

The Assembly met at 1:30 p.m.

Prayers

ROUTINE PROCEEDINGS

PRESENTING PETITIONS

Mr. Osika: — Thank you, Mr. Speaker. I rise on behalf of concerned citizens in the province of Saskatchewan concerning the closure of the Plains Health Centre in Regina. The prayer reads:

Wherefore your petitioner humbly prays that your Hon. Assembly may be pleased to reconsider closure of the Plains Health Centre.

The names are from Regina, from Canora, from Moosomin, from virtually all small communities of concerned citizens across Saskatchewan. Thank you, Mr. Speaker.

Mr. Bjornerud: — Thank you, Mr. Speaker. I also want to present petitions of names from throughout Saskatchewan regarding the Plains Health Centre. The prayer reads:

Wherefore your petitioner humbly prays that your Hon. Assembly may be pleased to reconsider closure of the Plains Health Centre.

And it is signed by numerous people from throughout southern Saskatchewan including Regina.

Ms. Julé: — Thank you, Mr. Speaker. I too rise today to present petitions of names from throughout Saskatchewan regarding the closure of the Plains Health Centre. The prayer reads as follows, Mr. Speaker:

Wherefore your petitioner humbly prays that your Hon. Assembly may be pleased to reconsider closure of the Plains Health Centre.

The people that have signed this petition, Mr. Speaker, are from Englefeld, Wadena, Kuroki, Foam Lake, Viscount, and numerous places throughout the province. I so present.

Mr. Krawetz: — Thank you, Mr. Speaker. I also would like to present petitions of names from various communities in Saskatchewan regarding the Plains Health Centre. The prayer reads as follows:

Wherefore your petitioner humbly prays that your Hon. Assembly may be pleased to reconsider closure of the Plains Health Centre.

The people that have signed this petition, Mr. Speaker, are primarily from Weyburn, but there are also names from Minton, Sedley, Coronach, and Weyburn.

Mr. Gantefoer: — Thank you, Mr. Speaker. I rise as well on behalf of concerned citizens regarding the closure of the Plains Health Centre. The petition reads as follows, Mr. Speaker:

Wherefore your petitioner humbly prays that your Hon. Assembly may be pleased to reconsider closure of the Plains Health Centre.

Signatures on this petition are mostly for the communities of McLean, but they're also Balgonie, Lampman, and also from Regina.

Ms. Draude: — Mr. Speaker, I rise today to present petitions of names from people throughout Saskatchewan regarding the Plains Health Centre. The prayer reads as follows, Mr. Speaker:

Wherefore your petitioner humbly prays that your Hon. Assembly may be pleased to reconsider closure of the Plains Health Centre.

The people that have signed this petition, Mr. Speaker, are from Regina — hundreds of them.

Mr. McLane: — Thank you, Mr. Speaker. I rise again today to present a petition of names from Saskatchewan regarding the Plains Health Centre. And the prayer reads as follows, Mr. Speaker:

Wherefore your petitioner humbly prays that your Hon. Assembly may be pleased to reconsider the closure of the Plains Health Centre.

Mr. Speaker, this petition is signed by the concerned citizens from the city here itself, in Regina.

Mr. Aldridge: — Thank you, Mr. Speaker. I'd also like to present petitions of names from throughout Saskatchewan regarding the Plains Health Centre. And the prayer reads as follows, Mr. Speaker:

Wherefore your petitioner humbly prays that your Hon. Assembly may be pleased to reconsider closure of the Plains Health Centre.

And those who have signed this petition come predominantly from Tribune, Lake Alma; we also have Oungre on here, Torquay, as well as the city of Regina.

Mr. Belanger: — Thank you, Mr. Speaker. I rise again today to present petitions of names from throughout Saskatchewan regarding the Plains Health Centre. The prayer reads as follows, Mr. Speaker:

Wherefore your petitioner humbly prays that your Hon. Assembly may be pleased to reconsider closure of the Plains Health Centre.

The people that have signed the petition, Mr. Speaker, they're from Regina, they're from Frontier, they're from Claydon, and they're also from Estevan, and Frontier once again. And I'd like to present this to the Assembly, please.

Mr. McPherson: — Mr. Speaker, I also rise today to present petitions on behalf of people all throughout southern

Saskatchewan regarding the Plains Health Centre. The prayer reads as follows:

Wherefore your petitioner humbly prays that your Hon. Assembly may be pleased to reconsider closure of the Plains Health Centre.

Mr. Speaker, the people that have signed the petition are all from the Fort Qu'Appelle area. Thank you. I so submit.

READING AND RECEIVING PETITIONS

Clerk: — According to order the following petitions have been reviewed, and pursuant to rule 12(7) they are hereby read and received.

Of citizens of the province petitioning the Assembly to reconsider closure of the Plains Health Centre; and

Of citizens of the province petitioning the government to take action to allow an increase in the security deposits on rental properties.

PRESENTING REPORTS BY STANDING, SELECT, AND SPECIAL COMMITTEES

Clerk: — Mr. Johnson, Chair of the Standing Committee on Private Members' Bills, presents the first report of the said committee which is as follows:

Your committee wishes to report that Mr. Johnson has been elected as Chair of the committee. Your committee has duly examined the undermentioned petitions for private Bills and finds that the provisions of rules 40, 64, 65, and 68 have been fully complied with.

The petitions are:

Of the St. Paul's Hospital, Grey Nuns, of Saskatoon praying for an Act to amend and consolidate the Act of incorporation;

Of the Sisters of Charity, Grey Nuns, in the province of Saskatchewan praying for an Act to amend and consolidate its Act of incorporation; and

Of the Saskatchewan Association of Rural Municipalities praying for an Act to amend the Act of incorporation; and

Of Luther College in the province of Saskatchewan praying for an Act to amend the Act of incorporation.

Mr. Johnson: — Mr. Speaker, I move, seconded by the member from Kelvington-Wadena:

That the first report of the Standing Committee on Private Members' Bills be now concurred in.

Motion agreed to.

INTRODUCTION OF GUESTS

Mr. Kowalsky: — Thank you, Mr. Speaker. It's my pleasure

today to introduce to you, and to all members of the House, a group of fire-fighters who are here from various places in the province. They're here for their annual convention, and they will be meeting with MLAs (Member of the Legislative Assembly) and are holding a special reception for MLAs tonight at the Hotel Saskatchewan.

I want to welcome them here, Mr. Speaker, and I want to ask if a couple of them wouldn't stand as I identify them, please. In the group is the president of the provincial fire-fighters' association, Gerry Haget of Regina; president of local 80, Dave Rumpel of Saskatoon; president of local 181 of Regina, Dave Spooner; president of local 1527, Toosh McBride of Yorkton; president of local 510, Ron Mogg of Prince Albert; president of local 555, Rob Donley of Moose Jaw; and special guest, vice-president of the 6th district, Terry Ritchie from Vancouver.

