurance and we have made moves in that particular department to reinstate spot loss hail that has . . . many farmers have been after that for some time. We've also, Mr. Speaker, made moves to -- for the first time ever -- to allow farmers to purchase whole-farm crop insurance which will enable them to insure their entire farming cropping patterns, and the crops produced, with reduced premiums.

Mr. Speaker, those are the changes that will allow now -- under crop insurance crops that were previously not covered by crop insurance -- will now be able to be covered by crop insurance to assist farmers in their attempts to diversify.

Mr. Speaker, I would be remiss if -- while I have the opportunity to be on my feet here -- if I didn't touch on health care for a few moments. As you know, Mr. Speaker, we very ambitiously started the reform of health care or we've started the reform of the delivery system of health care in this province. And, Mr. Speaker, I am very proud to say that our government is the only government that has tackled this problem; that is couched in compassion and understanding; with the overall intentions of being able to provide the best possible health care services to the people of Saskatchewan while yet controlling it and keeping it as a publicly funded, publicly administrated program.

Unlike other provinces, Mr. Speaker, where they have suggested that the way to address the health care costs is to privatize.

We're all very much aware of what the Liberals have done in Nova Scotia and we're all very much aware of what the Liberal leader in Alberta, Mr. Decore, has

suggested as a solution to their costs of medicare. In fact, Mr. Speaker, the Liberal suggestion in Alberta is to create a two-tier health care system, one for the rich and nothing for the poor.

Well, Mr. Speaker, we're not doing that. And why, Mr. Speaker? Because we are committed to maintaining the best possible, the most affordable, the most up-to-date health care system that is publicly funded, publicly administrated, that will allow all people fair and equal access to it regardless of their ability to pay. That, Mr. Speaker, is not what the case is in other Liberal governments and Conservative governments. What they want to see is Americanization of health care.

(1615)

And, Mr. Speaker, I just want to take a few moments to relate a little story that I had the opportunity of being involved in this fall. Mr. Speaker, I had the rather wet harvest conditions this fall in my particular part of the constituency and on my farm, so I needed some extra assistance to get the crop off. So I hired an American custom combiner to give me a hand. And he was from Cedar Vale, Kansas; Lorne and Mary Jane Sweaney were the owners and operators. Mr. Speaker, Lorne is 58 years of age and has never had any serious medical problems -- a touch of asthma but nothing more serious than that. And Mary Jane is 56 and again has had no great medical problem except with a little bit of high blood pressure problem.

But I had the opportunity to talk to them about their medical system, and I was, quite frankly, Mr. Speaker, horrified to find out that they are carrying a private medical insurance for the two of them. Their premiums, their premiums that they're paying for that medical insurance, is \$800 a month. Unfortunately, Mr. Speaker, it's \$800 a month is their health care premiums. And that insurance only covers them for 80 per cent of their doctor costs and 80 per cent of their hospital costs. They have a 20 per cent deductible on top of an \$800-a-month premium. And, Mr. Speaker, that is what the Liberal and Conservative Party of Saskatchewan would like to have here.

But I tell you, Mr. Speaker, I even opened my eyes a little more when on this very same topic I had the opportunity to talk to one of the gentlemen that works for him, a gentleman by the name of Larry Albert.

Larry is 48 years of age and three years ago when he was 45, Mr. Speaker, he had a heart attack. He spent 14 days in a hospital in Wichita, Kansas and that visit to the hospital cost him \$28,000. He was fortunate, Mr. Speaker, at that time he too was carrying a medical insurance that covered him for 80 per cent of those costs.

But at the end of the year when it came time to renew his health insurance he found out that the company had put a rider on his policy that his heart was no longer covered. So since he couldn't receive coverage for the situation and the condition that was troubling him the most he simply dropped his insurance.

Unfortunately, Mr. Speaker, two years ago he had a second heart attack. This heart attack caused him to be in the hospital nearly three weeks and a bill followed that of \$38,000, of which quite frankly, Mr. Speaker, he is attempting to pay off by monthly payments to this very day.

