

EVENING SITTING

SPECIAL ORDER

ADJOURNED DEBATES

MOTION FOR COMMITTEE OF FINANCE  
(BUDGET DEBATE)

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

**Hon. Mr. Lautermilch:** -- Thank you, Mr. Speaker. Before dinner I was making some remarks to the budget speech, and what I had talked about before was the direction that the province is being led by this government and the fact that we are on target in terms of our budget projections. And in fact, Mr. Speaker, this budget I think clearly indicates that we are restoring fiscal integrity to the economy of this province.

Mr. Speaker, I had done in a small way a comparison of the federal budget to the Saskatchewan provincial budget, and what the federal Liberals were doing, and what this budget showed in terms of direction for the province under New Democrat government.

Mr. Speaker, I indicated as well that it was my opinion that the Liberal opposition members and the Conservative opposition members would be standing shoulder to shoulder voting against this budget which, in my opinion and in the opinion of people in my community, is a very welcome budget and does show in fact a very positive direction.

Mr. Speaker, before I quote comments from my community, from Prince Albert, I would like to go through some of the differences between the federal budget and the provincial budget. And I'd like to have a look at what they are proposing and what the people of Saskatchewan are facing in their budget that we have delivered just short days ago.

In our budget, Mr. Speaker, we have continued on the cost . . . On the cost of operating small business, we've continued on a reduction in the small-business tax. And, Mr. Speaker, in the Liberal federal budget there is no tax relief for small business. Mr. Speaker, in the federal budget what there is is the capital gains exemption being eliminated and a higher tax rate for medium-sized businesses.

I think, Mr. Speaker, the fact that we have recognized job creation in this province will be and has been done in no small way by the small-business community, is a proper approach. We have, when we formed government, eliminated the PST (provincial sales tax) on meals and food, putting in the neighbourhood of \$65 million back into the economy. We have been partnering with the hospitality industry in our gaming ventures as I've indicated earlier. And I say, Mr. Speaker, I believe and I believe the people of Saskatchewan believe we're on

the right course.

And what help has come other than opposition from the Conservative and Liberal members in this legislature? Mr. Speaker, the answer is none. The member from Greystone promised us months ago, a hundred and some months ago now, that she had an idea every week that she would share with the province of Saskatchewan in terms of economic development. And I say, Mr. Speaker, we haven't seen one single positive thought from the member from Greystone, any more than we've seen from the Conservative members of opposition.

Mr. Speaker, there has been nothing shared with us in terms of small businesses and benefits and proposals that would benefit small business. Nothing, Mr. Speaker. So, Mr. Speaker, this government has acted on its own because there's no assistance, there's no ideas from members opposite, Mr. Speaker.

Mr. Speaker, in terms of unemployment, I indicated that I wanted to make some comparisons between the province of Saskatchewan and the federal government. What the federal government offered my community, the community of Prince Albert, is cut-backs to unemployment benefits, Mr. Speaker. We know full well that the impact of these will be generating, not more jobs, but more welfare. And I say, shame on the Liberal members from this province who voted in that fashion.

Mr. Speaker, the federal budget offered nothing in terms of assistance for agriculture. What it did offer was cut-backs. And I say, Mr. Speaker, that this federal budget was a budget of tax, tax, tax, and not of jobs, jobs, jobs. Mr. Speaker, sadly lacking in agriculture. And I say that the people of Saskatchewan will see that a Liberal in the 1990s is no different than a Liberal of the 1970s, Mr. Speaker.

Mr. Speaker, I indicated that I want to support this budget because of what people in my community are saying. And I just want to read some of the headlines that have been in the **Prince Albert Daily Herald** in the last few days. "P.A. residents happy with no tax hikes". "Accountant sees benefits for P.A. in budget", Mr. Speaker. "School boards grade high province's new budget". "Children's advocates enthused about gov't spending . . ."

But, Mr. Speaker, instead of supporting positive initiatives, I'm convinced and I think will be evidenced later this evening, that members of the opposition will be able . . . or will be standing in their places and voting against this budget.

I just want to put a few short quotes before the people of this province, Mr. Speaker. The quote from one of the articles says:

Business owners may look forward to better times thanks to the budget decisions, he says. A \$600 million promise to the Saskatchewan Opportunities Corporation -- which replaced

the Saskatchewan Economic Development Corporation -- could create more markets for provincial products.

Mr. Speaker, the person goes on to say:

The same theory applies to the \$4 million allotted to developing jobs and businesses in the north, which could have a local spin-off effect, he says.

"The Prince Albert area will certainly benefit from that," . . . "We in Prince Albert have to focus on getting involved in that."

Small businesses can be encouraged by the continued reduction in the corporation income tax rate. With Prince Albert's high concentration of small businesses, it could mean more investment in jobs or expanded markets . . .

Now, Mr. Speaker, these are the kind of comments that are out and about this province and these are what people are saying about this budget. But I say that you will see this evening that members of the opposition -- both of the Liberal and Conservative Party -- will not vote for the people of Prince Albert. They'll vote in their partisan, political way against the initiatives in this budget.

But, Mr. Speaker, what could you expect from members of the opposition? The member from Shaunavon I see is getting ready to address this legislature. And I'll be interested to know if he'll stand up and explain where he would expect the people of Saskatchewan to find \$167 million, as he has requested we write down the entire debt of the crop insurance program.

And I want to say to the member from Shaunavon that he may be able to explain this evening where we would find \$3 million, as he suggests we restore all of the service to the Saskatchewan Transportation Company. Where would this corporation find the money, I ask, Mr. Speaker? And if the member from Shaunavon has a new idea, then I would be interested in finding out where that might be. But I know what he supports, Mr. Speaker, as a Liberal member of this legislature, and I'm quoting from the **Prince Albert Daily Herald** one more time: "Red Book, red ink clash. Budget fails to deliver election promises."

Mr. Speaker, those are the actions of Liberals; those are not the actions of a New Democrat government. And I say to the members of this House that the people who sit on this side and who worked to put this budget together have faith in the people of Saskatchewan, have faith in their ability to restore fiscal sense, fiscal common sense, to their government in Saskatchewan. And I say that people on this side of the House also recognize the fact that they would support similar initiatives from his federal cousins in Ottawa but sadly, Mr. Speaker, they play politics rather than doing what's right.

Mr. Speaker, this process that we go through annually is a difficult process. The Department of Finance struggles with a lack of revenue. They struggle with high debt loads. They struggle with the bond dealers. And yet, Mr. Speaker, they're committed to restoring a good quality of health care and of education, and a good highway system, and a fair government.

But I say, Mr. Speaker, there are some differences in the way governments put budgets together. I want to say that I'm glad to see the day is gone when year after year, Conservative government increased debt upon debt in this province. I say, Mr. Speaker, those days are finished, and I believe the people in Prince Albert and in other communities in this province are happy that that in fact is the case.

Mr. Speaker, it's not an easy course. It's been referred to, deficit reduction, as a narrow road that few might be willing to walk. But I say it's a road that we need to walk, Mr. Speaker. There are some who have the courage to face the challenges of getting the fiscal house in order but then again there are others who can't. There are others who will stand and oppose a responsible government, and there are those that haven't got the courage.

Well, Mr. Speaker, I want to say, and I think I speak for every member of the government side, that we're proud to go back home to our constituents and tell them that we are putting together a budget of fairness. And I think, Mr. Speaker, we're all proud to go back to our communities and tell them that we in fact are building for our children's future.

Now there are those who can go home and oppose these initiatives that we've taken. There are those who would, as the member from Shaunavon does, call us to increase expenditures and increase services, but I want to say, Mr. Speaker, we on this side of the House know that it can't work that way. It never has and it never will.

The leader of his party is on two sides of most every issue, and I want to say that in terms of some of the revenue initiatives that we've taken, she's being very inconsistent. On one hand she opposes the introduction of the video lottery terminal program. That's, of course, this week. Now a few short months ago it was hurry up, hurry up, hurry up, get these video lottery terminals in, you're losing 50 to \$60 million in revenue. And I say, Mr. Speaker, that it's a position of inconsistency that all of those members take.

There's a split in terms of which form of gambling in this province is good gambling. She's got a list. She has good gambling. The bingos, as I understand it, are good gambling. But video lottery terminals, now that's bad gambling. And horse racing appears to be acceptable; now that's good gambling. But golly, don't do casinos because that's bad gambling, Mr. Speaker.

So I say, Mr. Speaker, what we support, what this government supports, is maintaining the dollars in this province as opposed to seeing them spent in

Manitoba and Alberta and the United States. And I want to say, Mr. Speaker, that people see through the opposition members who just play politics.

This is a serious matter that we have in this province. It's a serious fiscal problem that the Conservative government has created for us. And I say, Mr. Speaker, we're going to be cleaning it up. We're well on the road to having that happen and I feel comfortable in supporting this budget knowing that I've got the support of my community. I've got the support of the people who sent me here to put this fiscal house in order. And I want to say, Mr. Speaker, that, unlike members opposite, I will be supporting this budget.

**Some Hon. Members:** mHear, hear!

**Hon. Mr. Lautermilch:** -- Mr. Speaker, in closing I just want to ask members of the opposition to think about what they're voting against when they stand in this legislature tonight, and understand that you're voting against balanced-budget targets, that you're voting against stopping the outflow of dollars in interest to bond dealers in Zürich and in New York. And I'm asking you to take a little bit of courage and support this budget.

As I said, the member from Shaunavon was part and parcel of the first two budgets that we put together, stood in this House and voted for them because he knew that's what we needed to do. But I want to say, Mr. Speaker, as soon as the pressure came a little too heavy, he had to move to the other side and sit with the Liberals in opposing a balanced-budget course that we're on.

(1915)

But I say that there are members in this legislature who have courage. My colleague, the member from Shellbrook-Torch River, is proud of what we're doing. And I want to say, Mr. Speaker, he knows that we're on the right course and I'm sure that he'll be supporting this budget this evening. Mr. Speaker, this is more than a political exercise we're doing; this is putting together a base for the future of our province. This is putting together a base for our children's future.

And, Mr. Speaker, I'm proud to indicate to you that I will be supporting the Minister of Finance; I'll be supporting her in her balanced-budget initiatives; I'll be supporting this government in terms of putting our financial house in order; and I want to say that I quite proudly, on behalf of the people of Prince Albert, will be voting in favour of the budget.

**Some Hon. Members:** mHear, hear!

**Mr. McPherson:** -- Thank you, Mr. Speaker. Mr. Speaker, I'm pleased to respond to the budget speech today.

Mr. Speaker, it is very interesting to be in the rare position of comparing the approach used in the federal/provincial budgets delivered within a week of each other. I believe the budget speeches delivered by

the two Finance ministers underline the basic differences between the Liberal approach to governing from the approach of the provincial administration. When the New Democrats were elected after nine years in opposition, they stepped gingerly into the harness of government. We've all listened to hours and hours of criticism of the former administration. For two and a half years this government has blamed everyone but themselves for their own lack of vision and initiative. Two and a half years, Mr. Speaker, the New Democrats have wasted time trying to come up with a plan they promised people in the 1991 election, the plan many of us thought did exist.

Mr. Speaker, this government has not been without input from people. The question is what they have chosen to do with it. I think the government members opposite should take note of the approach used by the Hon. Paul Martin in his federal budget address. After 110 days in office his government acted swiftly, but not without consultation, to bring down a budget that would chart the course for campaign promises to be implemented. The decisions announced in the budget were reflective of a great deal of dialogue having taken place with the people of Canada. There was obvious input from the province about the need to stabilize revenue-sharing formulas.

And did the Premier acknowledge that, Mr. Speaker? No, he did not. This Premier who has been so anxious to promote a good working relationship with the federal government said, and I quote: there was nothing but uncertainty in this budget.

Why is it, Mr. Speaker, that the federal initiative to meet with Finance ministers just weeks into its mandate -- not months or years but weeks within its new mandate -- why is it, Mr. Speaker, that the Premier is unable to acknowledge the value of those consultative processes, unable to give credit when it is due? The people of Saskatchewan have a right to know that the provincial government would not have met its budget, would not have met its deficit reduction target had it not been for the additional \$60 million in transfer payments and the monies advanced under the federal infrastructure program.

Mr. Speaker, the provincial budget is very indicative of a government that has grown weary of the burden of leadership, a leadership it has proven incapable of providing. Mr. Speaker, the provincial budget shows a government whose only vision is the bottom line of deficit reduction -- nothing else. That, Mr. Speaker, is not a vision; it's not leadership; it is simply bean counting. And Saskatchewan needs and deserves more.

In this provincial budget, Mr. Speaker, the Government of Saskatchewan had an opportunity to put some ideas on the table that Saskatchewan people could grab hold of, some tangible programs that would put the skills and talents of Saskatchewan people to work. But what did they deliver in their speech about delivering the promise? This tired administration resorted to platitudes and rhetoric

when it should have been delivering programs and results.

Mr. Speaker, the members opposite are not the only ones who are growing weary. The people of Saskatchewan are getting tired of waiting for the results from their plans, their promises, and their platitudes. Since 1991, Mr. Speaker, the number of jobs in Saskatchewan has fallen until we now have 6,000 less jobs this January than we had last year; 9,000 less than we had when the NDP (New Democratic Party) took charge. And keep in mind, Mr. Speaker, the federal government has had a mere 100 days to bring forward a budget. They travelled from one end of Canada to the other for initial consultations.

And what of the Saskatchewan NDP government? It took them more than 200 days to deliver their first budget to deal with a province, not a country.