Would the members please welcome all of these fire-fighters.

Hon. Members: Hear, hear!

Mr. Osika: — Mr. Speaker, on behalf of the official opposition may I also add our sincere welcome to these very brave people who serve their communities very well in time of people's needs. Thank you very much for being here. Thank you, Mr. Speaker.

Hon. Members: Hear, hear!

Mr. Goohsen: — Thank you, Mr. Speaker. We too would like to join in welcoming the fire-fighters here today. Certainly we are looking forward to the reception that they're going to hold later on today and we look forward to discussing the very important job that they do for all of our community and for all the people in Saskatchewan. We hope you have a great day and enjoy your visit here at the legislature and we welcome you as well.

Hon. Members: Hear, hear!

Hon. Mr. Cline: — Not to belabour this, Mr. Speaker, but I just want to extend a special welcome to Terry Ritchie who is an international vice-president of the IAFF (International Association of Fire Fighters), because it so happens that I once had the opportunity to spend some time in Washington, DC (District of Columbia) with Mr. Ritchie and enjoyed some hospitality at the international headquarters and met the international president and I just wanted to extend a very warm welcome. It's good to see him again. Thank you.

Hon. Members: Hear, hear!

Mr. Kowalsky: — Mr. Speaker, I just want to add one name to the list and that is president of local 1318, Dick Yee from Swift Current.

Hon. Members: Hear, hear!

STATEMENTS BY MEMBERS

Liberal Party Loyalty

Mr. Osika: — Thank you, Mr. Speaker. Mr. Speaker, it seems that some of our local media has turned from printing fact to printing fiction or fantasy. We've all read these stories. We've heard the gossip. We've heard the unnamed sources. Now let's look at the reality. I see with me nine other members of the opposition caucus. I see five Tories; that's the reality, Mr. Speaker.

Our local media, particularly our local newspaper, seems to have missed that reality in the last couple of days. Instead of printing news it has seen fit to print gossip and innuendo. I have great respect for the media. Having been involved with the community newspaper for a couple of years, I know a reporter's job isn't an easy one. They work hard and for the most part they are fair, they are honest, and they are responsible. There is no one in our caucus who comes to the defence of the media quicker than I do, but the story that appeared yesterday is indefensible. It contained not a shred of evidence. Even the Leader of the Third Party has denied the story. Yet the newspaper fails to recognize reality and make right on its mistake.

My only hope is this irresponsible reporting wasn't prompted by the Hollinger corporation's taste for revenge for my defence of the weekly newspaper industry in this House a couple of weeks ago. If that's the case, if that's the depth journalism has sunk to in our province, the people are the poorer ones for it. They deserve better than this. Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Boyd: — Thank you, Mr. Speaker. Certainly on behalf of the Conservative caucus which, I might add, is only four of us here today, I would like to extend to the Liberals certainly warm wishes these days. I realize the storms of trouble that you are going through. The talk of machiavellian plots that are going around just simply isn't the case, Mr. Speaker, and Mr. Leader of the Opposition. But indeed something that you might want to look at is some macadamia nuts — which is about as close to the truth as we can get on this issue.

Some Hon. Members: Hear, hear!

The Speaker: — Now let me not disappoint the Leader of the Third Party by neglecting to call that an exhibit, and unfortunately, to the Leader of the Opposition, I'm going to have to ask the pages to remove it from the House.

Some Hon. Members: Hear, hear!

New Surgical Technique for Strabismus

Ms. Murrell: — Mr. Speaker, I have a good news health story and it has to do with strabismus. Strabismus is a misalignment of the eyes, what is commonly called cross-eyed. This condition usually begins in childhood but can occur at any age. It affects approximately 1 in twenty-five people. The condition can be treated by surgery and that is the nature of my report.

I have a constituent, Ms. Joyce Richards of Unity, who is the first patient in Saskatchewan to be successfully treated for strabismus with a new surgical technique performed at City

Hospital in Saskatoon. The successful surgery was performed by Dr. Jeanette White, who works with Dr. Romanchuk at the eye centre.

The success of this surgery is good news. Here's more. Dr. White is a Canadian, trained at the Universities of Western Ontario, British Columbia, and at Johns Hopkins University in Baltimore, Maryland, U.S.A. (United States of America) where she learned the new surgical technique.

Her one-year fellowship at Johns Hopkins was supported by the Andrews Foundation, a foundation set up to support ophthalmology research. And here she is in Saskatchewan, bringing her skills and commitment to our province and our people. Joyce Richards is glad she is here and so am I — strabismus is a condition that too often goes untreated.

I welcome Dr. White to Saskatchewan as I'm sure do all members of the Assembly. Thank you.

Some Hon. Members: Hear, hear!

National Wildlife Week

Ms. Draude: — Thank you, Mr. Speaker. I would like to recognize National Wildlife Week, which begins this weekend. Every year Wildlife Week is celebrated early in April, which would normally coincide with the beginning of spring. It might be hard to imagine right now, but soon the green grass and leaves will be here and welcoming home the migratory birds.

Living in rural Saskatchewan I've been fortunate enough to witness a wide variety of Saskatchewan wildlife. I don't have to go any further than my own backyard to see the occasional duck, rabbit, geese, and hundreds of deer. Being raised on a farm, I've learned at an early age that people and wildlife must co-exist in this world. The farmers in east-central Saskatchewan certainly do not have to look any further than their own fields this spring to see how well the deer and the elk population is doing.

As time has gone on I, like other landowners, have learned more about conservation practices that encourage wildlife to flourish. But the relationship between people and wildlife is also a fine balancing act. With proper resource management, there is no reason why we cannot have a satisfying wildlife conservation for all.

Some Hon. Members: Hear, hear!

Saskatchewan Wheat Pool Shares

Hon. Mr. Upshall: — Thank you, Mr. Speaker. Mr. Speaker, yesterday the Saskatchewan Wheat Pool went public on the Toronto Stock Exchange. Farmers who had built up equity in the company were offered stocks at \$12 each. By noon yesterday the stock had risen to \$14 and at closing yesterday the stock was at fourteen and one-eighth. That's an 18 per cent increase in just one day.

Canadian investors are evidently keen on the Pool. More than 2 million shares traded hands the first day of trading, making the

Saskatchewan Wheat Pool, or SWP B, the most active stock on the TSE (Toronto Stock Exchange).

Mr. Speaker, before trading, farmers held 53 per cent of 29.6 million non-voting shares; Pool employees held 2 per cent; other Saskatchewan residents held twenty-two and a half per cent and residents outside Saskatchewan held twenty-two and a half per cent.

So, Mr. Speaker, no matter what your opinion of the company trading publicly, we in Saskatchewan should be proud of the public's response to a Saskatchewan company. This shows a great confidence in Saskatchewan and Saskatchewan agriculture. Thank you very much.

Some Hon. Members: Hear, hear!