But it even gets sadder when you find out that as a result of this second heart attack the damage that was done to Larry's heart has now caused the two valves on the inside of the heart to leak. One valve is leaking at an 18 per cent rate and the other valve is leaking at a 22 per cent rate.

The doctors have told him that he needs corrective surgery to prevent that leakage because those valves are deteriorating, and as they deteriorate, it increases the percentage of leaking. And the doctors have told him that if either one of those valves deteriorate to the point that he has a 33 per cent or more degree of leakage in that valve it could cause his death. But that surgery, that corrective surgery that he requires, will cost in the U.S. (United States), at Wichita, Kansas, \$70,000.

Now, Mr. Speaker, Larry is much like myself and many of the rest of us, he's just an ordinary guy. He hasn't got U.S. medical insurance and he hasn't got \$70,000. And at 48 years of age his options are very limited.

Mr. Speaker, I'm very proud of the reforms that we are carrying out in this province of health care because I know those reforms will allow us to continue to be able to support a publicly funded, publicly administrated, health care system that will provide the services needed to all people in this province regardless of their ability to pay. And that will be there as long as we're in power, Mr. Speaker, and as long as it's a New Democratic government in Saskatchewan.

Some Hon. Members: Hear, hear!

Mr. Harper: -- And, Mr. Speaker, we're able to do all of these things, accomplish all these things, turn this economy around, and keep the promise. Keep the promise of no major program cuts and no new taxes. Mr. Speaker, I think that this government is on the right track and I'm proud to say, Mr. Speaker, spending the last week in my constituency, the vast majority of the people I have got in my constituency knows that this government's on the right track.

Some Hon. Members: Hear, hear!

Mr. Harper: -- I had the opportunity, Mr. Speaker, of spending last Saturday afternoon in Kamsack, and of course as I usually do on Saturday afternoons, I spent a lot of time in the coffee shops.

And I was in Toros' cafe in the mini-mall there in Kamsack and an old-time acquaintance of mine by the name of Harry Shukin came in there and ended up at the same table as myself. And we were discussing the situation as it faces this province. And Harry has

been a long-time member of this province, having been born in Veregin area some nearly 70 years ago and spent his entire life either in Veregin or at Kamsack.

And Harry kept referring to the no-difference team. And after he mentioned this about the third or fourth time I asked him what was this no-difference team. He said: well that's the opposition in the Saskatchewan legislature. There is no difference between the Liberals and the Conservatives.

He said you can see that, Mr. Speaker, in most recent news events where you're seeing former Conservatives joining the Liberals and former Liberals joining the Conservatives. It's just like our Premier has said on many occasions about the chickens standing in the snow bank. The chicken stands in the snow bank on one foot until that foot gets cold and switches feet. But at the end of the day what do you have? The same old chicken with cold feet. The same old chicken.

Mr. Speaker, the legacy that had been left in this province by the former Conservative government is interesting to compare to the history of Saskatchewan.

And if we go back in the history of Saskatchewan, and we go back to the great event of 1944 and the election of the first socialist government, we find out at that time that Tommy Douglas defeated the Liberals in 1944 and inherited a province that was riddled with debt. And in 1991, in October, when the New Democratic Party of that day defeated the Conservative government of that time, and inherited a province that is riddled with debt, that, Mr. Speaker, is what I mean when I say, same old chicken, only with cold feet.

Yes, Mr. Speaker, there is a difference. And a few days ago when I had the opportunity -- a brief opportunity at that -- to enter into the throne speech, I related at that time a story that my grandfather used to tell me. My grandfather, who lived all his life in this province and raised his family in this province in the 1920s and 1930s, raised his family under Liberal and Conservative governments, used to dispute with some of his friends and neighbours when they would say that there was no difference between Liberals and Conservatives.