The throne speech two weeks ago was not the first or the second or the third, but the fourth throne speech. This is the third budget speech this government has delivered -- all those wasted opportunities, Mr. Speaker, and still no specific action plans for the future of our province.

Mr. Speaker, while the federal Liberals have taken bold steps very quickly to implement their election promises, the people of Saskatchewan are still waiting for the provincial government to deliver.

Delivering the promise. I suggest, Mr. Speaker, that delivering the promise is a quantum leap from what has actually happened here in Saskatchewan. Since the members of the NDP or the so-called not-Douglas party seem to enjoy history lessons, let's take a little walk down memory lane with the 1991 election platform to see what the promises were that they had supposedly delivered on in this budget.

First off, there was a commitment to save 7,500 jobs threatened by the increased sales tax. Well, Mr. Speaker, how have they done on that one? Let's see. Since 1991 the three budgets have resulted in sales tax from 7 to 8 per cent, then to 9 per cent. And the net job loss has been 9,000 jobs, Mr. Speaker. That doesn't look like delivering the promise to me or to the people whose jobs are going to be protected. Promises.

Then there were jobs and savings through a comprehensive energy conservation strategy. I don't recall seeing that strategy or the jobs it produced, Mr. Speaker.

Moving along, we have a commitment to develop a new community-based health care system, the wellness model. I wonder if the Minister of Health or the Minister of Finance can explain how the 2.8 per cent funding cut for acute care services is offset by the smaller funding increases to long-term care or home care.

I wonder if the Minister of Health can expand on how much expense they were spared when the rural

communities decided to give them a second chance and not proceed with lawsuits that they were being threatened with as a result of the cooperative, community-based approach from the Health department. People threatening to sue their government over health care. Farmers suing the government over agriculture. Companies threatening to sue over cancelled contracts. This kind of action is not characteristic of Saskatchewan people, Mr. Speaker. At least it should not be their reaction if the government was indeed delivering on its promises.

Mr. Speaker, there were more promises that should have been delivered on in this budget. How about the promise to renegotiate improvements to GRIP (gross revenue insurance program) and NISA (net income stabilization account)? Has this government, has this NDP government, negotiated with other provinces? With farmers?

Would the provincial ag minister care to share with us the specific proposals that the Saskatchewan government has developed and ratified with Saskatchewan producers so that the federal government has a clear understanding of what people wanted to see implemented? And what about the promise to work with farmers and their organizations to design a debt restructuring program to keep farm families on their land?

Is that part of the same promise the Premier made when he said, not one more farmer, Mr. Speaker? In fact, I recall the Premier in the election, standing on most of the stages in this province and saying, not one more farmer. And, Mr. Speaker, I know at that time the people thought what he meant was not one more farmer would be affected or go bankrupt, but in fact we now know it is not one more farmer is going to receive help from his government.

Of course there were other promises too, like the balanced-budget legislation, fixed election dates, and open government. To be fair, it only took two years to deliver on opening up the Board of Internal Economy. So I guess we shouldn't expect things like developing an agriculture plan until . . . well perhaps towards 2000.

Mr. Speaker, this government promised to improve provincial government services and community-based development opportunities. But have they? Is cutting bus service to rural Saskatchewan part of that promise? Is closing schools and hospitals part of improving provincial government services? Or is it raising utility rates and telephone rates?

In 1991 the New Democrats promised to relieve the property tax burden in rural Saskatchewan. Just how has the Minister of Finance done that? Can she explain how this budget reduces property taxes for anyone in Saskatchewan? Can she explain how it was critical for Ottawa not to offload on the provincial government but how it's okay for her to offload on municipalities? Is that what delivering the promise means?

The NDP promised to keep . . . to work to keep property taxes down by working with municipalities to develop a fair and stable revenue-sharing program they can count on and by providing an increased share of school costs from provincial grants.

Mr. Speaker, let me read a quote from before the last election and let's see if the people can guess who's delivering this promise:

When you take all the rhetoric out of the budget speech, I would like you to explain to the young people of Saskatchewan how you can justify your government's decision to cut educational funding.

I'll give you a hint. You'll recall a fellow who used to roll his shirt sleeves up ever so slowly when he was giving those speeches. You know who that was? Quoted in **Hansard** on April . . . oh, I'm sorry, I'm talking about one of the other members; the Premier will get his shot later. **Hansard**, April 2, 1990.

**An Hon. Member:** -- Give us another hint.

**Mr. McPherson:** -- Well that was the member from Saskatoon Broadway, the current Minister of Education.

Now I look at page 33 of the budget and what do I see? Well under K to 12 education, the Madam Minister of Education and Madam Minister of Finance, what I see under Education, that operating expenses are cut, grants are cut, and there is a cut to the education development fund. Curriculum and instruction are cut, regional services are cut, and the budget for K to 12 education is being cut by 2 per cent.

So, Mr. Speaker, when all the rhetoric is taken out of the budget speech, I would like them to explain to the young people of Saskatchewan how they can justify their government's decision to cut educational funding. I'm especially interested in that explanation and the view of the statement made by their Premier in the Yorkton paper on October 16, 1990:

Increased spending is a priority for the NDP. All I can say is we simply have to find the money (he said).

In Moose Jaw he states:

Don't let any government tell you that they don't have enough money for education. The money is there.

Now do you remember him rolling up those sleeves? Well, Mr. Speaker, I guess that's another promise that didn't get delivered.

You know, Mr. Speaker, referring to Moose Jaw just reminded me of another difference in the approach between the Liberal Party and the Government of Saskatchewan. It's a question of attitude, Mr. Speaker. The Premier likes to talk about forging a good working relationship with Ottawa, about being able to go to

the table and draw on his personal history with the Prime Minister.

Well, Mr. Speaker, I think the Premier has done the people of Saskatchewan, and in particular the people of Moose Jaw and Wing 15 at CFB (Canadian Forces Base) Moose Jaw, a great disservice.

One day the Leader of the Liberal Party is summoned by the Premier to a news conference to lend support to a request to keep the CFB Moose Jaw base open. The Leader of the Liberal Party, the Leader of the Opposition, they both put the people of Moose Jaw first. In fact, the Leader of the Liberal Party knew that the Premier would likely turn on her, as he so often does, if the federal government had chosen to close the base. But the Premier just can't seem to pass up a chance to take a political shot even if it puts Saskatchewan people at risk.

That's right, Mr. Speaker, instead of being appreciative of the level of cooperation shown by the other two party leaders, instead of showing some recognition of the phone calls made by the Leader of the Liberal Party to the Defence minister and to the Finance minister, instead of showing some optimism and happiness for the city of Moose Jaw when the government spared Wing 15 CFB Moose Jaw, what did our Premier do? Well I'll tell you, Mr. Speaker, he went on television across the province and, in the most morose sounding voice, he dumped negative criticism all over the whole effort.

(1930)

That's right. He couldn't be gracious and acknowledge that Moose Jaw was given a reprieve when other provinces were suffering the loss of their defence bases, that it was a good thing that had been accomplished, because he couldn't stand to give the Government of Canada credit.

Now is that the kind of leadership we need, Mr. Speaker? Is that how the Premier expects to get the ear of Ottawa the next time there is a serious concern? I suggest, Mr. Speaker, that the Premier become more premier-like if he wishes to be seen like one.

Now the members opposite get very upset when there is any criticism levelled at their budget. The Minister of Municipal Government gets very defensive and sends some strong letters to SUMA (Saskatchewan Urban Municipalities Association) when they criticize government initiatives in the press. Well, Mr. Speaker, I suggest that this administration remember that it won't be the Ottawa New Democrats who get the ear of the Prime Minister, or the federal Conservatives.

I think that the Minister of Finance should be a bit more generous in her acknowledgement of the revenues that are coming into this province as a result of the federal Liberal government. In the provincial budget, Mr. Speaker, the only increase in revenues comes as a result of increases in the federal transfer payments, federal infrastructure capital, and gambling revenues. I suggest that the Premier and his

government remember the old adage about biting the hand that feeds them.

I just mentioned gambling revenues, Mr. Speaker. You know, it is interesting that a government who seems so committing to reducing -- no, eliminating -- poverty in the last election campaign is now so intent on creating it. Mr. Speaker, the Liberal party has not ever said that it was opposed to gaming. What we're opposed to is the government proceeding with a proliferation of gambling without putting forward competent studies, complete information, and allowing for total public input before those decisions go ahead.

Mr. Speaker, this government is proceeding full steam ahead to promote gambling without presenting its strategy, without providing the revenue levels it needs to generate the profits, without doing proper social impact studies. Mr. Speaker, that is fiscally and morally irresponsible. For a government to undertake plans that could dramatically alter the social and economic fabric of Saskatchewan while trying to keep the numbers a secret is unconscionable.

How, Mr. Speaker, can the government put numbers in its budget of these proportions, millions and millions of dollars of profits from VLT (video lottery terminal) machines that have only been operational for a few months, without tabling the information for the public to examine, Mr. Speaker?

Mr. Speaker, we have put numbers before the minister to get some reaction, to force him to come clean with people about the true projections. I remind the members opposite that it is the job and the responsibility of an open, honest, and accountable government to provide the public with the information when it is asked for. It is not incumbent upon the opposition or the third party to have to invest time and resources to do the work that falls squarely under the mandate of that government. But what choices are we left with, Mr. Speaker?

When the minister refuses to put forward numbers to substantiate these unbelievable revenue projections, are we simply supposed to nod our heads and sit here as if it doesn't matter how much is at stake for Saskatchewan people? Does the government expect that we simply let them plug numbers into a budget then slough off our questions about how much it'll cost to generate those gambling profits? Does the minister expect that we will not put forward numbers for him to deny or confirm, as we have done in question period, in order to force him to put this information forward?

Well, Mr. Speaker, if this is the only way that we can get this open, honest, accountable government to come clean on gambling numbers I guess we'll have to put forward our best estimate and call the minister's bluff. It would be far easier for us, and perhaps of greater benefit for the government, to try giving people the full information for once.

Mr. Speaker, the budget should not be an exercise in

hide and seek where the government hides the background information and the opposition has to seek out sources of information in order to get the government to reveal it. But that seems to be the case, Mr. Speaker. So we will accept that and make an effort to bring information to light on behalf of the Saskatchewan people who deserve to have that information.

Mr. Speaker, this government has taken an approach to the budget which brings taxes in the back door from 1993. An approach which leads people to believe that there will be no damage inflicted but which will have a serious whiplash effect on the people in this fiscal year. It seems to bother them.

At the same time, they provide no vision, no direction, and no hope for the future. In fact if it was not for the federal infrastructure program this provincial government could not point to one initiative in the past two and a half years that has done anything to create a climate for economic growth or investment. And I see the Minister of Economic Development does take note of that.

Mr. Speaker, this is a budget that will slowly take its toll on rural Saskatchewan, business by business, school by school, hospital by hospital. This is a budget which will see roads deteriorate, farm families opt out of crop insurance, and local governments cut back on services and raise municipal taxes. It is a budget that will wrestle control out of the hands of local communities and centralize power with the provincial government.

Mr. Speaker, this is a budget that turns its back on the economic development and turns its back on the people. Mr. Speaker, this is a budget that fails on delivering the promise. Therefore, Mr. Speaker, I will not be supporting this budget.

**Some Hon. Members:** mHear, hear!

**Mr. Keeping:** -- Thank you, Mr. Speaker. I am pleased today to rise in my place and respond to this budget speech. I am pleased with the budget, Mr. Speaker, for several reasons, and I'm more than happy with the progress we have made to date. I am more than happy with the progress we have made towards our goals, and more than happy with the progress we've made on our journey of renewal.

Mr. Speaker, you know that I am a farmer from the Nipawin constituency in the north-east part of the province. And responsibility for money, accountability with money, and efficiency with money have always been very near and dear to my heart.

But also very near and dear to my heart, Mr. Speaker, is the idea of fairness, the idea of compassion, of cooperation and helping one another. That is why, I believe, I am a New Democrat. These two themes have always been part of the New Democrat and the CCF (Co-operative Commonwealth Federation) tradition. Mr. Speaker, these two themes are the two

things that caused me to try to be elected in the last election.

Mr. Speaker, I had watched the going-on by the former government for nine and a half years and I decided the time was not just to complain but, with the help of the people, to try to change things. I watched with horror and disgust of the going-on, and I decided to be part of the solution with the help of the people.

I watched as this former government took Saskatchewan from a province with a long tradition of spending no more money than we had available to spend, to one that had the highest per capita deficit of any province in Canada, to one that had mortgaged the future of my children.

Mr. Speaker, despite the long and glowing speeches, the promises, despite saying the right things for nine and a half years of rhetoric, they never balanced one budget. Not one budget. They were always going to balance it next year.

Mr. Speaker, any family, any business, any farm, any organization, knows you cannot do that year after year. Mr. Speaker, I said anyone; perhaps that's not quite right. The former government obviously was an exception to that rule.

Mr. Speaker, I might just as well add here how amazed I am, and surprised, that the members opposite, in some of their speeches and comments, still maintain that they did nothing wrong. They still maintain they did nothing wrong. Well, Mr. Speaker, I want you to know that there was damage done to the province of Saskatchewan, and in fact there was damage done to this whole country of ours.

This right-wing reign of terror that actually started under the Liberal government of Pierre Trudeau has caused severe, long-lasting damage to this country and this province of ours, and to every one of us individually as its residents. Mr. Speaker, the damage was not only severe, but it was long lasting, as we will still be finding out for years. Saskatchewan people will be paying for this for years to come -- paying and suffering for electing such incompetent politicians to run the finances of their province and of their country.