Violence in Today's Society

Mr. Belanger: — Thank you, Mr. Speaker. Just before I begin my member's statement, not only does the third party want our caucus members but now they want our nuts as well, Mr. Speaker.

But thank you, Mr. Speaker. I rise today to call attention to a very serious and disturbing problem in our society today. Almost every day there are more incidents of violence reported in the news. One day it's a cab driver getting robbed and beaten. Perhaps it's the clerks in the convenience stores or gas stations being threatened at knife point.

And those are only the incidents reported, Mr. Speaker. We often don't hear of the children hiding their bruises from fellow classmates because of the beatings they got last night.

What is most distressing about acts of violence, Mr. Speaker, is that every single one of them is preventable. While no thing and no one can force another person to commit a violent act, study after study shows that crime and violence is more common amongst people with lower incomes.

These stats clearly demonstrate more reasons why there is a need to stimulate proper social and economic development across all levels of society. Both of these elements are required to fight the problem. Social and economic development must go hand in hand. People need the proper tools to climb out of this destructive cycle, Mr. Speaker. And in the meantime, we must protect the innocent and incarcerate the guilty. Thank you.

Some Hon. Members: Hear, hear!

Bed and Breakfasts in Saskatchewan

Ms. Lorje: — Thank you, Mr. Speaker. Last summer I walked across England from the Irish Sea to the North Sea. Part of the pleasure of that trip, before I broke my foot, was stopping along the way at the local bed and breakfasts. It was the perfect and economical way to see the country, meet the local people, and taste the beefsteak-and-kidney pie — mad cow disease, hang on.

I mention my trip to remind the Assembly that in Saskatchewan

we have over 100 bed and breakfasts which provide the same service. They are places that give the tourists a good sense of the down-home feeling in Saskatchewan, with style, courtesy, and economy.

Holiday Inns and McDonald's are okay, but they're the same anywhere. Bed and breakfasts are special.

Last weekend in Saskatoon, the Saskatchewan Country Vacation Association held its annual meeting. The association represents 45 of the 100 bed and breakfasts, and its members can be found in Gull Lake, Carrot River, Cypress Hills, Redvers, and in the Saskatoon Southeast constituency.

I want to mention Kathy and Ron Chaplin in my constituency, whose place I have visited and found very pleasant and picturesque. And I broke no bones during my visit to the Chaplin farm.

Mr. Speaker, last year more than 3,500 guests visited the 45 members of the association. The industry is growing year by year and is making valuable contributions to our tourism industry. Thank you.

Some Hon. Members: Hear, hear!

Saskatchewan Prayer Breakfast

Mr. Toth: — Thank you, Mr. Speaker. Mr. Speaker, I'd like to take a moment to reflect upon a very special event that took place in this city this morning — the Saskatchewan prayer breakfast. And I believe for all members who had the privilege of attending, it was an event worthwhile attending.

We were certainly honoured, Mr. Speaker, to have Mr. Kevin Jenkins come and speak to over 500 people who attended. I think, Mr. Speaker, what Mr. Jenkins offered us was certainly some real words to dwell upon, to really think about, regarding leadership and our positions of leadership.

And I want to commend the Saskatchewan prayer breakfast committee for all their hard work and their efforts in hosting such a prayer breakfast. Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

ORAL QUESTIONS

New SaskTel President

Mr. Bjornerud: — Mr. Speaker, this government moved to a new and shameful level of political patronage yesterday when it announced the appointment of Don Ching as head of SaskTel. This government has continually criticized the former Tory administration for the obscene level of patronage during their years in power. But the Premier and his colleagues have proved without a doubt they are one better, or perhaps the term should be no better, than their predecessors.

Will the minister in charge of SaskTel explain why she and her government continue to line the trough with political friends?

Some Hon. Members: Hear, hear!

Hon. Mrs. Teichrob: — Mr. Speaker, we have reached a new low in this House today, when a member will use the immunity that he enjoys in this House, Mr. Speaker, in a vain, I say vain attempt, Mr. Speaker, to denigrate the reputation of a citizen of this province who doesn't have the opportunity to defend himself in this House.

Mr. Ching is a respected member of the Saskatchewan bar. He's made exemplary contributions to the business community in this province with the Potash Corporation, as the deputy minister of Labour, at CIC (Crown Investments Corporation of Saskatchewan), and I say, Mr. Speaker, shame on them.

Some Hon. Members: Hear, hear!

Mr. Bjornerud: — Thank you, Mr. Speaker. Mr. Speaker, perhaps the most shocking aspect of yesterday's announcement involving Mr. Ching was seeing the government members applauding his appointment in this House. The people of Saskatchewan were ashamed to see the minister applaud the appointment of Don Ching when it flies in the face of everything that she and every other NDP (New Democratic Party) candidate campaigned on in '91 and '95.

The '91 NDP election platform document stated an NDP government will, and I quote: "fight to eliminate patronage". The '95 document indicated, and I quote: "Building good government has to start by ending the abuses of the past". Will the minister agree that the appointment of Don Ching further demonstrates that these abuses continue under her government?

Hon. Mrs. Teichrob: — Mr. Speaker, I suggest that the member opposite should look at his counterparts in Ottawa and some of the federal patronage appointments that have been made by their party. Mr. Speaker, I want to quote from Dale Eisler's column in July 25 of 1995 where he says — upon the leaving at CIC (Crown Investments Corporation of Saskatchewan) of Mr. Ching — he said:

He has handled the often difficult financial renegotiation of joint venture government investments inherited from the previous Grant Devine government.

This man has saved the people of this province, Mr. Speaker, millions and millions of dollars in renegotiating those foul deals. And you . . . we owe a debt of gratitude to this man, Mr. Speaker, and the members opposite should be ashamed.

Some Hon. Members: Hear, hear!

Mr. Bjornerud: — Mr. Speaker, I'm not questioning the credibility of Mr. Ching. It's the government opposite that I'm questioning.

Mr. Speaker, it may interest this House to know that Don Ching, when initially appointed as the head of the Crown Investments Corporation in '91, was hired at an annual salary of \$150,000 annually. Shortly before his departure at the head of CIC, his wage jumped to \$160,000 a year. Now we find in his new role at SaskTel, that Mr. Ching has been rewarded with a

salary of \$167,000, along with a new car, plus bonuses.

Will the minister explain how she and her government can justify paying Don Ching such an enormous wage, and in fact a substantial wage increase?

Some Hon. Members: Hear, hear!

Hon. Mrs. Teichrob: — Mr. Speaker, this salary level that was announced, and of all the details which will be available subject to The Crown Employment Contracts Act after he is engaged, this will be public knowledge. Every detail will be tabled for all to see.

I just want to say, Mr. Speaker, we are very lucky to get a man of this quality for a job like this. Calgary, Telus's chief pay topped \$490,000 in 1995. AGT (Alberta Government Telephones), a pale shadow of a company the size of SaskTel, \$298,000. In today's *Star-Phoenix*, Chuck Childers, \$1.8 million annually; Michel, \$1.064 million annually. We are so fortunate, Mr. Speaker, to have a man the calibre of Don Ching for \$167,000.