My grandfather used to say that there was a difference -- a very slight difference, Mr. Speaker, but a difference. My grandfather used to insist that a Conservative government would skin you from the top down while a Liberal government would skin you from the bottom up.

Some Hon. Members: Hear, hear!

Mr. Harper: -- And, Mr. Speaker, they would then deliver that skin to the corporate sector to stretch and dry.

Mr. Speaker, with those wise remarks of my grandfather's and people like him who have buffeted

the storms in this province, the storms that were created by those parties such as the Liberals and the Conservatives, Mr. Speaker, I am very proud to say that we have turned the corner here in Saskatchewan. The policies and the plans and direction put forward by our government has stopped the economy from nosediving into destruction, has turned it around and has now, Mr. Speaker . . . we can see some glimmer of hope and glimmer of light on the horizon that one day, though the road may be a bit rough between here and there, but one day we'll once again have financial freedom in this province and return Saskatchewan to its rightful place, a province of prosperity and a province of opportunity. Mr. Speaker, it is with great pride that I support this budget speech. Thank you.

Some Hon. Members: Hear, hear!

Mr. Jess: -- Thank you, Mr. Speaker. I rise today to take part in the budget debate. Delivering the promise is the theme and a very fitting theme it is. Saskatchewan people were promised responsible government during the 1991 election campaign and responsible government is what is and has been provided.

When I listened to the budget delivered by the Minister of Finance, I was elated and very proud to be part of a government that has accomplished so much in such a short time. The government deserves credit, but much of the credit goes to the third level of government and to all Saskatchewan people themselves. They have shouldered a large portion of the tremendous load that we all inherited after the long period of confusion known as the Tory years.

The people of this province have truly played their role in being part of the solution. When I hear the reactionary responses of the Tory Party gasping for air as it goes through its death throes or when I hear the irresponsible right-wing ramblings of the third party, I cannot help but attempt to explain to them, that if they are not willing to be part of the solution, they are definitely still part of the problem.

As we deal with personal as well as provincial debt -- and in many cases it has been a devastating debt to Saskatchewan families as it has been to our province -- I am reminded that it was the Liberal government of the day in Ottawa that allowed interest rates to go above 12 per cent. I am convinced this move to appease their banker friends was a major reason for the problems that exist to this very day.

I am pleased to say that the financial indicators that the minister drew to our attention in her speech prove that under her capable guidance we are in fact in a much better position than just two short years ago.

I would like to compliment the minister on the fine job she is doing in the Department of Finance. When the minister took over the reins from the now Deputy Premier, she had big shoes to fill. Today the accomplishments of both these ministers have placed Saskatchewan well back on the road to recovery.

We often refer to turning the corner when we talk about dealing with the financial planning for the province's future. Well I do not know if turning the corner is the correct description but I do know that the Tories had run Saskatchewan right off the road and into a very deep ditch. Fortunately the people of Saskatchewan knew this could not continue and are standing together as we get Saskatchewan back on the road.

(1630)

As I see it, it is a straight road -- straight to deficit reduction, straight to balanced budgets, straight to responsible government and, what is more important, straight with the Saskatchewan people.

When you listen to the favourable response from Saskatchewan people as they react to the budget address, it becomes very evident that Saskatchewan people are well aware that the Minister of Finance has the solution. I would encourage every member in this House to stand in his or her place, when the vote on the budget is called, and support the minister in her efforts to provide that solution.

I would encourage the official opposition to take this opportunity to at least partially redeem themselves for what they did to the people of this province in the 1980s. As the member from Maple Creek is so quick to point out, he and some of his back-benchers are not really to blame as they were not part of the government in those Tory years. Well I would like to offer the member from Maple Creek . . . in fact I would very much like to request that the member stand with us on this occasion and show the people of Saskatchewan that he realizes the problems created by his colleagues and now be prepared to become part of the solution as well.

Some Hon. Members: Hear, hear!