Mr. Speaker, we keep hoping for them to change. We keep hoping that right-wing governments will change and be concerned for the average common people. But they don't. Two days ago we watched the federal government come down with their budget -- a chance to change. But did they change? No. They had a chance, for example, to change the cuts to the Crow benefit to western Canada -- no change. No change. The same as the Tories, Mr. Speaker -- the Crow continues to fly away. They say one thing and do another.

Mr. Speaker, just think of the millions and millions, in fact billions of dollars that we pay in interest, and will be paying in interest, plus the billions that we need to pay back -- money that's already been spent. And

much of that money that was already spent was just spent to line the pockets of already wealthy right-wing friends of the right-wing politicians.

Mr. Speaker, much has been said the last few days about what was promised. There's been a lot of speeches about what was promised in the fall of '91. Well I happen to have here on my platform a card . . . or the platform card that we campaigned out of. And, Mr. Speaker, what it says is: first things first. Proper financial management. First things first.

We said we'd open the books. We would review all the PC (Progressive Conservative) privatizations and we would have a balanced budget within our first term of office. First things first, Mr. Speaker, that's what we said. It's a good thing to write these things down and to keep them on hand because I've noticed there are members opposite that have very selective memories about what was said.

We said first things first and that's what we meant, and I am pleased with the progress we have made to date. Our budget of a week ago today is part of keeping that promise. Keeping the promise. This budget is part of our journey of renewal. This budget is part of our balanced-budget plan, as we promised, as is recorded.

(1945)

And our balanced-budget plan is right on track, our balanced-budget plan is right on track. Mr. Speaker, I want to congratulate the Minister of Finance, the member from Saskatoon Westmount. I also want to congratulate the former minister of Finance, the member from Regina Dewdney, who was the one who started us down this road to recovery.

But most of all, Mr. Speaker, I want to thank the men and women, the boys and girls, the people of this province who are working together for a better tomorrow. We're repairing the damage. We're paying the bills. We're planning and preparing for a better tomorrow. We're not going to continue to mortgage this province on the backs of the next generation.

Mr. Speaker, the people of this province, with the ministers of Finance that we've had, were able to take us in just over two years from a projected deficit of \$1.3 billion, the worst in Canada per capita, to this projected deficit of \$189 million which is the best in Canada . . .

**The Speaker:** -- Order. Order. I don't know if the other members might not be interested in listening to the member, but I do want to hear what the member has to say, so I ask them please to simmer down and let the member have his say.

**Some Hon. Members:** mHear, hear!

**Mr. Keeping:** -- Mr. Speaker, in a mere two and a half years we've turned the finances of this province around over a billion dollars and our balanced-budget plan is right on track. These projections that have been

made in our last budgets, and made and met I might add, are the first projections that have been met in this province for years. The last premier to do it was the Allan Blakeney government which was more than 10 years ago. These are the first projections that were made and lived up to.

We can all remember -- perhaps I should say all too well remember -- not only did the former government plan . . . The first year it took office it planned to spend more money than it took in. Not only did they plan to spend more money than they took in, but they spent even more than they projected. They couldn't even meet their own targets. In some years they overspent by over 400 per cent. Not only is it wrong to spend more money than you take in, but what kind of financial managers are you when you miss your target by 400 per cent. They were always going to balance the budget next year. Next year. But next year never came. They said one thing and practised another.

Mr. Speaker, as I have already said, I am pleased with the progress we have made to date, but I'm even more pleased with the way the progress has been done. Mr. Speaker, as I said before, I'm a New Democrat by choice. We believe in fairness, we believe in compassion and cooperation, we believe as New Democrats in helping one another. And even with the drastic measures that we have been forced to take, we have taken care in the cuts that we've had to make and the tax increases to be as fair as possible. The worst is behind us. There will be no tax increases from our provincial government this year.

**Some Hon. Members:** mHear, hear!

**Mr. Keeping:** -- The tough measures are paying off. We all know the comparisons with other provinces, Mr. Speaker. They have been repeated many times in this legislature in the past few days. When you combine the taxes and the other government costs like utilities, health premiums, insurance, etc., Saskatchewan compares extremely favourable across Canada. It compares extremely favourable with other provinces.

The charges and taxes to a family earning \$25,000 or less, we in Saskatchewan are the second lowest in the country, only behind Manitoba. Even with families earning \$75,000 or more pay less here in the province of Saskatchewan in these areas than five other provinces. And I might just add that four of those five provinces have Liberal governments.

We started dealing with our problem here in Saskatchewan two years ago. Only now are other provinces coming to grips with their financial problems. Mr. Speaker, as you know, once again Saskatchewan is leading the way by example. We're leading the way and setting an example for the rest of the country of Canada.

I'm going to say again, I'm pleased with the progress we have made to date, and even more pleased with the way we have been able to do it, the way we have been able to keep our focus. We have had our focus

not on budget measures alone. In the discussions we have in caucus, and committees, and in this legislature, our focus has not been -- and is not on -- budget measures alone. But we have focused on fairness. We have focused on compassion. We have been able to focus on measures to maintain, and even in some cases improve, protection for those least able to help themselves. While we recognize the need to balance our budget, we have had to remain focused on fairness.

Last evening I was watching the news, and I was watching the sports, and I saw the part where Myriam Bedard had won a gold medal for Canada -- a second gold medal for Canada. And she set out and hers was something like ours. She had a race to run and she had a goal to achieve but every once in a while she had to stop and focus and concentrate on what she was doing and take aim at her target. And I thought how comparable that was with what we've had to do and she did it well and we were proud of her.

Mr. Speaker, these things don't happen by accident. We've seen how easy it is for governments around Canada -- right-wing governments particular around Canada -- to overspend and spend carelessly and spend recklessly and how costly it is to our nation and our people. But, Mr. Speaker, this government of Saskatchewan, this New Democratic government, has had a long history of commitment to social justice and the words of Tommy Douglas -- and I'm not ashamed to use them -- humanity first. And it will always be humanity first with us.

In the good times . . . you would think in the good times that any government or anyone could be generous, but it takes real commitment and real focus and real concentration on your targets to be this kind of a government in times of adversity.

This year, Mr. Speaker, we've added \$4.4 million to the action plan for children to help prevent problems before they arise, more funding in the services for women who are victims of family violence. And most importantly and best of all, money for jobs so there will be fewer people that need help.

As the Associate Minister of Health often says, the Associate Minister of Health often says, a job is the best program. There is much more that we're going to do. There is much more that needs to be done, but we will do it. Slowly and surely we will do it. With a focus on fairness we will keep our promises. Mr. Speaker, I am pleased to support this budget. Thank you very much.

**Some Hon. Members:** mHear, hear!

**Hon. Mr. Cunningham:** -- Thank you, Mr. Speaker, it gives me great pleasure today to rise to support the budget. This is a real millstone . . . milestone for us.

**An Hon. Member:** -- Millstone?

**Hon. Mr. Cunningham:** -- It's a millstone for the opposition because they haven't got anything to



criticize. For us it's a milestone.

**Some Hon. Members:** mHear, hear!

**Hon. Mr. Cunningham:** -- I would like to congratulate the Minister of Finance for bringing forth this budget. When I think back to two years ago or a little more than two years ago when I came in as a green farm boy and sat down around the big cabinet table and looked at the numbers that we faced and the situation that this province faced, I realize how far we've come in that short time and I think we are well on the way to turning this province around. And that I think has been as a result of, I think, good decisions by this government and by strong support from the people of Saskatchewan.

This situation was not easy. The numbers that came in from the Gass Commission and from Ernst & Young on the Crown side showed how serious the situation in this province was. Some people would have . . . some people would have thrown up their hands in despair. But I think what we knew all along was that the people of Saskatchewan built this province. We don't live up here where it's 40 below and survive because we don't have the strength.

People of Saskatchewan are innovative, they're productive, and they're cooperative. They know how to work together to do things. We've done a lot in this province. And we knew that we had in this province the people who could rebuild it. We knew we had the resources here.

We had a serious problem created by 10 years of mismanagement of the previous administration, and created by some problems in the agriculture sector, but we knew that there was a way to get out of it and we went to work. And we have I think today shown that we can do it. This budget is well on the way towards a balanced-budget target that we set forward. We did this in a planned manner as opposed to what other governments have done.

I think you look at what Alberta has done and what some of the provinces have done with hacking and slashing without any plan, if you look at what the federal budget that's just come down . . . picking around the edges and lots of studies and lots of thinking but not a lot of action and not a plan that shows the way out. A whole lot of uncertainty in that budget.

In our budget, in our plan, we took some tough decisions and we followed through with them. I think we looked at some of the things that were easy to do, like you'd cut some waste and mismanagement, and those sort of things were easy to do. But given the huge deficit that was there it became obvious to us that this problem could not be fixed by tinkering. There was some tough decisions to make that the people of Saskatchewan were going to have to pay more taxes and get less services in order to pay off this debt, and there was no magic answer. We wish there was. We looked everywhere for magic answers. I think some of us really would rather that we didn't have to cause the

hardships that we did for the people of Saskatchewan. We would not have had to ask the people of Saskatchewan to make the sacrifices that we asked them to make, but when you run up your credit card and you owe a debt, there is no magic answer.

And I think maybe some people, such as the member from Shaunavon with his magic calculator, thinks there was magic answers and now he sits on the other side of the House and he still has the magic answers. But in real life and in government there are not often magic answers, and what we did we tried to do fairly.

And we asked the people of Saskatchewan to support us. And the plan is working and two years later I certainly feel very good about what we've done and I think we're well on the road. So we're on the road to recovery, Mr. Speaker, and that speaks well of this government and well of the decisions that we've made. And it speaks very well of the people of Saskatchewan, I think. They are the people who deserve the credit for being on the road.

The other thing that I really feel pleased with, Mr. Speaker, is that although we've dealt with the budget, we've dealt with the deficit, and we've accomplished what we set out to do in that field, we haven't been obsessed with doing this even though the deficit needed to be dealt with and it was a major problem that we were dealing with and there was no magic solution to it.

We also did other things in this province. I think our economic strategy with job creation and community development is a plan that needed to be done and is what has always been done in this province, and building those partnerships needed to be done even if we had not had the huge deficit that we had. We couldn't continue to pour money into megaprojects and hope for that to be a solution to Saskatchewan's problem, so we developed the strategy that is good for Saskatchewan and will be good in good times and bad times.

(2000)

If you look at the health system, we're breaking new grounds in health reform. The health system in this province needed to be reformed regardless of whether or not we had money. And we're doing it. We're doing it under very difficult circumstances because we're doing it under tremendous budget and deficit pressures. But we are doing it and the world is looking at Saskatchewan again as a leader in developing and reforming the health care system.

And similarly in agriculture, Mr. Speaker, we have developed a strategy. We are moving in a direction. It's a direction of the future. It's changes that needed to be made even if we didn't have tough times. And certainly those changes are more difficult to make when you have very tough financial times and it makes it more difficult for those things to carry forward.

But in spite of the fact that we've been fighting this

deficit, we have brought forward plans and jobs and agriculture and health care and in other areas, and we are progressing. So, Mr. Speaker, aside from dealing with the deficit, I believe we have also moved compassionately and with foresight, and moving into the future, and I think that is done within the budget plan. And I think all of that speaks very well for the province and the future of this province.

I want to say a few words about agriculture, Mr. Speaker, that being the field that I'm most familiar with. As agriculture goes, so goes Saskatchewan. And I think we know that this is still our major industry in this province. It is still going to be the main driving force behind the future of Saskatchewan. Agriculture is what we need to build the foundation of this province on.

Agriculture came through 10 years of extreme stress from mismanagement of government and from world prices and from some weather problems. And the farmers of this province survived through the 80's in spite of the government they had, in spite of the weather, and in spite of world conditions.

And the reason they survived is because they are innovative, hard-working people, who have a desire to live in rural Saskatchewan and raise their families there. And regardless of the economic conditions, they are determined to keep their communities and keep the province alive.

One of the things that we did in agriculture is something that hadn't, I think, been done in this province before, is try to develop a long-term strategy. We had in this province both federal and provincial administrations that treated agriculture in an ad hoc manner; poured money in close to election times. Previous administration had the theory -- I think much like the member from Shaunavon has -- the theory that if you pour money out there it will automatically fix the problem, and it'll all come back, and we'll all be happy.

Well I think we saw the previous administration pour out \$1.1 billion through ACS (Agricultural Credit Corporation of Saskatchewan) in loans. That was going to solve the problem. It would all come back in taxes and we would all be happy. Well those farmers out there are still struggling to pay back those loans, the government of this province is still struggling to pay back the loans to New York, and it hasn't helped the situation.

So what we did in agriculture is we went out and we consulted with the communities. We consulted with producers. We developed a strategy that's driven by producers, that we think will take this province forward. This agriculture will survive, and rural communities will survive, and they will grow. But they won't grow because the government is pouring money into communities. They won't grow because government has all the answers to the problem. Those communities will survive, and they will grow because they want to, and because they will do it on their own. And all they're looking for from government is a little

leadership and a little assistance to do what has to be done.

And they have adapted -- and continue to adapt -- to conditions in the world. And we've seen the start of that in the past few years with the increase in specialty crops, the increase in red meats and livestock production, farm manufacturing, and a whole host of things are happening out there on the farm.

And I might add, Mr. Speaker, that this action has not been helped by actions of the federal government. The federal government fails to stand up to the Americans in trade issues; fails to sign agreements that make sense to Saskatchewan farmers.