Some Hon. Members: Hear, hear!

Mr. Bjornerud: — It's amazing to me, Mr. Speaker, when we're asking everybody else in this province to do with less that we give one of our own a lot more.

Mr. Speaker, the appointment of Don Ching is just the latest in a long list of patronage appointments. He joins many others who are feeding from the public trough because of the NDP ties.

Mr. Speaker, the minister indicated yesterday that the appointment of Don Ching means he waives the right to a \$600,000 severance package. Will the minister confirm that all facets of this package have been nullified? And if so, will the minister explain if this is the very reason that Don Ching was hired, so that he would not have to be paid the exorbitant severance package?

Some Hon. Members: Hear, hear!

Hon. Mrs. Teichrob: — Mr. Speaker, I'm very glad to have the opportunity to answer that question. First of all, let me say that Mr. Ching never . . . it appeared in the press. This should be a lesson not to always believe what you read, especially in the newspaper. The press reported that he was asking for \$600,000. He never made a demand. SaskTel never made him an offer. There was no demand for that amount. They're two entirely separate events.

Mr. Ching will be engaged on April 15 according to the terms of his letter of engagement at the salary we previously mentioned. There will be no compensation whatsoever of any sort between his separation of CIC and his engagement on April 15. And Mr. Ching has signed a waiver of any claim to any amount for that period of time.

And I think, Mr. Speaker, in the private sector and in commercial terms and even morally, that it is wrong. But he has agreed because that's a measure of the man, the measure of his

integrity, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Bjornerud: — Thank you, Mr. Speaker. This government has taken care of party faithful, and do the names like David Dombowsky, Jack Messer, Ron Clark, Zach Douglas ring a bell? They should because these men all sit atop Crowns or government agencies.

Mr. Speaker, Fred Van Parys was removed as the head of SaskTel over the fiasco involving the re-engineering of the Crown. Will the minister explain now what obligation the taxpayers of Saskatchewan have to Mr. Van Parys, and why has he been retained when SaskTel now has a president?

Some Hon. Members: Hear, hear!

Hon. Mrs. Teichrob: — Mr. Speaker, it is a very normal practice in the telecommunications industry to engage consultants at the national and international level.

Mr. Van Parys's experience during his three-year tenure at SaskTel provided very important links with the Stentor alliance which is critical to the success of Canadian telecommunication companies. He's engaged as a continuing consultant in that role. And it's a valuable role.

Mr. Ching will be the CEO (chief executive officer) of SaskTel. He doesn't need any help in that role as president. But certainly the aid of a consultant is of value, and we are acting in the best interests of Saskatchewan people and our telephone company, Mr. Speaker.

Some Hon. Members: Hear, hear!

Government Polling

Mr. Boyd: — Mr. Speaker, my question today is for the Premier. Mr. Premier, your latest round of polling shows that Saskatchewan people are not very happy with the way you're running things. In fact 70 per cent of respondents disapprove of how your government is handling issues that concern them most. As always, job creation is the most important issue, and 75 per cent of those polled disapprove of your government's efforts in that area — to create jobs.

Mr. Premier, every quarter you and your government does this kind of polling. But seems like nothing ever changes. We still have high taxes and over-regulation, and we're still losing jobs. Mr. Premier, why do you do this kind of polling if you aren't going to listen to it? When are you going to start making the changes Saskatchewan people are demanding?

Hon. Mr. Lingenfelter: — Mr. Speaker, I appreciate being able to respond to the question because the polling that is done by the provincial government obviously is very important. Not that it sets the policy for the government, but it's part of the consultation process. It's one of the tools that we use, as well as the process the Premier went through before this session of going out and meeting with thousands of Saskatchewan people, asking their opinions. And what it shows is that the

government, I think, is doing credibly well.

Obviously when you refer to jobs and job creation and economic development, this is one of the themes that every government in this country is struggling with. And if you look at some of the national polls, when you look at some of the national polls . . . and there are a number of them available which show that on the issue of economic development and job creation, Saskatchewan places third in Canada.

Now obviously being in the top half in Canada, we want to do better. And that's why the work that is being done at the present time, the issuing of *Partnership for Growth* which is a document that business people were included in, that all of us — business people, working people, governments . . . are optimistic in creating jobs. The only ones who are gloom and doom . . .

The Speaker: — Order, order. Next question.

Some Hon. Members: Hear, hear!

Mr. Heppner: — Thank you, Mr. Speaker. Many people look at that government's quarterly report as a report card. Having spent some 20 years as an educator, I have some idea what reports cards say and this is about the worst one that I've seen in a long time.

Mr. Speaker, basically anything under 50 per cent is considered an F. So let's just have a chat about the Premier's report card and see how incredibly well things are going. Job creation gets an F. Taxation gets an F. Provincial finances gets an F. Health care gets an F. Education gets an F. Crown corporations gets an F. Social Service, gambling — all get an F. Policing gets an F — and the school teachers over there should be listening because they may have some work to do here — and speaking up for the provinces, 63 per cent. So I guess that's a C, straight C.

Nine F's and one C. In many homes, the following line would follow: this is completely unacceptable, young man. Go to your room.

Mr. Premier, when are you going to stop making excuses and start applying yourself?

Hon. Mr. Lingenfelter: — Mr. Speaker, I think what counts here is if you look at the progress we have made in a number of different areas . . . what the member isn't being honest with is that in many areas in government there is an improvement. But what I want to say, Mr. Speaker, is the only real result that counts is the F the members opposite got last June. We all know about . . .

Some Hon. Members: Hear, hear!

Whitespruce Treatment Centre Closure

Mr. Toth: — Thank you, Mr. Speaker. Mr. Speaker, my question is to the Minister of Health. Mr. Minister, for two years there have been rumours of your government's closing the Whitespruce Youth Treatment Centre in Yorkton. And for two

years, your NDP members have denied it.

Mr. Minister, can you confirm that officials from your department are flying to Yorkton as we speak and that the purpose of the meeting at 2 o'clock with the Whitespruce staff is to inform them of Whitespruce's closure?

Hon. Mr. Cline: — Yes, Mr. Speaker. I can confirm that what the member says is accurate.

Mr. Toth: — Mr. Minister, Mr. Speaker, to the minister. I don't know about you, but I really don't think that the way your department has handled this situation has been fair to Whitespruce employees at all.

Mr. Speaker, yesterday the Minister of Economic Development said there had been consultations going on. Last Friday, one day after your budget, the executive director received a memo from your department, stating that no decision has been made yet about Whitespruce's future and that everyone could expect to hear something within the next few months, which would indicate to us that there really haven't been those discussions going on.

Then a Health official phoned Whitespruce this morning and told everyone to be at a 2 o'clock meeting today.