Mr. Jess: -- The third party also has an opportunity to show whether they wish to be part of the solution or if they wish to be aligned with those that created the problem. Not only in Saskatchewan but also aligned with the former Trudeau Liberals in Ottawa that paved the way for the high interest rates of the '80s that ground this province and this country to a halt.

It will be very disappointing if after all the rhetoric about a new beginning from the Leader of the Liberal Party if we don't see her placing this province and Saskatchewan people ahead of political posturing for once.

Yes, it would be nice to see all members in this House approach the financial management of this province with the same dedication and responsibility as the Finance minister and all join with the minister when she rises, to support not only the 1994 budget but also by doing so supports the plan to have Saskatchewan on the straight road once again.

Fundamental principle of parliamentary government is that the Legislative Assembly exercises ultimate

control over the public's finances. This is the principle that I am proud to say is being honoured by the hon. men and women of my government.

Mr. Speaker, the budget address promises three very important commitments. To meet our deficit reduction targets, to create no additional program cuts, and perhaps the most important of all, no new taxes.

I often try to imagine just what our government could do for the people of this province if we had the \$850 million that we spend each and every year for interest -- for interest alone -- on the Tory debt. Just imagine, more spent on interest on uncontrolled debt created by the previous government than on the amount of direct government salaries and operating for the entire province.

Some suggest to me what should be done to the former leader to retaliate for what he and his advisers did to Saskatchewan people. I wonder if perhaps we should not feel pity for him instead, when you consider that his chief advisers were Liberal retreads, their loyalty based on personal advantage, and if you care to notice, many are now moving back to the Liberal machine. These former Tory players are much like the chameleon, as their colour changes just as easily.

Some say that the Liberal tide is coming in. Well if it is, it's bringing a lot of Tory debris. The trash appears very familiar and the beach needs a major clean up.

I was pleased to hear the minister say our priority is jobs, our plan is to act on all fronts to promote the economic recovery which is occurring in our province.

Mr. Speaker, the positive signs that Saskatchewan is back on the road, that long, straight road once again are many, as the Minister has outlined in her address. But those are not the only signs. Even more important signs are visible every day, and I encounter them as I travel about Redberry constituency. People are optimistic and once again looking forward to a brighter future as their lives improve. These signs bode well for the responsible approach of government, as outlined in the budget speech.

Much more has to be done and much more will be done. As the former premier used to say, there is so much more we could be. Well if it was not for him and his recycled Liberal advisers, we would be out of debt, not paying over \$2 million a day in interest. That is enough money to put a new school in one town in Redberry each and every day of the year. Just imagine what we could do in 365 days with that kind of money to spend in Saskatchewan for Saskatchewan people. Instead we are forced to tax our people to pay the Tory debt.

My father's generation was faced with Bennett and Anderson governments; my generation had to cope with Mulroney and the member from Estevan, the former Conservative leader, in Saskatchewan. Every 50 years, collectively, people forget, and collectively,

they have to reconsider and remove the Tories from office. However, the results are not entirely successful if they just move over to the Liberals, as many of the political opportunists have done before and appear to be doing once again. Now we must make sure we don't get these same retreads back under another name.

Mr. Speaker, the response from the farming community is very favourable towards last week's budget. The one item that really was pleasing to them -- and I have to give the new federal government some credit for cooperating, unlike the predecessors -- is spot loss hail insurance. This is one item that is very important to the farmers of Redberry.

Also over the next four years, \$20 million will be invested in value added projects to strengthen rural Saskatchewan. This is a very welcome move in Redberry as it not only may employ local people but also create better market opportunities for the farmers of Redberry.

The Saskatchewan Farm Support Review Committee chaired by Redberry farmer, Dennis Banda, has recently completed a report on safety net design. This report will be the basis for discussion with other provincial governments and the feds in the future.

The major changes to crop insurance are considered by my constituents as a progressive move by a caring government. The additional funding of some \$10 million to the health boards is very much appreciated by people of rural Saskatchewan and will aid a great deal in the progress and development of the wellness model in areas such as Redberry.