As pointed out earlier in the day, while we struggle to build agriculture and keep it going in this province, the federal government -- both the Tory governments and now the Liberal governments -- cut the WGTA (Western Grain Transportation Act) benefit, which is the program that hit Saskatchewan hardest. They don't cut the GRIP program. They don't cut NISA. They cut the western grain stabilization program. And who does that hurt? That hurts Saskatchewan producers. Half of that money comes into Saskatchewan. We're a land-locked province, this is a land-locked province, we very much need . . . we need that transportation support and that's the support that the federal government chooses to pull.

But in spite of that we will continue to help the farmers of this province develop and grow. And I think we are working now with the federal government to develop a new safety net which will have a long-term benefit which is affordable for both governments and for producers, that will be predictable and will not tell producers what to produce or how to produce it, but will be there in bad times to support them through.

And we will be calling on the federal government and the Canadian people -- who benefit from the cheap food in this country -- to live up to their obligation to support our commerce through international price wars and through natural disasters that are no fault of the farmers. And given that support from the Canadian people, agriculture in this province will develop and will have a bright future.

If you go back to after the election we had a huge debt problem. We addressed that through the six-year leaseback program. It hasn't helped all the producers. It certainly has helped some and producers continue to struggle. But we made that move, Mr. Speaker, because we wanted to save as many of these producers as at all possible.

In the current budget, Mr. Speaker, we continue. We are moving along the path that we set up in our strategy. This is a strategy that producers designed, producers support, and we are moving to help producers to do what they've asked us to do.

There were concerns about crop insurance, Mr. Speaker. We have responded in this budget by making some changes to crop insurance. We've put back in

the spot loss hail option. We've insured new crops that we previously could not insure. We've moved to bring forth a whole-farm insurance program that will allow producers to get bottom-line crop insurance for a lower premium, and we've helped . . . I think these enhancements to the crop insurance program will be well received by our producers and will help to stabilize the agricultural industry.

Another major initiative that we've done in this budget in agriculture is the agri-food equity fund. Communities out there, producers, have told us that we need to do more value adding. We need to do processing and value adding in rural Saskatchewan because that's where we're going to create jobs for our young people on the farms. That's how we're going to keep our communities alive. We need to keep people out there to fill the schools and fill the hospitals and to keep the rural communities alive.

And communities are not asking for government hand-outs. They're not asking for huge government projects; they're not asking for megaprojects. All they're saying is, we want to do something, to do some value adding in our communities, and what can you do to help? And what we've come up with to help with the value adding in Saskatchewan is \$20 million over four years for an ag equity fund. This will be equity. Many projects out there are just a bit short in equity. The communities can raise some funds, they can borrow some money, but they often come up just short of enough equity funding to get these projects off the ground. We think this will help. It won't be all in a megaproject. It will be small projects in rural Saskatchewan that create the 10, the 15, the 20 jobs that communities so desperately need.

In the beef development area we've got a fund of \$1.35 million which is going to be matched by the federal government to do research and development and marketing for the beef industry. Again, that's what our strategy . . . and that's what producers were asking for. We think that there is great potential in the red meat industry in this province. And again we're not pouring in huge loans; we're not pouring in huge grants. But what producers said is that we need a little bit of help with research to bring in new technology and new techniques and to help us with marketing and so on. And we've responded to that, Mr. Speaker, by bringing forward the beef development fund which we think will help producers to increase the red meat, the beef production in this province.

So, Mr. Speaker, in conclusion I would like to say that the province, this government, has in the agriculture field brought forward a strategy. And just as we did with the budget, we had a plan and we're following through with it. In agriculture we have a strategy, we have a plan, a long-term plan, and we are following through with it. And you can see in this budget what we are doing to follow through on that plan.

And I think that's what the taxpayers, that's what the producers and the farmers of this province want, is some leadership in developing a plan, telling them where you're going to go, and then carrying through

with that. And I think this budget shows that and I think the agricultural portion of this budget shows it in agriculture.

And I think that agriculture will again lead this province into prosperity and the rural communities and the rural producers will be the driving force that carries this province forward to greater prosperity. And I look forward to the day when agriculture again is booming in this province and budgets are balanced and we will be again, I think, as we still are, the best place in the world to live and raise a family. I think we have room to improve that and as we progress in our term of office, I think you will see that there is much to look forward to in this province.

So I would like to again reiterate my support for this budget and I will be voting for the budget when the vote comes.

**Some Hon. Members:** mHear, hear!

**Mr. Draper:** -- Thank you, Mr. Deputy Speaker, sir. It's with great pleasure that I rise to speak in support of the 1994 budget. And I really must thank the minister for the work that she put into this and congratulate her on the success of this budget.

On a smaller scale, I know exactly what she's been through because I've been doing this for years in Gravelbourg as mayor, and we find that bad enough, but this one must be horrendous.

You know, we're told the throne speech and the throne speech debate are a waste of time by the opposition there, and I suppose they feel the same about the budget and the budget speech. I suppose to them after 50 years in the wilderness and then they go and throw everything away in nine years, to them it is a waste of time. So they sit there with their backs to us and read cowboy stories instead. You know, ashes to ashes and dust to dust and that's the way it goes.

But I tell my constituents, sir, that this is just like being a kid at home again you know. Mother used to say eat your spinach or your broccoli or whatever the vegetable happens to be, and if you don't, you don't get any pie. Well, sir, we've been through the spinach stage with tax increases and program cuts but we don't seem to be quite at the pie stage yet. Maybe we have to wait for the other kids, the other provinces, to catch up with us. But the pie is coming, sir. I can smell it warming in the oven.

(2015)

And this time last year, sir, I remember standing here and saying that the opposition was jeering and angry, not because they doubted whether we could balance the budget, they were angry because they knew well that we would balance the budget.

**Some Hon. Members:** mHear, hear!

**Mr. Draper:** -- And last year's budget came in \$2 million better than we had estimated, despite the

efforts of the opposition and their friends in high places. That's a sad thing for them, sir.

And this year, one year later, we're doing exactly the same. We'll do better than we said we'd do last year. We promised and we're going to keep our promises.

You know, on Thursday night of last week -- a week ago tonight -- the Minister of Finance appeared on television with a couple of journalists and an economist from the university and it was great, sir. There was this fellow with a moustache that looked like a lavatory brush, who kept carping at everything the minister said, but everything. And eventually the economist turned to him and pointed out that the minister and her predecessor, the hon. member for Regina Dewdney, had laid out each year exactly what we intended to do and that each year we have done precisely that, so what was he complaining about. And that shut him up good, sir. It was a treat, a real treat, to see him get his comeuppance at last on television and not by our minister but by an economist from the university.

But, sir, you've been snowed under by speeches that paraphrase the budget address, so if I diverge a little bit from the main truck be a little patient with me.

You know already that we've reduced the cost of government, and so does the opposition. You know already that we've cut MLAs' (Member of the Legislative Assembly) expense accounts by 25 per cent, and so does the opposition. And you know that we've made government more open to the public, especially most recently with opening the Board of Internal Economy, and so does the opposition. And it's good to reiterate it to make the point stick, sir. But it can get boring from time to time.

And I've always made a point of trying to add a little bit of humour to what can turn into a rather funereal debate, but this time I fear that I've been eclipsed by the antics of the third party tying themselves in knots, you know. They're talking out of both sides of their mouth at once, attacking our budget while going into ecstasies over the billions rather than the millions of dollars cut introduced by big brother in Ottawa.

But the Tories of course, they're happy as pigs in mud. They can swing their toothpick at both provincial and federal budgets at the same time. But I'd warn them to not do it too violently because they could either bust their gut or put their back out of joint because they're going to be doing this every year for the rest of their unnatural lives, and I'd feel embarrassed if they had to depend on our wellness model to put them back into physical shape.

And talking about doing contortions, sir, I noticed that the Leader of the Third Party managed to get her reply to the budget address in on Monday. That's very neat actually, to get her two cents worth in -- and that's a bit of an exaggeration of course -- before the federal budget comes down. It relieves her of a lot of embarrassment. And then she could leave the member for Shaunavon to do the equivocating, and if

he makes a mess of it, it doesn't really matter, he's expendable, he's not a real Liberal anyway.

But having seen and heard that budget, he was pretty safe and he could afford to stand there and grin. And whereas our budget is delivering the promise, Mr. Martin's budget by contrast is the fudge-it budget. That's right. They've fudged everything.

Today **The Globe and Mail** editorial says: forget about Mr. Martin's budget. And how appropriate. And the headline in the business section says: Martin rewarded for aiming low. Oh dear, what a condemnation, sir. And how does the member for Shaunavon explain that away, that the Minister of Finance is rewarded for aiming low after all his big speeches, and all the tub thumping and the jumping up and down.

But the member for Saskatoon Greystone really showed her true colours on Monday, sir, what with her mechano-worship and her worship of the Premier capitulated to water and Quebec on cigarette taxes without a whimper. Great stuff. And then she praised the noble Prime Minister for capitulating on NAFTA (North American Free Trade Agreement), sir. If that's her idea of major concessions on free trade, then heaven help us.

You know the lament in Mexico is poor little Mexico, so far from heaven, so close to America. We seem to be even further from heaven here, and at least in Mexico the weather is warm.

And then the lady had the effrontery to tell us that we put the debt reduction tax up from 5 per cent to 10 per cent in this budget here.

What is she saying? People object to being told that there will be no tax increases when the deficit reduction tax doubles on the income tax form.

Now I would like the member for Saskatoon Greystone to produce that income tax form because I have one. So it came just before New Years or a belated Christmas present from our friendly neighbourhood income tax collector. And the date on that form, sir, was 1993, which is last year.

And I would like to point out that the tax increase was announced in the budget for 1992 and that it was 5 per cent in 1992 because it came into effect on July 1 instead of January 1, so it was in effect for only six months. But perhaps the lady does not understand that. So in 1993 it was applied for the whole year, and so of course it was 10 per cent. But perhaps the member does not understand that.

I would point out that the 1994 tax forms to which last week's budget will be relevant are not printed yet, sir. They are not printed until after the federal budget and the federal budget was only the day after the member for Saskatoon Greystone made her speech. But perhaps she doesn't understand that, sir, either. In which case, you know, I don't really think she's qualified to lead a birthday party, let alone a political

party.

But perhaps on the other hand, sir, she does understand it. Perhaps she understands it perfectly. In which case she may not be misleading the House, but she's certainly confusing the public, and in that case she loses a lot of credibility. She demonstrates that she's a stranger to the truth.

And you know, there are many four-letter words which are not usable in polite society, but there's one in particular that's not usable in this House. It begins with the twelfth letter of the alphabet and I think it could well be appropriate in this case, but I'll leave that to the judgement of my peers. I'm merely pointing out that the use of spurious argument indicates a lack of genuine argument.

And how does she explain her new colleague from Shaunavon's phone bills of \$18,988 last year? The highest of all the 66 MLAs. Where on earth did he telephone to and I wonder who was at the other end? Even the member for Estevan didn't spend that much, even with his China syndrome.

And I'd like to remind members that the new red and white coat that the member for Shaunavon turned cost the taxpayers \$70,000 extra a year last year. I wouldn't like to have to buy a suit in that store, sir. Ordinary citizens like Charlie McDonald of Swift Current were most upset about this and wrote to the paper about it.

And the Minister of Finance told us in her budget address that the biggest single risk we face in our efforts to balance the budget in '96-97 is federal offloading. And this, of course, is why federal budgets are so important to us in Saskatchewan, as in every other province. But I see something looming on the horizon that's likely to cause us big financial trouble before 1996-1997, and this is the ongoing difficulty over the cigarette taxes.

You know, what happens east of Quebec is unlikely to impact on us here, but what happens in Ontario certainly will, eventually. Despite the Ontario government's brave declaration that they were not going to lower tobacco taxes, they were forced to capitulate. And if they were unable to face down the combined efforts of the Liberal federal and Liberal Quebec governments who were in cahoots against them, if the Ontario Provincial Police, which is under provincial jurisdiction, cannot secure the Ottawa River against smuggling from Quebec, what chance does Manitoba have despite its valiant protestations, sir?

Manitoba has a Tory government, so what sympathy will they get from Ottawa and Quebec? And Manitoba is policed by the RCMP (Royal Canadian Mounted Police), which is controlled and paid for by Ottawa. I wonder what cooperation they will get from a force whose loyalty is to the central government, to police its land border with Ontario. Precious little, I suspect, and I fear that the dominoes are going to fall.

Manitoba will follow Ontario, we will follow them, and Alberta us. British Columbia may be lucky if they can blow the passes across the Rockies. And if the federal and Quebec governments combined cannot secure the U.S. (United States) border against smuggling, what chance does anybody else have? I think there's a lot of trouble coming.

They tell us it's the last straw that breaks the camel's back. The problem is, even if you remove the last straw the camel's back is still broken. We can remove a whole bale and it's not going to help us. Once the camel's back is broken it stays broken, and no choice is left but to get another camel.

Taxes are the straws and we the people are the collective camels, sir. And the last straw, of course, was the goods and services tax. And that started the tax revolt that those members whose constituencies abut the U.S. border will be able to confirm.

Literally thousands of people flocking across the Montana and North Dakota borders -- that way they avoid both the GST (goods and services tax) and the health and education tax. And we have some leakage along the Alberta border, but not so badly. And the only thing that stopped the U.S. leak was when the value of the Canadian dollar fell to such an extent that the rise in exchange exceeded the gain in taxes.

But the revolt was still there, sir, seething under the surface just looking for somewhere else to break out. And it did break out again, sir. It broke out in the federal general election. Two Tory seats, one in Quebec and one in New Brunswick. Not a single Tory seat in Ontario, not a single Tory seat in Tory Manitoba, and not a single Tory seat in Tory Alberta. How sweet it was.