Mr. Minister, do you honestly think it is fair that Whitespruce employees, even the executive director of the facility, have had to hear about their futures on the radio, on television, and in the papers, rather than from your department, especially when you had to know about this closure long ago? Do you really think this is fair?

Hon. Mr. Cline: — Mr. Speaker, I agree with the member that it would have been better if the employees would not have heard about this closure through speculation in the media, and if they'd been advised directly.

But I want to say to the member in the House that the commitment the government has is to enhance treatment for young people who have drug or alcohol problems. And I believe that the decision that has been made is the correct decision, Mr. Speaker.

We've had two facilities, each operating at less than full capacity. And the professionals have advised that a consolidation has many advantages, including sharing of staff resources and expertise at the Calder Centre, and also allied health community people outside of Calder and Whitespruce, such as specialized adolescent psychiatric services in Saskatoon, community-based resources and recreation education, and greater access to psychological consultation.

We have two facilities that are under-utilized, Mr. Speaker. I think this will lead to enhanced protection and treatment for young people in our province.

Some Hon. Members: Hear, hear!

Budget Meeting Invitation

Mr. Aldridge: — Mr. Speaker, yet another example of this NDP government misusing its power appeared in an ad in Saskatoon's *Star-Phoenix*. This ad invites the public to attend a budget discussion with the Finance minister at a cost of \$15 per person. However, it's the bottom of the ad which drew my attention and I'm sure members of the public as well. And I quote, "Cheques should be made payable to Saskatoon Idylwyld NDP."

Will the Minister of Finance attempt to justify how she can use her position within government to raise party funds?

Some Hon. Members: Hear, hear!

Hon. Ms. MacKinnon: — Mr. Speaker, first of all when you get a question from the Liberals, you have to straighten out the facts. It's a lunch, downtown Saskatoon, my riding, sponsored by my riding association.

But I'll tell the members opposite, it's obviously quite a deal. Because I notice here the Liberals, Her Majesty's Loyal Opposition, in Melville, in the *Fort Qu'Appelle Times*, 40 bucks. And the difference being that they say in one of their ads that a tax credit is available.

I'll tell you, no taxpayers' money is being used for my event. I'd ask the members opposite why they expect taxpayers to foot part of the bill for their event.

Some Hon. Members: Hear, hear!

Mr. Aldridge: — Mr. Speaker, no one bought the minister's performance last week and I think she's really tempting fate by trying to charge for a repeat performance.

But, Mr. Speaker, the minister and her colleagues obviously feel they are above approach . . . or reproach. First we have the perogy pusher, the member from Regina Northeast, doing deals from his cabinet office in an NDP fund-raising effort, and now the Finance minister is using her office to raise party funds.

Mr. Speaker, elected members represent constituents of all political stripes and these people should not have to pay the New Democratic Party to join in on a budget discussion. If the minister feels this is appropriate, I'd ask her then to make a commitment today to hold a budget discussion meeting with the members of my local Liberal association.

Some Hon. Members: Hear, hear!

Hon. Ms. MacKinnon: — Mr. Speaker, Mr. Speaker, I'd like to make two points. The first point is, when the Liberals hold their political events they actually expect taxpayers to foot part of the cost. They put right in their ad: tax credits available.

But the other point I would like to make is about the quality of the opposition. Mr. Speaker, this opposition, these Liberals, are getting a reputation for personal, trite, petty, vindictive comments and remarks. I ask the members opposite to look in the mirror and I ask them to ask themselves another question. When the member from Greystone was the leader of that party, she would never have tolerated this kind of behaviour. I think

when she left she took her code of ethical conduct with her.

Some Hon. Members: Hear, hear!

Recovery of Government Funds

Mr. Osika: — Thank you, Mr. Speaker. Mr. Speaker, my question is for the Premier and perhaps the Premier . . . and given our fiscal problems that we have, I wonder if the Premier could clarify for us on this side of the House his government's position in trying to recover some of the monies illegally obtained by former members of this House.

A couple of weeks ago I asked the Justice minister whether or not he was interested in trying to recover the money, which is over \$800,000, that's still out there. The minister's answer left me a little bit uncertain, Mr. Speaker, over the government's position on this. So I'll ask the Premier, is the government interested at all in trying to recover some of these monies?

Some Hon. Members: Hear, hear!

Hon. Ms. Crofford: — Thank you, Mr. Speaker. As a member of the Board of Internal Economy, I'll just say that this matter is before the courts and there is litigation in process and we really can't comment on it here.

Northern College System

Mr. Belanger: — Mr. Speaker, my question today is for the minister responsible for Post-Secondary Education and Skills.

Once again, Mr. Speaker, the Tories' mismanagement of northern Saskatchewan has continued to haunt the people of this province through the NDP administration. The PC's (Progressive Conservative) choice to amalgamate all regional colleges of the North and locate it in one central area, La Ronge, has done nothing but weaken the training potential to the people of the North.

A few years ago the Westside Community College was amalgamated into a large northern college system, forming the Northlands College. Instead of saving money, not only does the centralized system cost more, but it also takes actual training dollars away from the Westside Community College budget.

Will the minister responsible for Post-Secondary Education tell the House today how much money has been taken from the Westside College and been dumped into the central college system in La Ronge?

Some Hon. Members: Hear, hear!

Hon. Mr. Mitchell: — Mr. Speaker, I thank the member for that question, which I consider to be a very good question. Unfortunately, I don't have the answer, and so I'm going to have to take notice of the question.

Mr. Belanger: — Thank you, Mr. Speaker. Again, as the Minister of Post-Secondary Education, you should be fully aware. The decision to amalgamate all northern colleges into one has done nothing but stifle the desperately needed training

centres in northern Saskatchewan in all regions.

In light of the already meagre adult education dollars allocated for the North, will the minister admit that fair regional distribution of training dollars is desperately needed in the North and that he will look into it and will reverse the Tory decision of the 1980s to centralize training and programs in the North into Northlands College and to work with the people of the North to establish the Westside Community College system in Buffalo Narrows?

Some Hon. Members: Hear, hear!

Hon. Mr. Mitchell: — Thank you, Mr. Speaker. I'm very much aware of the great need for training that exists in northern Saskatchewan. That's true in all of Saskatchewan, but it is particularly the case in northern Saskatchewan. There are, as the member will know, various efforts under way to provide training in respect of jobs which are now available or coming available in the northern mines. And we are happy to participate in that plan, that process, for providing training for northern people.

As to the details of the member's question, again, Mr. Speaker, I'll have to take notice.

Economic Development Funding

Ms. Draude: — Mr. Speaker, my question is for the Minister of Economic Development. In 1992-93, the NDP government spent roughly \$27 million on economic development. In '95-96 they budgeted for just over 38 million.

What astounds and saddens me is since they came to power in '91 we've seen nearly 2,300 businesses go bankrupt. In Manitoba in the same time, there was 1,400.