As we took our place here just over two years ago and had the opportunity to open the books and view the serious state of this province, I am sure that I am not the only one that had some doubts as to whether we, as a provincial government, could in fact solve the problem.

I am pleased to say that after listening carefully to the budget speech, that it is very clear that we have become part of the solution. At the conclusion of this debate I will be proud to stand in my place in the legislature and vote in support of this budget. Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Thompson: -- Thank you very much, Mr. Speaker. I first want to congratulate the Minister of Finance on all the hard work and dedication she has put into this budget, a budget that has Saskatchewan's deficit under control. I sincerely hope that in the years ahead we can all turn our attentions and energies to make life better for all Saskatchewan residents and to tackle the large debt that haunts all of us. This budget provides us with that freedom.

Mr. Speaker, I now want to take this opportunity to congratulate all the athletes who are competing in the 17th Winter Olympics in Lillehammer, Norway.

What we see is athletes who are competing, many of the names we have never heard of before. But, Mr. Speaker, there is another side to all the athletes, and that is many years of hard training, sacrifices, and complete dedication to reach the level of the Olympics. There are thousands of athletes who go through this same process but suffer the disappointment of not quite making it.

I personally know that feeling. In 1956, I won the open light middleweight boxing championship of Saskatchewan and was picked to compete in the Olympic trials in Montreal. I then suffered a freak accident in training just days before our team was to leave for Montreal. This was a great disappointment for me. All the athletes who did not make it, I congratulate them.

I also want to congratulate the two gold medal winners, Mr. Speaker: Jean-Luc Brassard of Grande-Ile, Quebec, who won the freestyle moguls; and Myriam Bedard of Loretteville, Quebec, who won the 15-kilometre biathlon. When I watched them receive their gold medals, the Canadian flag was hoisted, and the Canadian national anthem was played, the whole world witnessed two young athletes from Quebec express their emotions and their pride at being Canadians. I congratulate them and I thank them.

I also want to, Mr. Speaker, indicate that on February 24 to 27 of this year, the Saskatchewan Indian Winter Games will be held in Beauval and Meadow Lake. And the theme is youth wellness to sports, culture and recreation. I sincerely hope that this will be a successful event, and maybe in 1998 in Japan some of these young athletes will be competing in the Olympics.

Mr. Speaker, I want to also at this time thank Norway and the Norwegian people for the hospitality they are showing to all the athletes and visitors to their great country. I also want to thank Norwegians for the contributions they have made to Canada and particularly Saskatchewan. You will find Norwegians all through Saskatchewan. In some areas there will be more than in others -- places like Canwood and Big River there are many Norwegians.

But I want to give one specific example of the Norwegian families in Buffalo Narrows where I live. They came to Buffalo Narrows, raised their families, and contributed so much to our society. Mr. Speaker, here are some of the individuals who came just to the community of Buffalo Narrows. I'm just going to give you the names of the family heads that came and settled and contributed to that one small town in Saskatchewan, and that being Buffalo Narrows: Sigvold Nelson, Louie Rimstad, Jacob and Hilda Halvorsen, Pete Pedersen, Tom Pedersen, Ryder Pedersen, John Pedersen. And I want to indicate, Mr. Speaker, that John Pedersen, who came to Buffalo and raised a large family, was born and raised in Lillehammer, Norway. Bjarne Fjellidal, Tony Swanson, Ivan Bakken, John Swanvik, Vigo Hansen, Olaf Larsen, John Jacobsen, Ollie Jacobsen, Martin

Brunstead, and Maurice Gran.

(1645)

Mr. Speaker, that's just to name the Norwegian families and what they mean to one small community in our great country. Many of these individuals have passed on, but not all of them. You can now find their sons and daughters and grandchildren and great-grandchildren living all over our great country, carrying on Norwegian traditions, and contributing to Canada.