And what did we get for dessert? We got 138 Tory votes in the Regina North West by-election, sir. It was like *cre pête Suzette*. The Tories went up in flames at the table.

But now we have a liberal dose of indigestion. Cigarette smuggling, compounded by that old phrase that used to come up in boy's books when I was a kid: the natives are restless.

You know, since the Second World War, sir, the British Empire has been swept off the map. The French Empire is gone, except for Saint-Pierre and Miquelon; the Belgians and the Dutch have yielded; the Italians were defeated; and the only natives in the world that have not been liberated are on this continent, sir. And the natives are restless.

And all our federal and provincial governments promised them the right of so-called inherent self-government at Charlottetown without bothering to explain what it would be. The Supreme Court was supposed to do that. But that accord was defeated, sir, even in a liberal province like ours, a progressive province like Saskatchewan.

My wife voted against it. It was a great chance to vote

against the Tories. It was rather sad, sir, because although it wasn't the best accord, it wasn't bad and our native population deserved better of us. The anger was not against them, but against Brian Mulroney.

But the aboriginals have suffered again because of him and they are smarting. They've suffered time and again from the perfidies of French governments, English governments, and now Canadian and U.S. governments. So why should they do anything to help us? We deserve everything we get. And it would be very fitting if what the Indians offered Sir Walter Raleigh so freely 400 years ago became the downfall of our governments today because of our greed.

(2030)

So now we have a situation where the Indians are smuggling boatloads of cigarettes across the border in broad daylight. And the Quebec provincial police, the *se pécureté pé* Que pébec, the RCMP, and the army are petrified. They've grovelled and promised not to raid the reserves looking for cigarettes in case they set off another Oka.

Why don't they just set up highway patrols outside the reserves and simply charge duty on any cigarettes that come through? Don't attempt to seize them. Simply demand the taxes and the duties. And if the driver refuses to pay the taxes, tell him to turn his car around or his truck around, go back where he came from, and smoke his damned cigarettes there.

But no, sir, there is an election pending in the province of Quebec. And of course, our federal Liberal government is bending over backwards to get that provincial Liberal government re-elected. Looks like we could end up not only with a camel with a broken back, but a government with a broken back. The tax give-away is the obvious bribe. Brian Mulroney paid \$25 an acre to get his satraps re-elected here in 1986, or his cat's-paw, if the member for Moose Jaw prefers that.

And I think we should strip aside the moralizing, get rid of the baffle-gab and admit that cigarette taxes are high. Not to discourage people from smoking but to collect a lot of revenue. As Tommy Douglas said -- poor old Tommy Douglas, he must be turning in his grave -- when someone tells you it's not the money, it's the principle, you know it's the money.

And once we get that settled we can get down to deciding how much money that particular traffic will bear and optimize it, if not maximize it, bearing in mind what taxes are like across the border. High taxes not only increase smuggling, they increase the amount of internal crime because rival gangs steal each other's supply and truckloads of legitimate -- if that's the proper word -- cigarettes and liquor get highjacked. Drivers get beaten up and even killed. Look what happened in the United States during prohibition. And we end up with a vast underground economy that we can neither control nor tax.

And we are talking about a lot of money here, sir,

literally tons of money. And the anti-smoking bigots, and the assorted health nuts, they're going bananas predicting the end of the world because cigarettes are cheaper. But as always, sir, they're talking nonsense.

You know in the United States the cost of cigarettes is one-third of the cost of cigarettes in Canada. And I have information from the National Clearinghouse on Tobacco and Health, in Ottawa, that tells me that 28.1 per cent of American males smoke as against 31 per cent of Canadian males, despite the price differential.

And despite high cigarette taxes in Canada, 30 per cent of women in Canada smoke, whereas in the United States only 23.5 per cent of women smoke. Now that's a big difference between 30 per cent and 23.5. That's a difference of 6 as against 5. And for both sexes together, the combined figure is 25.7 per cent of Americans smoke, whereas 30 per cent of all Canadian adults smoke.

Now it must be noted that in the United States the figures are from the age of 18 up, whereas in Canada the figures are from the age 15 years up. But allowing for that, there is not much difference despite the price differential.

The organization tells me -- but it doesn't give me figures -- that in the United States, because cigarettes are cheaper, the people who do smoke actually smoke more cigarettes, but they don't give us the details. But I'm nevertheless very reassured by these figures. It is true that as the price of cigarettes comes down people will smoke more, temporarily. Just in the same way as when there's a price hike or a tax increase, the sales of cigarettes go down, temporarily, but then they come up again and they reach the same level.

If we're going to stop people smoking it's going to be through education, pure and simple. And please don't misunderstand me. I'm not encouraging anybody to smoke. I don't smoke myself. But if people insist on smoking, let them do that, like anything else, in moderation. Would anybody agree to take 25 doses of medicine in any day or drink 25 bottles of beer? Of course not. So why would anybody want to smoke 25 doses of nicotine? Surely 4 or 5 or 6 should be ample for anybody.

On the other hand, sir, I tremble with fear that masses of people stop smoking at once because cigarettes and liquor taxes are consumption taxes. And the GST and the health and education tax are also consumption taxes. And I suspect that what would happen if others stopped smoking and drinking, that the GST and the health and education tax would soar to compensate. And this would cancel out the drop in the value of the Canadian dollar and we'd go back to cross-border shopping. So pray with me, sir, that people don't stop sinning yet, for a while anyway.

Governments themselves create the crimes of smuggling and bootlegging. There's a natural limit on the consumption tax differential across international and provincial borders that people will put up with.

But we only have one international border and we should be finding it easy to stay within that limit. Imagine what it would be like if we were in the midst of a continent and we had five or six neighbours, all with different tax and customs and excise levels. And this is why they've agreed in Europe to make these the same.

No government or country can put up taxes excessively higher than those in a neighbouring country. We force millions of people into black marketeering and smuggling. And everybody will tell you that they have no objection to taxes provided they don't have to pay them themselves. Nobody outside government considers smuggling a crime. They never have.

In biblical times the tax collector was an outcast, witness St. Matthew in the **New Testament**. And in the 18th century, Robert Burns -- himself a customs officer -- wrote satirical poetry about the devil kidnapped an excise man. And is there any member of this House who can honestly say they've never smuggled anything through the Customs? I doubt it. I doubt it -- not even the Minister for Labour.

We don't do it with criminal intent. We do it for the thrill it gives us -- the excitement of putting one over on the government, like putting the car in cruise control at five clicks above the speed limit, like going one day past the five-year term for an election, just to show that you can do it.

And now they tell us that we have a bootleg wine in the street. There was an item on **CTV News** about it on Thursday night -- coincidentally the same night as our budget speech -- two seizures, one of 20,000 litres and one of 8,000 litres in Ontario the week before. And they estimate that for every legal bottle of wine sold, one bottle is bootlegged. They estimate that 43 million litres of illicit wine was sold in Canada last year, and the vast majority of it was made in Canada from juices imported from the States.

Contraband liquor they tell us, is coming in via Montreal in particular where the connivance of police and customs officers . . . I understand from the television that the bribe expected is \$300, and you get your certificate signed.

And as with cigarette smuggling, the problem seems to be based in the province of Quebec, for the Quebec government and the federal government are too scared to do anything about it. Seventy per cent of all cigarettes smuggled into Canada come through the Mohawk reserves in Quebec, and I understand that drugs and alcohol come in the same way.

And what has our new Liberal government done, sir? It has capitulated with the usual pusillanimity. Here was an opportunity to introduce real tax reform, sir, and what did they do? They hid under the bed. Perhaps they're looking for Paul Martin's new shirk boots. But I fear that we're going to pay double in the next budget after the Quebec election.

And if I seem to spend a disproportionate portion of time on these matters, sir, it's because they impact so strongly on our province, on our health, on our finances, on our law enforcement, and on interprovincial relationships. The last thing thing we want to be is at loggerheads with Ontario and Quebec and the federal government.

Is it not sad, sir, that smokers are getting a tax break while pensioners and the unemployed get tax increases and benefit cuts, respectively.

And I've often heard of the military being called too as cannon-fodder but I've never heard them referred to as budget fodder before. And **The Globe and Mail**, that NDP rag down in Toronto says, headlines and it's editorial: Martin cowers before debt mountain. And a columnist says there and I quote: hoping that Bob Rae will be replaced by wishy-washy Liberals like themselves. Maybe like the member for Shaunavon.

You know talking about the member for Shaunavon, I was amused to be in this House on Tuesday of last week to hear that member attempting to usurp my function here in the back forty. He was giving a history lesson. How about the CCF and the NDP. You know he managed to use both acronyms in the same sentence and he didn't choke. And not only that, but his venerable leader didn't seem to make him wash his mouth out with soap, unless they took him behind the scenes and did it after they got him back to headquarters.

Anyway, the gist of the history lesson was that the founders of the Co-operative Commonwealth Federation were all turncoats just like him. The argument was that they're all Liberal and Conservatives that decided out of sheer boredom to form a third party just for laughs, and that that party is just the same as the aforementioned libertives and conserverals.

But what he doesn't seem to grasp, sir, is that those pioneers formed the CCF in the face of drought and abject poverty, because neither the one nor the other were in the least bit interested in doing anything to help the farmers. The only help they got, sir, was dried cod sent by the fishermen on the east coast and apples sent by the farmers in B.C. (British Columbia). They recognized that if anything was going to be done they would have to do it themselves. And when they did try to ameliorate their conditions, they were beaten and shot by police and military hired by the Liberal and Conservative politicians across the West and in Ottawa.

That birth in blood and fire was just as radical in its way as was the birth of Christianity in the first century. You know Christianity, sir, was not just another religion. It was not just a choice of worship in the Roman god Jupiter and his pantheon rather than the Greek Zeus and the Olympians. It was a quantum leap of the kind seen only half a dozen times in the course of human history. And if a Christian went back to paganism it was called apostasy and apostasy in the early days of the church was a capital crime, sir.

And similarly, the birth of the social democratic movement was a quantum leap in the political world of Canada, one that our neighbours in the South have not yet experienced.

And it's not surprising that the leaders of this movement were Christian clerics, sir -- Woodsworth, Douglas, Stanley Knowles, Father Ogle from Saskatoon on the federal scene, and our own Associate Minister of Health and the member for Saskatoon Sutherland-University.

We on this side of the House are different from those on the opposite benches. Most of us have experienced conversions of a very religious nature. Sir, Gilbert and Sullivan in the 1880s composed an opera called *Iolanthe*, and one of the songs in that opera went, "Every little girl and boy that is born alive is either a little liberal or a little conservative." They recognized that there was no major difference between the two parties.

And we have heard mentioned in this House, sir, of a Mr. Whitney Friesen, who was young Liberal president of the federal riding of Saskatoon Humboldt. Last week or so he was introduced in this Chamber as the new constituency assistant to the Tory member for Rosthern. And Fred Petrowich who was formerly employed as a ministerial assistant to a Tory minister in the death throes before the previous administration and now he's reincarnated as the caucus communications coordinator for the Liberals.

It's very reassuring to know that the third party is in the incapable hands of one of the bunch that sank the government of the member for Estevan. With friends like that, sir, who needs enemies? As Gilbert and Sullivan said, there is no difference -- Liberal, Tory, same old story.

Had the member stayed and fought he may well have found allies on this side of the House. And even if he had resigned the whip and sat as an independent member as a matter of conscience, he at least would have retained his respect. As it is, instead of opening the window when it got too hot in the kitchen and letting some cool air in, instead of doing that, sir, he locks himself in the bathroom and hides his head down the hole. There, sir, when he uses the big white telephone he gets no answer.

We on this side of the House, sir, have the ear of the ministers and the Premier. But after two years in this House the penny hasn't yet dropped for that member, that the work isn't done with grand, eloquent speeches to the backs of the heads of the opposition in this Chamber. The work is done in committee and in caucus and in meetings in the corridor, by the mutual cross-fertilization of ideas across the lunch table and in our lounge out there.

It saddens me that he's cut himself off from that for a mere \$5,000 mess of pottage, to quote the King James Version, but perhaps he expects to be Senator Hazen Argue the second. Robert Walpole told us in 1720s

that every man has his price. The member for Shaunavon had a fire sale, sir.

But if I'm overly harsh on that member, I apologize. And this much I can say in his favour: he is at least a modest man with much to be modest about. And when this debate ends I shall be voting for this budget, sir. Thank you.

**Some Hon. Members:** mHear, hear!

(2045)

**Mr. Boyd:** -- Thank you, Mr. Speaker. Mr. Speaker, it's my pleasure tonight to rise and respond to the NDP's third budget.

After listening to speeches earlier this evening, particularly the member from Shaunavon's as he licked away at the scrawny bones of the government, it hardly leaves anything left for me, but I'll try to bring some of the stuff into perspective.

Mr. Speaker, when we look at the comments of the member from Shaunavon it just was dripping with sanctimony. In fact, if sanctimony were retail space he'd have a shopping mall for sale, Mr. Speaker.

Mr. Speaker, the NDP platform was good enough to get him elected, but somewhere along the road to Damascus he had a revelation come to him that it wasn't good enough to keep him elected, Mr. Speaker, and that's why I believe that that member crossed the floor. The NDP platform was good enough to get him elected but then he realized, Mr. Speaker, that he was dead-ended in the party. He had reached a level of incompetence that he couldn't exceed, Mr. Speaker, and that's why he decided to change to the Liberal Party of Saskatchewan. Better not to be a back-bencher in the government, be second in command -- well third, maybe -- third in command in the Liberal Party, Mr. Speaker. I guess it just gives new meaning to the axiom that some people rise to their level of incompetence.