We're spending \$11 million more on economic development today than we were four years ago. And what has been the result? Four thousand lost jobs between February '95 and February '96, and extremely high levels of bankruptcy.

Mr. Speaker, my question is to the minister: what are you doing with the extra funding besides killing jobs and businesses?

Some Hon. Members: Hear, hear!

Hon. Mr. Lingenfelter: — Mr. Speaker, the member opposite is well aware that the information she brings to the House, that there are fewer jobs in Saskatchewan, is misinformation. And if you're not careful, you're going to get the reputation as Miss Information, because it's not correct. Since 1992, there are 10,000 more people working in the province of Saskatchewan.

Now you can make an argument, you can make an argument — these are StatsCan's statistics, not mine — you can make an argument that there could be more or should be more, but be honest and be correct in the numbers; that since 1992, when *Partnership for Renewal* was released, there are 10,000 more people working in the province.

I have here the latest numbers on the population statistics, and in the first quarter of 1996 there are now 1.018 million people

living in Saskatchewan, which is nine consecutive quarters of growth in the population of Saskatchewan. The only place that there is gloom and doom and lack of expectation on the performance of the economy is in the members of the Liberal caucus. And maybe if you would pick up on the mood of optimism in the province, you'd do a little better in keeping your caucus together in a solidified way.

Some Hon. Members: Hear, hear!

Ms. Draude: — Mr. Speaker, I guess the minister and I will have to figure out where he gets his numbers from, and I get mine from his sources — the *Sask Trends* magazine.

Mr. Speaker, I hope that the minister is aware that Credit Union Central moved their payment clearing branch to Alberta and we lost 85 jobs as a result. This is indicative of how destructive this government can be when they set their minds on things like job cremation. I echo the dismay people had with the budget last week.

Mr. Speaker, will the Minister of Economic Development explain how his government decides who will receive hand-outs and tax breaks, and who will be made to suffer under the taxes that his government has imposed?

Some Hon. Members: Hear, hear!

Hon. Mr. Lingenfelter: — Mr. Speaker, I would like to say to the member opposite that her numbers on bankruptcies in the province of Saskatchewan are absolutely inaccurate. In fact we have, last year in 1995, the lowest number of bankruptcies since 1987. The other thing is, we are now at the highest point of incorporations in Saskatchewan.

So what you're saying about businesses not doing well in Saskatchewan are simply inaccurate. And I've offered you a number of times to come to the office and look at the stats and get them straight because obviously you don't have them.

But what I wanted to say as well, that a letter in the *Leader-Post* of March 30, which is titled: "Outflow of jobs: time for action", clearly indicates that part of the problem Regina is having is the drain from Regina with federal civil servants to the city of Winnipeg, based on the political manoeuvring of Mr. Axworthy versus your MP (Member of Parliament) here in Regina, Mr. Goodale. And I would urge you to get on the phone today and urge your federal counterparts to end this siphoning off of jobs from Regina to the city of Winnipeg.

Some Hon. Members: Hear, hear!

The Speaker: — Why is the member on his feet?

Hon. Mr. Wiens: — With leave, to introduce guests.

Leave granted.

INTRODUCTION OF GUESTS

Hon. Mr. Wiens: — Mr. Speaker, I would like to introduce to you and through you, a renowned constituent of mine, Roy

Atkinson. As you know, Roy Atkinson has been a farm leader in Saskatchewan and an advocate of the rights of people in circumstances that much of society avoids, all his life. And I'm honoured to have him as a constituent, and honoured to introduce him through you to other members of the Assembly.

Hon. Members: Hear, hear!

ORDERS OF THE DAY

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. Ms. Atkinson: — Thank you very much, Mr. Speaker. I'm indeed privileged to rise today in support of the provincial budget for the 1996-97 fiscal year in the province of Saskatchewan.

But before I do that I want to personally congratulate you for being elected in the first election I guess, true election, to sit as the Speaker of this Legislative Assembly. I know, Mr. Speaker, having worked with you since 1986, that you bring integrity and honesty to your duties. And I know that you have the faith of all members of this legislature to make independent, logical, and rational decisions on behalf of all of us.

Mr. Speaker, I also want to acknowledge the presence of my father, Roy Atkinson, who is in the gallery today. I think this is the first time since I was elected in 1986 that my dad has had the pleasure to listen to his daughter that was born some 43 years ago.

An Hon. Member: — Not that long ago.

Hon. Ms. Atkinson: — No, not that long ago.

There's lots of things that I've learned from my father since becoming his child 43 years ago. And one of the things that I've learned from him . . . And I was being teased by one of the members about my father and what did my father have to say about the Wheat Pool shares.

One of the things I've learned from him, Mr. Speaker, is that it's important to serve people of this province with integrity and honesty, and that if you approach your tasks with integrity and honesty, the people may not like what you have to say all the time but they will respect your right and respect you for having the courage to say it.

Some Hon. Members: Hear, hear!

Hon. Ms. Atkinson: — So I want to tell my dad today that I have not let him down in any sense of the imagination — I haven't let my mother down — that I continue to show strong commitment to the people of this province, and I think I bring

honesty and integrity to this position. And I think all of us bring honesty and integrity to this position at a time when politicians, the word "politician", is suspect.

Mr. Speaker, I also, for the first time since being elected in June of 1995, want to once again thank the constituents of the constituency of Saskatoon Nutana for honouring me with this privilege to be an elected member of the Legislative Assembly. It's a privilege that so few of us in this province ever get to experience.

It's one of those jobs that can be wonderful; it's one of those jobs that can take you to your all-time low. There are ups and downs associated with this privilege that we're honoured with. But I can assure the constituents of Saskatoon Nutana that I continue to advocate on their behalf, I continue to speak up on their behalf, and I will do that until I'm no longer a member of this Legislative Assembly.

Now to speak about budget, Mr. Speaker. I'm proud to be a member of this NDP government that has once again shown a strong commitment to sustaining the quality of education for which Saskatchewan has become famous, Mr. Speaker. The budget presented by my colleague, the Minister of Finance, recognizes the critical role that education plays in our province and the critical role that education means to the future growth and prosperity of this province.

Mr. Speaker, there is good news in this budget for education and Saskatchewan people. There are increases in the operating grants to school divisions in each of the next two years. We're advancing our key policy objectives, and those key objectives include sustaining the quality of rural education, Mr. Speaker, something that I and my government feel strongly about.

Another objective is improving opportunities for young people. And the third objective, Mr. Speaker, is supporting children at risk. Modest changes have been made to the foundation operating grant to strengthen its basic principles and help meet these policy objectives.

Mr. Speaker, in addition to protecting school divisions from any operating fund reductions for two years, this budget provides to school divisions the time and the context for their planning.