If you come into my constituency office, you will see an oil painting that was given to me by Hilda Halvorsen who now lives in Prince Albert. She is 91 years old. She still lives an independent life and the painting was done just last year when she was 90 years of age. I thank you, Hilda, and all the Norwegians for their contributions to Canada.

I now want to turn to my constituency and what I hope this budget will accomplish to solve the serious problems that they are facing such as high unemployment, a high percentage of individuals on social assistance, far greater than any other constituency, Mr. Speaker, in this province.

Mr. Speaker, the constituency of Athabasca has the resources to be one of the richest constituencies in this country if they were developed to their full potential.

I want to comment on the fishing aspect now. We should be, as far as I'm concerned, Mr. Speaker, processing our fish up North, not in Winnipeg. Jobs at home providing a fresh product for the consumers; superstores should be selling more Saskatchewan fish. Now the majority is from the east and west coast. And I think that, you know, if you go into the supermarkets and you take a look at the fish that's in the stores, very little Saskatchewan content in the fish, and that's just not fair. We have millions and millions of pounds of beautiful, fresh fish in our province and we're just not handling it properly.

We fish the fish up in our lakes and then we transport it by trucks over a thousand miles to Winnipeg, Manitoba, and that's where the processing takes place. And there's absolutely no way that you can take perishable goods like fish, and fishermen who keep them in their camps for sometimes 24 to 48 hours, then they take them into the fish plant, and then you put them in a truck and transport them another thousand miles for processing.

I think that that's just something that we have to put a stop to. We have to turn some of that transportation money over to transporting the fish from our lakes to processing plants right in northern Saskatchewan. And that will be creating good jobs and a quality product for the citizens of Saskatchewan.

And I know that the demand for our product would definitely grow. We can let the Freshwater Fish Marketing Corporation sell their product through their central selling agencies, but if they do not do a good

job of selling then the province should look at new ways of selling the product and maybe that should be done through cooperatives.

As I indicated, we have millions of pounds of fish and if it was marketed properly and handled properly, it would be a tremendous industry for northern Saskatchewan, creating literally hundreds of jobs.

I want to turn to mining, forestry, and education. And I think that all three will play major roles in solving our unemployment problems in northern Saskatchewan and in the province as a whole. I think the private sector has a very major role to play working closely in conjunction with the Department of Education in Saskatchewan.

It is very important that the Department of Education work closely with industry so that our community colleges can provide the courses needed for our citizens to take advantages of the new jobs that are opening up. And I speak specifically in northern Saskatchewan now, forestry and mining, and uranium mining in particular.

The continuing operation of our present uranium mines and the development of new deposits will play a major role in Saskatchewan solving its economic and financial problems by creating large numbers of high-paying jobs with large financial returns to the province.

Some Hon. Members: Hear, hear!

Mr. Thompson: -- Hundreds of Northerners are now working in the uranium industry and hundreds more are looking at the new deposits for good jobs that will give them and their families the security and life that they want and deserve. With world demand for uranium growing at a rapid pace to be used for peaceful uses, I say, Mr. Speaker, that we must take advantage of this resource in Saskatchewan.

Some Hon. Members: Hear, hear!

Mr. Thompson: -- I now want to turn to forestry, Mr. Speaker. Forestry will also play a major role in solving Saskatchewan's financial and unemployment problems. But I caution, we have to be very careful how we harvest and manage our forests. While it is a renewable resource we have to practice sustainable development.

And what is sustainable development? Mr. Speaker, sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs. I am on record and I have always been opposed to clear-cutting of our forests. I believe in selective cutting. Most countries on our planet now stress selective cutting over clear-cutting, and you see more and more of this in the newspapers, where countries and groups are encouraging governments to selectively cut their forests and manage them properly.

As the results of clear-cutting became visible, harvesting methods will have to change to protect our forests and our environment. With Saskatchewan climatic conditions, it is just as important here to selectively harvest our forest as it is in B.C. (British Columbia) and in the mountains.