Mr. Speaker, the budget was titled, **Delivering the Promise**. And it's really quite ironic. Ironic because the slashes and cuts the Saskatchewan families have had to endure for the past two years haven't stopped. In fact, Mr. Speaker, when people get their income tax returns, they should . . . when they open them up, it should have a warning on it. It should have a warning that says something like -- that's attached to their income tax return -- delivering the promise, now ante up. Because that's what the people of Saskatchewan are going to have to do, Mr. Speaker. Each and every person in Saskatchewan has to dig deeper to fund this government's thirst for tax revenues, Mr. Speaker.

Budget '94 means more property taxes. Loss of health care services in rural Saskatchewan is only a small indication of what this true budget is about, Mr. Speaker. The increases in utility rates, the endless increases in utility rates, the offloading of the provincial government on the backs of taxpayers, particularly property taxpayers in Saskatchewan



whether it be urban taxpayers or rural taxpayers.

The health care services that people in rural Saskatchewan are having to put up with now, Mr. Speaker, are a shame in a province like Saskatchewan. The government would have us believe . . . They stand in their place and say we have more acute care bed levels than anywhere in the country. And I ask them, Mr. Speaker, what is wrong with that? What is wrong with having the health care services that everyone in this province can be proud of? What is wrong with having services that the people of rural Saskatchewan need?

Now we see examples, Mr. Speaker, of that poor old fellow from out Davidson way that was in the hospital, shipped off to Lucky Lake and then over to a couple of other communities, had to take an ad out in the paper to let his family know where he was. That's what he did, Mr. Speaker. Had to take an ad out in the paper to let everybody know where he was because the NDP was ferrying him around from facility to facility.

You people should be ashamed of the health care reforms that you're doing, particularly in rural Saskatchewan. You should be ashamed of your record of incompetence when it comes to health care reform, Mr. Speaker. We see hospitals that have been opened in rural Saskatchewan since the turn of the century now being closed and you people say that this somehow or another is good for the people of Saskatchewan.

Somehow or another the people of Saskatchewan have to endure this because you're too incompetent to be able to figure out how to do it any different, Mr. Speaker. As the member from Wilkie often said about the NDP's wellness plan -- get well, stay well, or farewell. And that's exactly what is happening to the folks, particularly in rural Saskatchewan, Mr. Speaker. And I think now we're going to be seeing over the course of the next little while it's going to get worse. It's going to get worse. Acute care bed levels are expected to drop even further -- 1.5 beds per thousand. That's what they're talking about, Mr. Speaker, further rounds of cuts to rural Saskatchewan.

And on top of that the government, I think, believes, I think they believe that they've kind of reached the level that . . . I think they finally believe that the level of discontent with health care is kind of dropping off and therefore they're just going to ride this thing out. Don't hold any elections; don't hold any elections for the boards. Make sure the people of rural Saskatchewan, and anywhere in Saskatchewan for that matter, don't have an opportunity to throw the people out that are destroying the health care system as we know it.

That's the reason for not having the elections, Mr. Speaker. They don't want to get into this kind of difficult business of having people stand on an election platform for health care reform and tell the government, you were wrong. Because right now they've got all of their political appointees out there, Mr. Speaker, that are running these health care boards and won't say a word about the government; won't

tell the people of Saskatchewan how difficult it is out there.

The acute care bed levels that are going to be announced shortly, I'm sure, by the minister, is going to be a travesty for rural Saskatchewan, Mr. Speaker. Hospitals will continue to close, people will have better services . . . We've found out this from people calling our office, Mr. Speaker. They're saying that they have better veterinarian services than they do health care services for themselves, Mr. Speaker.

How many more beds will be cut? How many more hospitals will go? Fifty-two hospitals. The community that I'm from, Mr. Speaker, has had a hospital since the turn of the century. They've had the same doctor, the same family of doctors. The Holmes family of Eston have been administering to the health care needs of that community for 71 years, Mr. Speaker, and now are being told that that hospital is no longer good enough to treat the good folks of my community, Mr. Speaker.

People in rural Saskatchewan have called their NDP government health care reforms dangerous -- place them in danger, Mr. Speaker. They believe that they are . . . their very, very well-being is threatened by the reforms. They say that because of your cut-backs, they don't really have emergency medical care any more. And that's true, Mr. Speaker; they don't have that. They say they cannot afford to lose any more acute care bed levels or any other kind of health care funding, for that matter. The last thing rural Saskatchewan needs is further cuts to acute care in hospitals, but that's what Dan Perrins, the minister's assistant in the minister's office, in the minister's department, has been saying. One of the top officials in the department.

It'll certainly mean loss of jobs as well, Mr. Speaker. Judy Junor of the Saskatchewan Union of Nurses estimates in the hundreds of jobs will be lost as a result of the second wave of the NDP health care reforms. Where is the promise to preserve jobs? Where is our rural health care jobs placed in the government's priority list, Mr. Speaker? They say that jobs are the number one priority. What about health care jobs, Mr. Speaker?

What about the promise to allow communities local control over their health care facilities? What about that promise, Mr. Speaker? The minister forces hospitals into districts, then she appoints every district health board member, mostly political appointees. Now she refuses to give us specifics on the date of the election, Mr. Speaker, the first election that should have been held the day the health care reforms were introduced.

And the minister not only will not be specific on an election date; she makes sure that they're not all 100 per cent elected, that only 8 of 12 members of the board will be elected, Mr. Speaker, and that the chairman will be appointed, not elected. That wasn't good enough, I don't think, Mr. Speaker.

The government, as well, has taken away funds from these hospitals, contingency funds, Mr. Speaker. In some cases, Mr. Speaker, we're aware of people in this province that have passed away and have willed substantial portions, substantial amounts of money to health care boards and hospitals around the province.

I'm sure, as everyone knows, it's not uncommon when you walk into a rural hospital these days, Mr. Speaker, you walk in and you see a little name-plate on the bed that this is a donation on behalf of a family, of a person who's departed just shortly before that. You see that on a number of facilities in rural Saskatchewan donated by the Lions Club, the Legion, all of those kinds of things, the ladies hospital auxiliary. Those kinds of things, Mr. Speaker, are what made the cooperative spirit in rural Saskatchewan what it is, Mr. Speaker.

It's ironic, it's ironic that the government takes over control of that money that belongs to those hospitals and now won't even let hospitals spend it on how the hospital sees fit.

What they have told . . . As we understand it, what the government has told . . . the department has told the health care boards is that you can spend the money on promoting wellness -- whatever that is supposed to mean -- but not staffing, not on patient care. It only can be spent on promoting the wellness model, Mr. Speaker. That's what they've been told, you promote the wellness model, spend the money that people have willed to that facility. And, Mr. Speaker, I think that's a shame. Mr. Speaker, I think the people of Saskatchewan believe that to be the case also.

Local control? I don't think so, Mr. Speaker. It's ridiculous, and this budget does nothing, absolutely nothing to address that situation. And the members will say they're placing another \$10 million towards health care services in rural Saskatchewan -- it was announced in the budget.

One has to wonder, Mr. Speaker, where the so-called savings are coming from that this health care reform was going to generate. It was going to generate all kinds of untold amounts of money to the government and therefore that was the reason to bite the bullet and take the hit in rural Saskatchewan. That was the reason.

But now in your own budget you say you're going to dedicate another \$10 million toward health care services in rural Saskatchewan. There's no saving, Mr. Speaker. Let's be very, very clear about that. There is no saving to the health care budget as a result of the changes that they're talking about. The pain hasn't been worth what you are putting people through, Mr. Speaker.

If health care reform was running as smoothly as the Health minister tried to make us believe, why then was it necessary to pump \$10 million back in to provide services that rural people had in the first place? What was the reason that you had to do that? Was it because you were hauled into court, or you

were going to be hauled into court, and the people . . . once again the health care sore would be opened up again, Mr. Speaker? I think that's partly the reason. I think that's partly the reason.

They feel they're over the crest of this health care problems and therefore put a little bit of money, 10 million bucks, back into the system, quieten down these people that are raising the concerns, Mr. Speaker. And as the member says, it's working back there.

(2100)

**An Hon. Member:** -- Grease the skids a little.

**Mr. Boyd:** -- That's what he's saying, Mr. Speaker. He understands how this process works. Sometimes I wonder about that, but he does, on this situation he understands how this works.

Just give the people a little bit of money, Mr. Speaker, make them feel a little more comfortable about this, let the problems all die down a little bit, don't hold any elections, just kind of try and slide her through before there's any more problems.

The goal, Mr. Speaker, of the wellness program was to improve health care services. And, Mr. Speaker, I guess that begs the question: has that happened? Has the wellness model improved the health care of Saskatchewan people? And I don't think it has, Mr. Speaker, and I don't think there's as many people out there in Saskatchewan that believe it has either.

Mr. Speaker, we'll see how many program cuts and how many taxes will be raised as a direct result of the '94 budget, **Delivering the Promise**, or delivering the utility bill, as it should have been called. Mr. Speaker, I certainly hope the Finance minister, when she promised no tax increases, included utility taxes in that, Mr. Speaker. Because that's exactly what they are. When you heat your home, or turn on the lights in your home, or any of those kinds of services that government provide, telephone, you don't have an option, Mr. Speaker. You can't in Saskatchewan, as we see today, particularly over the last couple of days when we have a raging blizzard out in the southern part of Saskatchewan, you can't turn the heat off just to save on the utility bill. You can't do it.

In a modern society, people have got used to the conveniences of a modern home, and they're not about to go back to the days of shovelling coal. That's right, Mr. Speaker. Back to the days of Tommy Douglas, exactly. Back to the days of Tommy Douglas and all of the promises he made. At least he had the foresight, at least he had the foresight to put in the program for delivering power to farms, Mr. Speaker. I don't think at that time though, he would have accepted the idea that that was going to be used as a cash cow to service the needs of a hungry and thirsty government, for tax revenue. I don't think he had that in mind when he was delivering the utility to people in rural Saskatchewan. That wasn't the goal at that time. It was simply to improve the lifestyle and the

well-being of people in Saskatchewan, Mr. Speaker. That was the goal at that time. And he should be congratulated for it, Mr. Speaker. But he did not, I believe, foresee the kinds of things that this government would be doing.

Mr. Speaker, the people of rural Saskatchewan have had to bear unfair utility rate increases. The members opposite supported . . . it's time, Mr. Speaker, that the members opposite support our Bill that limits the kinds of increases; puts together an all-party committee to review each and every increase in utility programs, Mr. Speaker. What would be wrong with that? What would be wrong with that, Mr. Speaker, of having someone, have the utility has to go before -- SaskTel, SaskPower, things of that nature -- have to go before a utility review committee to determine whether or not the utility is justified in asking for an increase. That seems to me to be an important thing that could be done by this government.

Mr. Speaker, we can't examine these utility rate increases after they are already implemented. The people of Saskatchewan, I believe, want to have the opportunity to have their say about utility rate increases before they're implemented, Mr. Speaker. It is good to be able to question the government, yet these discussions must place rates before rates are hiked, Mr. Speaker. That's the way it should be done.

There's no good reason for the government not to accept our proposal, I don't believe, Mr. Speaker. The only thing, they want to drag their feet on this because they know that they're going to be able to raise substantial amounts of revenue and hide it in the Crowns, and then bring it back shortly before an election next . . . the next election that's called and put it in place for a slush fund.

I guess we'll see in the coming days just how open and accountable the members will prove to be. This Bill will come before this House, Mr. Speaker. Utility rate increase type of legislation will come before this House, Mr. Speaker, and the government will have to respond. The members opposite claim that no taxes will be increased, but they refuse to include utility rate increases in that promise. And we all know what that means, Mr. Speaker.

Mr. Speaker, in spite of net income in 1992, SaskEnergy had increased rates. Why did they do that, Mr. Speaker? SaskPower rates are up 10.7 per cent, which brought in an extra \$55 million in spite of the corporation netting \$118 million in 1991 and \$107 million in 1992. These companies are profitable, Mr. Speaker, very, very profitable. What justifies increasing the rate, Mr. Speaker?

SaskEnergy has had rate hikes of up to 15.5 per cent in just two years and again that corporation was profitable. What justifies the increase in rates? Mr. Speaker, SaskEnergy had net earnings of \$27.4 million in 1991 and in 1992 net profits, net earnings of \$51.6 million. And, Mr. Speaker, the members opposite, the members of the government, still try to justify their rate hikes.

But unfortunately, Mr. Speaker, people are getting used to the NDP using utilities as a cash cow and are used to NDP promises that have fallen by the wayside. Just think of some of the promises that would have been implemented had the NDP made . . . while they were in opposition.

Former Alberta New Democrat Leader, Ray Martin, used to hold up Allan Blakeney as a shining example of how a socialist party can be trusted with the management of the economy. Mr. Martin said that this is because the NDP government in Saskatchewan held power for 11 years without once running a deficit. On the economic front, Mr. Blakeney's deficits had little to do with good management and a whole lot to do with a lot of luck. His term in office coincided with a period of tremendous growth in our province's resource sector. Oil prices were strong. Demand for Saskatchewan potash was high. Even wheat prices were high, Mr. Speaker. So too was government revenue -- it was also high during that time -- particularly the part that was derived from taxes known as resource taxes.