Mr. Speaker, a high priority has been placed on education. Some difficult decisions have been taken in order to support our system. Education is a clear priority of our government. Education, Mr. Speaker, is also a clear priority of the people of our province, as we were told during our extensive public consultations prior to the Finance minister bringing her budget into this Legislative Assembly.

Mr. Speaker, this budget advances equity and improves the use of our existing education resources. There's ongoing support here for the most vulnerable people in our province. Mr. Speaker, this budget contains \$2.35 million in enhanced funding for community schools and the Indian and Metis educational development programs. This budget also targets another \$1 million in enhanced support for students with special needs.

Mr. Speaker, these are all part of our continuing contribution to the very successful integrated approach to meeting need holistically known as Saskatchewan's action plan for children, an action plan that I am personally very proud of.

In spite of the severe financial pressures imposed upon us by the federal government cut-backs, we've prevailed. This budget has a human face, and real human beings and their real priorities are the focal point of this budget. Saskatchewan continues our honourable tradition of compassionate, responsible fiscal management.

All provinces, Mr. Speaker, are facing the reality of sharply reduced federal transfer payments beginning in the new fiscal year. For Saskatchewan that means a federal cash transfer reduction of more than \$250 million per year at end of 1999-2000. The federal government is cutting federal transfer payments by more than \$100 million this fiscal year, and more than \$200 million annually thereafter. These are deep cuts, Mr. Speaker, that continue year after year after year.

Mr. Speaker, let us remember who's put Saskatchewan in this terrible position. Mr. Speaker, Saskatchewan has been put behind the fiscal eight ball by a Liberal government in Ottawa. Mr. Speaker, it is the Liberal government in Ottawa that has chosen to attack Canada's social programs as its best way to deal with the federal deficit.

It is the Liberal government in Ottawa that unilaterally did away with the Crow rate benefit to our Saskatchewan farmers — and not a peep from the rural Liberal members opposite.

Mr. Speaker, it is the Liberal government, it is the Liberal government that is systematically destroying the fundamental culture and infrastructure of the people of this province. The Liberals were elected to do away with the NAFTA (North American Free Trade Agreement) agreement. Did they do it? No. No, they continued the role of international capital in this country, and they support the role of international capital in this country.
(1430)

The Liberal government's highest priority appears to be slashing social programs in this country to fundamentally change the nature of this country so that we become like our sisters and brothers south of the border. That is what these Liberals are about in this House, and that is what the Liberals in Ottawa are about, Mr. Speaker. And I think in the next federal election the people of this country should rally and dislodge the Liberal government and expose them for what they are.

Mr. Speaker, Ottawa and the Liberals have misplaced priorities, and Saskatchewan people are now bearing the brunt of their failure to make social programs, to make people, Mr. Speaker, their priority. The Liberal government in Ottawa is making the wrong choices for Canada. They are making the wrong choices. They're undermining our social programs and they're threatening the quality of education which Saskatchewan people place the highest priority on.

I'd invite, Mr. Speaker, the Liberal administration in Ottawa to follow the leadership of this NDP government. We've led all of

Canada in managing our deficit, eliminating our deficit, and we're dealing with our debt successfully. And, Mr. Speaker, the most important thing, we're dealing with our deficit compassionately.

And let's never forget who bankrupted this province in the first place. Mr. Speaker, it was the Saskatchewan Tories who bankrupted this province. The Tories should be ashamed to show their faces in this Assembly during the budget debate. And, Mr. Speaker, I notice that they have.

We've literally pulled the province out of the fiscal abyss only to have the federal Liberals now undercut our economic recovery. We will not let wrong-headed federal policies and practices drag this province down ever again. And as our Premier said in his public address following our recent public consultations, we will manage the federal cuts and we will overcome them, Mr. Speaker, like we have overcome all kinds of obstacles.

Mr. Speaker, the people of this province have courage. It is fundamental to who we are. This government has courage, I have courage, and we will overcome whatever hand we are dealt.

Some Hon. Members: Hear, hear!

Hon. Ms. Atkinson: — Mr. Speaker, we've delivered on this promise. And, Mr. Speaker, this wasn't easy. This budget underscores our belief in a compassionate, caring agenda. This budget says unequivocally that we will not allow the excellence, the fundamental excellence, of our education system, which is outstanding, to be compromised.

Consider for a moment, Mr. Speaker, the reality of the excellence in education that we're so proud of. During Education Week in Saskatchewan this year, which we celebrated last month, I was again amazed at the remarkable things that so many remarkable people do in education. Saskatchewan has the best teachers in the world and the best school system in the country. That's something worth protecting and saving and enhancing, and that's exactly what this budget does.

Teachers like Leo Carteri from Fillmore. His science students have taken home honours every year at the Canada-wide science fair. Mr. Carteri is the winner of the 1995 Prime Minister's Award for Teaching Excellence in Science, Technology, and Mathematics. His students at 33 Central School in Fillmore are getting invaluable experience through these competitions, and introduction to the business world at the same time.

Or consider the work of Linda Helmke, a grade 6 teacher at Pre-Cam School in La Ronge. She's been chosen as the winner of the Kirkpatrick Travel Award for 1995 by the University of Saskatchewan for her creative work with both native and non-native students. Ms. Helmke will travel to the NASA (National Aeronautics and Space Administration) in Florida.

She is preparing her students for career choices in science by capturing their imagination and exciting them about the

universe. She has the motto in her classroom which reads, and I quote: "Shoot for the moon; if you miss, you will still be among the stars." This motto could well describe the excellence of education in Saskatchewan generally. By shooting for the moon, the many talented teachers like Linda Helmke and Leo Carteri in fine schools like the ones in La Ronge and Fillmore are shaping the lives of students and illuminating our whole future as a province.

During Education Week, we saw this kind of energy, creativity, and quality in education in scores of communities across Saskatchewan. This is the reality of education in our province. These are the real people behind the numbers in the budget. They are why this strong support for education is so important to every one of us. These are the real leaders and role models that can be found in every single community across Saskatchewan, and I say congratulations and thank you to these people. Our budget supports these people.

Some Hon. Members: Hear, hear!

Hon. Ms. Atkinson: — Mr. Speaker, on budget day *The Globe and Mail* newspaper described the anticipated Saskatchewan budget as common sense and in a tradition of common sense. The budget fulfils that anticipation, and it confirms our sensible path of four more balanced budgets to come. Common sense is, Mr. Speaker, not so common, especially when it comes to governments. It is an attribute of our government which makes us proud. Common sense also is characteristic of Saskatchewan people generally.

Think of what we can do with a little common sense and ingenuity. For instance during Education Week in Saskatchewan, the minister responsible for SaskTel and myself were able to call to the attention of this Assembly the donation of 1,000 computers to our schools by the provincial government and Crown corporations. These computers are good machines that our school children need badly — a good example of Saskatchewan government common sense in action. The Computers for Schools program is something to which both our public and private sectors could contribute, something that can make a real difference for Saskatchewan young people.