When you do not have a good forest cover to catch the rainfalls, then you will see the little bit of fragile topsoil that took millions of years to develop washed down the mountainsides, into the creeks and rivers, literally destroying water flow patterns and destroying fish spawning grounds that also took millions of years to create. Mr. Speaker, this is a disastrous result.

The same applies to Saskatchewan. We have a very short growing season. Small seedlings planted in a clear-cut area are exposed to all Saskatchewan's severe weather systems and will never mature.

This is why selective cutting is so important, as only the mature trees are harvested. This way we can always have a forest. This is how we practice sustainable development of our forests, and then your forests look good compared to the clear-cutting areas. It also provides a home for our animals and birds plus clean water in our rivers and lakes.

Mr. Speaker, I will continue to work to improve our harvesting methods, and in doing so, protecting jobs and our environment. In one region, between Green Lake and La Loche, we could create hundreds of jobs by encouraging small-scale forestry operations -- saw mills, planers, fence posts, peeled and treated right in the North, railroad ties. What do we do, Mr. Speaker? We handle the forest resources the same way as we handle our fish. We send the full logs and posts south for processing. Mr. Speaker, that has to stop because that's taking also the jobs with it.

In closing, Mr. Speaker, here I want to indicate some of the projects that I have been working for and will continue to work for: roads and highways -- the road from Beauval to Jans Bay and Cole Bay and Canoe Narrows. We spent close to \$5 million on rebuilding a logging road from Meadow Lake north towards Keeley Lake in 1993 -- nothing on the narrow, crooked road to Canoe Narrows. And this is not fair, Mr. Speaker. This is a road that is used daily by school children and should be rebuilt, and it should have priority over the logging roads.

The road to Black Lake, Stony Rapids, and Fond-du-Lac is an important artery for the far North and all of Saskatchewan. The same applies to the road from La Loche to McMurray, a very important connection to both Saskatchewan and Alberta.

I want to continue to work for a nursing home in my constituency, Mr. Speaker. It's, I believe, it's the only constituency out of maybe some urban ridings that does not have a nursing home. And we have individuals who are in Prince Albert and North Battleford and Meadow Lake and Saskatoon and scattered all over. And it's just not fair. Friends and relatives just cannot visit them.

Health facilities are badly needed, education opportunities and facilities. We have to provide education and training at all levels so Northerners can compete on an equal basis with the rest of society. Sewer and water for Stony Rapids -- Mr. Speaker, here's a community in northern Saskatchewan that's pretty well the only community left that does not have sewer and water. This cannot continue.

We have to work to eliminate . . . elimination of the 20-week welfare job with good, high-paying jobs. It's so degrading to have to work for 20 weeks and then go on UIC, and then UIC and back onto welfare. This is something that we have to stop so that people can get their dignity back.

In closing, Mr. Speaker, if I had my wish list it would be to include the following. To make some of the surplus hospitals from the South . . . to move some of the surplus hospitals from the South to La Loche, Buffalo Narrows, Ile-a-la-Crosse, and to the far North of Fond-du-Lac, Stony Rapids and Black Lake where they are so badly needed. I also wish that I was four or five years younger so that I could run for another term as there is so much to be done in my constituency, and the rest of this province, and I feel that time is starting to run out on me.

Mr. Speaker, in closing, really what I wish for my constituency -- and for the province -- is for fairness and compassion as we tackle the major problems not only in my area but in Saskatchewan. And I think that this budget -- if we handle it right, and all work together, and use that philosophy of fairness and compassion -- that this budget will turn out to be a good budget for the province of Saskatchewan.

So in closing, Mr. Speaker, I will be voting for the budget.

Some Hon. Members: Hear, hear!

Mr. Thompson: -- Mr. Speaker, I move adjournment of debate.

Debate adjourned.

The Assembly adjourned at 4:57 p.m.