Tax revenue increased 555 per cent over the NDP's 11 year term -- 555 per cent increase in revenues in their 11 year term, Mr. Speaker. And the NDP showed little caution when it came to spending this windfall, Mr. Speaker. Spending in nominal terms increased 553 per cent over the same time span, Mr. Speaker. The average yearly increase was \$22.4 million. In constant 1971 dollars the former NDP government spending was 3.2 times higher when they left office in 1982 than when they arrived in 1971.

So I guess there's two more reason why the members opposite made so many promises while they were in opposition. Either they never intended to keep them or they had no problem with spending money to keep their promises.

Mr. Speaker, the former administration under the member from Estevan is roundly criticized by the government today for spending. But what did the government . . . what did the NDP propose in 1986? And there's many of the members opposite that are still around today, Mr. Speaker. What did they promise in '86 when the levels of deficits in this province were starting to take off? What did they promise at that time, Mr. Speaker? They tried to outbid the PC party of Saskatchewan for the electorate to provide them with an opportunity to govern again. They brought in a whole host of spending commitments that they were going to bring in, Mr. Speaker, and had those commitments been . . . had the NDP won government in 1986 we'd have seen a deficit significantly -- \$5 billion of significance -- higher than it is today, Mr. Speaker. That's what we would have seen.

Well it isn't me that's saying that, Mr. Speaker. A number of independent sources around Saskatchewan now look back on the promises made in '86 and say, how could these people responsibly believe that they could have brought that kind of

government? How could Allan Blakeney -- the former premier of this province -- suggest and promise those kinds of spending commitments?

You remember some of them, Mr. Speaker, I'm sure. And I'm sure there was members then that are still around today, Mr. Speaker. It sounds like the budget of today. Just listen about a few of them. Five thousand new jobs will be created for young people through career start -- 5,000 new jobs. Now in the last budget the Minister of Finance had 2,000 jobs -- an additional 7,000 this year, was it? An additional 5,000 this year, it's going to be. Both promises never were kept, Mr. Speaker.

Eighteen thousand new jobs from a comprehensive housing policy. Now that sounds really good, Mr. Speaker. What are they going to do to do that? How are they going to accomplish that goal, Mr. Speaker? They're going to have a program put in place that has a down payment of the first \$7,000 to first-time home buyers, renovation grants of up to \$7,000 for all existing homes, 7 per cent for seven years on the first \$70,000 for all new and existing home mortgages.

Mr. Speaker, this was in a period of time that interest rates were starting to take off and this government was promising to lock in \$70,000 worth of mortgage at 7 per cent for seven years. That program would have cost the Government of Saskatchewan billions and billions of dollars. And now these people that like to portray themselves as the spendthrifts of Saskatchewan, at that time they were singing a different tune, Mr. Speaker. They were trying to outbid anybody for the opportunity to govern once again.

Not only that, Mr. Speaker. They were going to put together a payment based -- for agriculture this is -- on \$6 wheat, \$6 wheat as the price of grain was declining to historically low levels, Mr. Speaker, under \$2 a bushel. These people were going to come up with a program that guaranteed \$6 a bushel for every farmer in Saskatchewan. I'd ask the Minister of Agriculture to tell us today what that program would have cost -- \$6 a bushel minus the price that people were getting of about \$2 a bushel, a \$4 top-up. What would have that cost, Mr. Speaker? What would have that cost the taxpayers of Saskatchewan?

When we look at that, Mr. Speaker, the numbers become so large one can't even hardly imagine the cost that it would have been to the taxpayers in Saskatchewan. Not only that, but on top of that, Mr. Speaker, they were going to reduce the cost of fuel to the farmers of Saskatchewan. They were going to bring her down to 32 cents a gallon -- 32 cents a gallon. I don't know what that is in litres, Mr. Speaker. I guess it's probably something in the order of about 8 cents a litre -- 8 cents a litre was going to be what the fuel was.

Mr. Speaker, when you look at all these kinds of things, you'd wonder why the people didn't vote for them at that time. I recall on the campaign trail, Mr. Speaker, at that time -- in 1991, pardon me, Mr. Speaker -- when we were in the debate sort of thing of

who was going to be the government in 1991, the NDP candidate in the constituency that I ran in, he stood up and said, we're going to force the price of wheat up on an international level. We have such significant clout. We're the bread basket of the world. We're going to raise the price of wheat around the world.

And the people in these other countries like the United States, them small little players, they're just going to have to follow along, follow our lead. That's what he said, Mr. Speaker. We're going to raise the price of wheat. And I said, what about durum? We're going to do it to that too. What about canary seed? We're going to raise it too, Mr. Speaker. We're going to put the prices up on every single one of them. And the farmers around that room, Mr. Speaker, I think were all asking themselves the question that night: why don't we elect this gu?; He's got all of the answers. Why don't we elect this NDP candidate? Why didn't . . . But where did he land, Mr. Speaker? At the end of the day he landed on his feet. He landed in a nice, fat, cushy job with Saskatchewan Transportation Corporation, Mr. Speaker. That's where he landed and every time I see him walking up the stairs, coming into the legislature and happen to see him, he conveniently slips behind a corridor not to have make eye contact with me, Mr. Speaker. That's what happened to him.

Fair taxation. That's what's going to be brought in too. They're going to refund the sales tax on a number of things.

(2115)

A fair share of resource revenue for Saskatchewan people. They're going to strip the revenues of the oil companies and hand her out piecemeal to the folks of Saskatchewan. Small jobs were . . . small business, jobs, prosperity, and fairness were the top priorities, Mr. Speaker, of Allan Blakeney and the NDP in 1986. The spendthrifts of '91, at that time, Mr. Speaker, were promising everything under the sun to get elected. Every one of them was doing it, do whatever they could to get elected. They were going to put people first, Mr. Speaker, and the member holds up the platform card of 1991. Do you have a platform card of the '86 election? Because I do; it's right here, Mr. Speaker. Done them all. That's right.

Putting people first. Guaranteed minimum income for the Saskatchewan seniors 60 years old and over. That's what they were going to do. Pay equity for women, Mr. Speaker. They were going to do that. Affordable and accessible quality day care, Mr. Speaker. They were going to do that. Improved health care staffing levels. Now if that isn't the biggest, the biggest promise that they made in '86. They were going to improve health care funding and staffing levels, Mr. Speaker. And instead, what are they doing? They're slamming the door shut on hospitals all over the place.

They were going to reduce SGI (Saskatchewan Government Insurance) vehicle insurance deductible

to \$300 and allow for payment of licence and insurance on an instalment basis. They were going to expand the dental plan, Mr. Speaker. That was another promise that they were going to make.

And most of all they were going to stand up for Saskatchewan in whatever ways possible, Mr. Speaker. And there, Mr. Speaker, is the list of candidates that they had at that time in Regina. And many of them, Mr. Speaker, are candidates and MLAs today. Where did the change come in these people? Where did the big spenders of '86 turn into the spendthrifts of '94, Mr. Speaker? When did that transition take place, Mr. Speaker? When did that transition take place?

I think, Mr. Speaker, when you look at the costs of all of those programs -- independent sources claim that it would cost up to \$5 billion for the NDP promises in 1986 -- they'd have run a deficit of \$3.5 billion in the budget of 1986-87 had they been elected. A budgetary deficit of \$3.5 billion would have been your first budget had you been elected in 1986.

And somewhere along the lines the members, like the member from Swift Current, now stands in his place and tells everyone in Saskatchewan that they're going to be responsible. They've seen the light, Mr. Speaker, and they are the most responsible government. And the member from Humboldt holds his hand up and prays because he was one of those people. He was one of those people that was going around making those promises. One has to wonder, Mr. Speaker, how many jobs and how much that would have cost the people of Saskatchewan at that time?

Mr. Speaker, the 7-7-7 promise would have cost hundreds of millions dollars. The elimination of poverty \$481 million. The prescription drug plan -- they're going to bring that back -- \$70 million. Physiotherapists \$4.5 million. Health care, they were going to increase that by 12 per cent, \$184 million. Reduce the student-teacher ratio to 16 students per teacher. That would have cost \$14 million. The provincial share of school operating was going to be 60 per cent or \$110 million cost to that. Increase the highways budget by \$60 million, Mr. Speaker. They were going to do all of those good things. Allow the Indian and Metis to establish their own child care agencies, \$25 million.

Mr. Speaker, I think it proves conclusively to the people of Saskatchewan that had the NDP been elected in 1986 their promises would have driven this province into bankruptcy. And then all of the while while the government, the member from Estevan, was talking about making some changes, introducing programs, the members opposite stood one by one in their place and said it isn't good enough, you're not spending enough, you're not doing enough. Spend more, more money for education, more money for health, more money for agriculture, all of those kinds of things. All the while the member from Estevan's government was struggling with deficits, the members opposite at that time were saying: spend more, spend more, spend more. We promise to spend more, you

should be doing the same, Mr. Speaker. That's what they said at that time. The seniors are going without their groceries, we need to spend more to help this situation, Mr. Speaker.

They were also going to lift the cap on utility rates. Well they sure did that. Lift the cap on utility rates. That was going to cost \$2.1 million. Well they accomplished a couple of things in their days, Mr. Speaker. They did that, they most certainly did that; we see increases almost on a biannual basis now, Mr. Speaker.

And they promised as well, in the '91 election that is, that they were going to eliminate the PST. You remember that promise, Mr. Member from Biggar, don't you? You went around in your constituency making that promise, at 12 o'clock midnight on October 21 the PST is done. And person after person in Saskatchewan now believe that they were betrayed by you people, Mr. Speaker.

The NDP's promise, Mr. Speaker, of delivering the promise hasn't been delivered in this budget, Mr. Speaker. They've asked the people of Saskatchewan to give support to this budget. But I think the people of Saskatchewan now are understanding, Mr. Speaker, that this budget has nothing but tax increases, retroactively introduced last year in the budget, Mr. Speaker, and now they're seeing that the promise has not been kept, Mr. Speaker. The budget should have been called breaking the promise, Mr. Speaker. And for that reason, I myself certainly will not be supporting this budget.

**Some Hon. Members:** mHear, hear!

**Mr. Upshall:** -- Thank you, Mr. Speaker. Mr. Speaker, I could say an awful lot about what the last speaker was talking about, but at the current state of his and his party's relevance, I think I will keep it very short.

Although I found it very interesting, very interesting, that on the 1994 throne speech, the member from Kindersley can only talk about the 1986 election. Well, and I only want to say one thing about it. Had we been elected in '86, as we have proven in the last two years, those things would have been delivered now.

**Some Hon. Members:** mHear, hear!

**Mr. Upshall:** -- And our mind has not been changed. What happened between '86 and '91 was another billion dollars a year spent by the former government which forced us, forced us to put plans on hold that would help the people of this province and forced us to make the tough decisions that we're making today. But as we have proven three consecutive years in a row, we are on the plan to debt recovery, to restoring the future of this province because we're on track and we are delivering the promise. The plan is well entrenched and is well on it's way.

Mr. Speaker, I want to ask a question of the member from Shaunavon. I sat in this legislature many years . . .

or not many, a few years with the member from Shaunavon. All the while he supported the transportation policy, the method of payment, or the Crow benefit, to the producers without a reduction . . . or to the railroads without a reduction. I remember listening to him speak about the Conservatives cutting it 10 per cent per year. I would like to see, I would like to see the letter the member from Shaunavon wrote to the minister, his buddy federal Minister of Agriculture, supporting a further reduction as the Tories had reduced it in the past, a further reduction of the method-of-payment dollars.

Now I don't know if there's been a change of heart or if he was instructed. My fear is that he has lost the battle with his leader, that he has again and again been told what to do, and she said, keep your mouth closed on the method of payment. So that's what happened.

And I find that disheartening, Mr. Speaker. Disheartening. Disheartening that that member who was so supportive wouldn't even stand up, his leader wouldn't stand up, or the third member of the bob-sled team wouldn't stand up, and say why, why, or what Mr. Minister of Agriculture of Saskatchewan did you say about the method of payment?

So he finally got the opportunity today. But none of the members of the opposition Tory Party. I understand that. They support the cuts of the past. But now we see, Liberal, Tory, same old story with agriculture, the same policy being continued. That is why, Mr. Speaker, in Saskatchewan we, as part of this budget, have put forward many initiatives in agriculture in order to assure, in order to assure that we shore up the farmers of this province.

New initiatives in crop insurance. Diversification program -- a very visionary program where farmers who before, if they wanted to grow a new crop that we had no statistics on, they took the risk entirely on their own; entirely on their own. And some of them did that. But with the new diversification aspect of crop insurance, Mr. Speaker . . . And I am surprised that the members opposite wouldn't see this as a very positive program because this program, this diversification option, allows people to share the risk with the Crop Insurance Corporation. They don't take all the risks themselves. The risk is now being shared.

It will, Mr. Speaker, not initially but slowly, but surely, it will encourage the growing of many, many new crops in this province. I'll bet my bottom dollar on that because people are looking for . . . they're looking into the future, being visionary. And Crop Insurance is right along there with them because this government has moved in that direction.

Returning to a hail program . . . to a spot loss hail program, Mr. Deputy Speaker, very positive. Returning to or adding a whole-farm income program. I've talked to many people who said I want to reduce my premium. I don't really need coverage on every crop, but I want a bottom line -- a bottom line. And that's what we're giving, the opportunity of a bottom line.

Mr. Speaker, as the member from Kindersley witnessed . . . as we witnessed him in this House today, as we have seen the members opposite, Liberal or Tory, as I said, the same old story. They found very, very little, if any, legitimate criticisms of this budget.

And you know why? Because if they . . . That's why they have to talk about '86 and '91. That's why the Liberal members talk about everything but the budget. Because they'd be out of sync with most of the people of this province who, when they listen to the radio and hear people replying to the budget . . . hear people replying to the budget, ordinary citizens who are saying that this can't be criticized. Because the plan was put in place, the foundation is being built, and we're carrying out the step-by-step process of progress to recovery in this province.

**Some Hon. Members:** mHear, hear!

**Mr. Upshall:** -- Well, Mr. Speaker, as many of the previous members have stated, the Liberal budget is a budget with very many uncertainties in it. We don't know all the reasons for that but we can speculate. But the point is there are 10 governments in this country. Saskatchewan led the way in recovering. We have seen many other provinces -- New Brunswick, Alberta, British Columbia, and Ontario, and others following suit of Saskatchewan.

Now some have done it different ways. Good old Tory, Mr. Ralph Klein in Alberta, what he does is say, chop. It doesn't matter, cut social services. Even cut out, cut out payments for special needs people. Can you imagine the psyche that must be involved there? Cut out school boards. Heartless cuts.

The good old Liberal provinces, the highest taxation provinces in Canada. The top four for 25,000 tax bracket . . . income bracket rather, the top four highest taxed province is Liberals; \$50,000 income bracket for families -- and this is a combined income -- the top five provinces are Liberals; \$75,000 income bracket, the top three are Liberals.

Look at Saskatchewan's figures: \$25,000 range, second lowest; \$50,000 income, third lowest; \$75,000 income, fourth highest. The thinking is, ability to pay. Ability to pay for those people who can pay, will pay, and together with a cooperative thought and cooperative process, we will bring this province out of the state it's in today.

**Some Hon. Members:** mHear, hear!

**Mr. Upshall:** -- Mr. Speaker, in closing I want to say that I am very pleased to stand in my place and support this budget. Because it will . . . I believe in my heart of hearts it will set the stage for a province which again will be able to deliver everything that the wishful thinkers over there who had the opportunity, the new bob . . . I shouldn't say that. Bobsled team, I shouldn't say that . . . wished they had the opportunity, but we will with the foundation, the heart, the desire, and the cooperation rebuild this

country. Thank you very much.

**Some Hon. Members:** mHear, hear!

(2130)

**The Speaker:** -- Pursuant to section 14(4) of the **Rules and Procedures** manual:

Notwithstanding anything else herein contained, the mover of the motion "That this Assembly do now resolve itself into Committee of Finance" shall in no case have more than twenty minutes in which to close the debate aforesaid.

If the Minister of Finance wishes to speak, it is her chance now, 20 minutes.

**Some Hon. Members:** mHear, hear!

**Hon. Ms. MacKinnon:** -- Thank you very much, Mr. Speaker. I'm pleased to close the debate on the 1994-95 budget. The budget debate has revealed some very interesting information about the improvement in our economic and financial situation and it has also revealed some very interesting information about the members opposite and how uncomfortable they feel about our encouraging results.

I want, first of all, to thank the constituents of Saskatoon Westmount for giving me the privilege of representing them in the legislature. I also want to sincerely thank the people of Saskatchewan. I appreciate very much their advice, encouragement, and support over the last year.

Mr. Speaker, our budgets are team efforts. The open and honest input I receive from my caucus colleagues was once again, invaluable. Our entire caucus played a central role in developing this budget and they are essential to the continued success of this budget and this government. When I stand to vote for this budget, I will be standing as a proud member of a team of people committed to working together to make this province a better place now and in the future.

Mr. Speaker, as a result of two and a half years of steady, hard work, the 1994-95 budget delivered the promise. The promise to meet our deficit reduction targets. The promise of no major program cuts. The promise of no new taxes and the promise that jobs are our priority.

We have made tremendous gain since 1991. We inherited a debt of \$14 billion and a projected deficit of \$1.3 billion. This year the deficit is \$294 million. That's a billion-dollar turnaround. Next year the deficit will be \$189 million, the lowest deficit since 1982.

**Some Hon. Members:** mHear, hear!

**Hon. Ms. MacKinnon:** -- In this budget, we can also begin to see some of the benefits of the difficult

choices. One of the benefits of meeting our deficit reduction targets is that we can invest more in jobs.

Jobs is the reason we are acting further on our economic development plan, **Partnership for Renewal**. The plan relies not on megaprojects, but on small businesses and co-ops for job creation.

Jobs is also the reason we're investing in a northern development strategy. And jobs is the reason why we're acting to promote value added processing.

Mr. Speaker, we're also acting in this budget to revitalize agriculture. Spot loss hail will be added to enhance coverage. The options of whole-farm insurance and coverage for specialty crops will be introduced to promote diversification and lower insurance costs.

And we can also begin to see some benefits in health care. We've established a new \$10 million rural health initiatives fund to ensure that emergency palliative and community-based care are available in rural Saskatchewan.

**Some Hon. Members:** mHear, hear!

**Hon. Ms. MacKinnon:** -- And we are expanding the breast cancer screening program to make it available for the first time on a province-wide basis.

Mr. Speaker, it's important to remind ourselves that again in this budget we've lived up to our commitment to protect the most vulnerable in our communities.

As we look around at what other provinces are doing, this compassion really makes us distinct. Recognizing that some in our communities had no more to give, we've actually increased our spending on social programs since 1991.

In this budget we began to implement the children's action plan. Measures include the creation of a Children's Advocate, preventative programs for children at risk, some enhanced support for women who are victims of violence, and enhanced enforcement of maintenance orders.

Balancing the budget, Mr. Speaker, is not an end in itself. It is merely a means to sustain a high quality of life now and into the future. And as provinces around us struggle to get their financial houses in order, we can take some pride, and feel some security, in knowing how far we've progressed in restoring our financial health. So we've come a long way and we've done it in a distinctly Saskatchewan way.

For members opposite, I ask them to consider very carefully their objections to our approach and to our success. Debate in this budget has led to some remarkable insights into their position. The members of the official opposition dispute our numbers. They suggest we're hiding something in the numbers. Perhaps they believe this in part because they're past masters at manipulating numbers.

I think they're going to have to take this point up, though, with the Provincial Auditor. The Provincial Auditor is on record as saying that this government issues the best financial statements of any senior government in Canada.

**Some Hon. Members:** mHear, hear!

**Hon. Ms. MacKinnon:** -- The members opposite should also listen very carefully to what the Provincial Auditor said in the Public Accounts meeting on February 5, 1993.

The Provincial Auditor was asked outright whether it is possible -- given our financial statements -- to hide government monies. This is what the Provincial Auditor said and I quote him:

Mr. Chair, members, you wouldn't be able to hide (monies) if you continue to follow the current practices that you've implemented. I don't know how it (money) would be hidden unless you change your practices.

Finally, I ask the members of the official opposition to explain the very positive evaluations of our fiscal record by independent financial agencies. After examining our budget, Wood Gundy, a respected financial agency, said this:

Saskatchewan kicked off the 1994 provincial budget season on a positive note, delivering on last year's deficit promises and keeping intact the 1994-95 deficit target. The turnaround in Saskatchewan finances has been quite remarkable.

Burns Fry, another respected financial agency, says:

The Romanow government is developing an excellent track record in reducing the enormous deficit it inherited. We expect the government to continue to hit its targets and therefore view the provincial credit rating outlook as positive.

Mr. Speaker, I have some sympathy for the members of the official opposition. Many of them are new, they were not here when the former premier ran up his huge deficits and concocted his megaprojects. And they're trying to make a new start to rebuild the Conservative Party. We'll also say this about the Conservative Party. There is at least a certain consistency in their position. They are, I think, taking an Alberta-like approach - lower taxes, cut programs, and balance the books in that way. So there is at least some consistency there.

Unfortunately, I cannot say the same thing about the members of the Liberal Party. The Leader of the Third Party speaks at great length about the new politics. I ask her to be at least a bit consistent in her objections to this budget and in her solutions to our fiscal problems. Mr. Speaker, let me be very clear. I demand of her and of her colleagues only what we demand of

ourselves; that is that we are accountable.

On the one hand, the Liberal leader said in her year-end interviews that we're not moving fast enough to bring down the deficit. Then during this debate she says we're moving too fast. So which way is it? On one day we're moving too fast; on the next day we're moving too slow. The critical factor, I think, for the Liberal Party is which day is it.

And we're told by the Liberal leader that taxes are too high, so one day she would have us reduce taxes. Mr. Speaker, I would ask her, if she reduces taxes, what specific program cuts should she make? The only cut that she's had the courage to put forward are the costs of the legislature. Well I can tell you, Mr. Speaker, we could eliminate the legislature entirely and all we would do is pay the interest on the debt for two days. I ask her what she would do for the other 363 days.

I would also point out that the largest single increase this year in the cost of the government was the 37 per cent increase that went to her party. If in fact she is so committed to reducing the cost of government, I make her an invitation. She can return to the treasury the 37 per cent increase which her party received.

**Some Hon. Members:** mHear, hear!

**Hon. Ms. MacKinnon:** -- So there are some days in which the Liberals want to cut taxes, but of course, still balance the books. Then of course there are those other days. The member who crossed the floor, I now understand why he left this side of the House. We weren't big enough spenders for him. What a spender. He stands on the floor of this legislature and he tells us about all the cuts that he would not make. Even though he stood on the same floor of the same legislature and voted for those cuts. But of course that was another day.

I have been keeping track of the spending of the Liberal members opposite, and I can tell you in this session alone they've doubled the deficit of the province. Which makes me wonder, how can one possibly balance a budget faster by doubling its deficit?

So the position of the Liberal Party is, it depends on which day it is. One day it's go slower on the deficit, another day go faster on the deficit. One day it's cut taxes, another day it's spend more. This is not our way. Our way is to be open, honest, and accountable.

**Some Hon. Members:** mHear, hear!

**Hon. Ms. MacKinnon:** -- When we say we have a plan, we mean it. When we say we're going to meet our deficit reduction targets, we mean it. When we say we're not going to increase taxes, we mean it.

**Some Hon. Members:** mHear, hear!

**Hon. Ms. MacKinnon:** -- What is the Liberal plan for Saskatchewan? Well the leader has talked about New Brunswick as a model. I want to say we're very



supportive of the government of New Brunswick and its attempts to deal with its financial problems. But we do have to make a few observations.

New Brunswick has balanced-budget legislation and tomorrow it's quite possible they're going to say they've balanced the budget in New Brunswick. How did they achieve that? They take all of their capital spending defined most broadly and they exclude it from the equation. I can tell you, if we had the New Brunswick legislation . . . I can tell you, if we had the New Brunswick legislation in Saskatchewan, not only would we be balancing our budget, we'd have a surplus.

I'd also like to look at some other facts about the Liberal model, New Brunswick. Saskatchewan has an unemployment rate of 8 per cent. New Brunswick has an unemployment rate of 12.6 per cent. Saskatchewan has the sales tax of 9 per cent. What about New Brunswick? New Brunswick has a sales tax of 11 per cent on all goods and most services.

Saskatchewan has the lowest utility rates in all of Canada as a package. What about New Brunswick? They have among the highest utility rates. Families in New Brunswick pay \$1,000 a year more than families in Saskatchewan for their basic utilities. We're on track to balance our budget in a real way and we have a deficit of 294 million. What about New Brunswick? **The Globe and Mail's** estimate is that their deficit is hovering around \$400 million.

So what is the Liberal model? The Liberal model is New Brunswick: high taxes, high utility rates, high unemployment, high deficit. What a model. New Brunswick is the Liberal model.

Saskatchewan is our model. A model with lower unemployment. A model with lower taxes and charges. A model with the lowest utility rate package in Canada and a model which has reduced the deficit so that it is now the lowest per capita deficit in Canada.

(2145)

**Some Hon. Members:** mHear, hear!

**Hon. Ms. MacKinnon:** -- Mr. Speaker, I want to conclude as I began by thanking the people of Saskatchewan. We've come a long way in just over two years. We're restoring our financial health. We are revitalizing agriculture. We're renewing our health care system and we're implementing our long-term plan for economic development. We've been able to achieve so much because of the support of Saskatchewan people.

As I look around and I see other provinces struggling to get their financial houses under control, I'm proud that we've been able to maintain a consensus in Saskatchewan. Not everyone here, I know, agrees with every single measure that we've taken, but there is a basic consensus. People in this province understand that the deficit had to be tackled and they

understand that everyone had to be part of the solution. The people of Saskatchewan have been very supportive and understanding. For this understanding and support, I am extremely grateful. It has made all the difference.

**Some Hon. Members:** mHear, hear!

The division bells rang from 21:47 p.m. until 21:49 p.m.

Motion agreed to on the following recorded division.

#### Yeas

Van Mulligen	Lautermilch
Wiens	Calvert
Tchorzewski	Renaud
Lingenfelter	Murray
Shillington	Hamilton
Anguish	Trew
Koskie	Draper
Teichrob	Serby
Johnson	Whitmore
Atkinson	Flavel
Kowalsky	Roy
Carson	Cline
Mitchell	Crofford
MacKinnon	Wormsbecker
Penner	Stanger
Cunningham	Kluz
Upshall	Knezacek
Hagel	Harper
Bradley	Keeping
Koenker	Jess
Lorje	Carlson
Pringle	Langford

-- 44

#### Nays

Swenson	Goohsen
Martens	Haverstock
Boyd	McPherson
Toth	Bergman
D'Autremont	

-- 9

#### COMMITTEE OF FINANCE

##### General Revenue Fund Agriculture and Food Vote 1

The Committee reported progress.

The Assembly adjourned at 9:54 p.m.