We in Saskatchewan, Mr. Speaker, are protecting the most vulnerable and managing our resources in a fair and compassionate way as fundamental principles and values of this province. That is the Saskatchewan way, and that's our way.

This is a provincial government which stays . . . provincial budget, pardon me, which stays the course. Our budget planning took place in the context of government-wide priorities and consultation. And by adopting an integrated approach and a long-term plan, the series of our budgets since 1992 have literally brought us out of the hole.

Mr. Speaker, let us compare our province to some of the rest of the country. Our common sense budgets and fiscal leadership clearly distinguish Saskatchewan among all other provinces. What really sets us apart is excellence, shooting for the moon, and the way that we do things in education. We do it the Saskatchewan way. The Saskatchewan way, which is fundamental to who we are as citizens in this province, is

cooperation, consultation, compromise, and negotiation.

For example New Brunswick is in the process of making everybody involved in the education system, a provincial government employee. Every teacher, every director of education, every administrator, every janitor, every school secretary — everybody. And they're abolishing all elected school boards, and this is coming from a Liberal government in New Brunswick.

Now let's look at Alberta, Conservative Alberta. For many families there, government-imposed solutions are the realities of public education. Or look towards Manitoba where radical changes to the way that teachers are treated have been imposed with little input from teachers in their communities.

And of course let's consider good old Ontario. There seems to be an all-out assault on the public education system. Slashing funding is one of Ontario's answers to everything, with no regard to the devastating impact on the quality of education and to the real needs of hundreds of thousands of children. Not much common sense in Ontario these days it would appear.

Mr. Speaker, let's take a look at the curriculum development process in this process. The way we do things, the way we developed Saskatchewan core curriculum is the envy of others across the country. And our curriculum is the product of cooperation, of involving teachers and trustees and parents in a meaningful way from the very beginning. And that cooperative process continues.

And if we look at British Columbia, we see that they have had to start the curriculum development plan all over again. And as governments change in Ontario, so apparently does the mandate around curriculum. In Manitoba, the rush to conclude the process may compromise it entirely.

In Saskatchewan, Mr. Speaker, in stark contrast, we discussed, collaborated, persevered, stuck to our principles, and succeeded. We can justifiably be proud of what we've accomplished in education here. We can especially be proud of the way in which we have done it and the way we will continue to do it together, cooperatively, with the utmost respect for democratic processes and broad citizen participation and involvement. Mr. Speaker, I repeat, what really sets us apart from the rest of the country is excellence mixed in with a healthy dose of common sense.

In developing our provincial budget, we had to take into account three key challenges. First, the new fiscal reality caused by the federal Liberals' transfer payment cuts; second, our government's long-term commitment to sustain balanced budgets; and third, our commitment, Mr. Speaker, to education and to other priority programs. Mr. Speaker, I'm proud today to say that this budget meets all of these challenges.

And let me say a word about our commitment to sustainable balanced budgets. Two years ago our government set a course for balancing the provincial budget. Last year, for the first time in over a decade, this goal was reached. It marked a turning point in our province and I want to assure the Assembly and the people of this province that this government's focus on

balanced budgets is not an end in itself, but a means to an end. We want to have the financial freedom, Mr. Speaker, to create opportunities for future growth and prosperity.

Mr. Speaker, the financial freedom and independence allows us to do what is really important, and that's to create hope. The less we have to spend on annual interest rates, interest charges, the more we can allocate to programs for people, little kids, young people, children, education programs for our people.

Our policy of sustained budgets means hope, Mr. Speaker. There is hope in this budget for sustaining a quality rural education system. There is hope in supporting children at risk. There is hope in making better use of technology for our people. There is hope when we support our community schools. And there is hope, Mr. Speaker, in successful education partnerships.

Mr. Speaker, that's why we sought to shield operating grants to schools from any reductions over the next two years. This budget does that. We sought to provide solid information about future years to assist school boards and other third parties in planning. And this budget does that. And we sought to defer as far into the future as possible any funding reductions that will be necessary because of the increasingly negative impacts of the federal transfer payment cuts. And this budget says that as well.

Despite the reductions in federal transfer payments which have put significant fiscal pressure on our province and our government, there will be an increase in operating grants for schools for each of the next two years. And for the coming year, operating grants to school divisions will increase by \$2 million. And next year, there will be a further increase of \$900,000.

The increases to our budget over the next two years demonstrate our province's, our government's commitment to sustaining quality education in the province. The decisions were made with principle, Mr. Speaker, principle in mind. The principle of equity will be protected and strengthened in order that there be fairness between richer and poorer school divisions. That is a principle that is fundamental to who we are as a party.

The funding goes to rural school divisions, is being protected. We are protecting rural education, a system that I know something about, having been a young child in rural Saskatchewan. And the proportion of the total grant that is unconditional will remain constant.

Now look at where we're spending more. Look at our priorities. These are good choices for our people. These are good choices for education. Our expectation is for savings; system improvements that will improve services to our young people in our classrooms. These are choices that reflect what Saskatchewan people have been saying to us.

And in recognition of the higher costs associated with operating small rural and isolated schools, modest adjustments were made to the foundation operating grants to target funding for those schools. A \$3 million new technology factor has been developed to provide a range of programs and services which support rural students' transition from high school to the world beyond. For example, rural school divisions might use the funds

to provide work transition programs delivered electronically, or other technological enhancements to aid in learning.

(1445)

Mr. Speaker, distance education has an important role to play in providing equitable and affordable access to education from every corner of this province. And because of the success at meeting the learning needs of students with special needs, current programs which target specific groups of children are being expanded.

For example, Mr. Speaker, we have community schools in this province that have helped young people who are in difficulty. Mr. Speaker, we're adding another \$2.35 million for more community school development and more development for programs for Indian and Metis people. And I am proud of that, Mr. Speaker.

Some Hon. Members: Hear, hear!

Hon. Ms. Atkinson: — Mr. Speaker, I am proud of it because our community schools program which was implemented by a distinguished Minister of Education, the Hon. Doug McArthur, in the early 1980s provide a holistic approach to help students who are facing difficulties caused primarily by urban poverty.

Mr. Speaker, the Indian and Metis development program promotes shared responsibility and culturally responsive approaches to education. Mr. Speaker, 90 per cent of Indian and Metis kids don't complete high school. We have to do everything that we can to ensure that Indian and Metis people do not have systemic barriers to being successful educationally. And I think this enhancement begins to move away some of the barriers so that Indian and Metis people can participate in our province in a genuine, real way where we partner with them to advance the cause of all of the people of this province.

As well, Mr. Speaker, there's a million dollar enhancement of the targeted behavioural program. Mr. Speaker, I know something about this. I used to work with young street kids in the city of Saskatoon — kids that were in trouble with the law, kids that got into difficulty because of their personal circumstances. Mr. Speaker, last year we introduced a new initiative to expand funding or to implement funding for kids with behaviour difficulties and this year we're announcing another \$1 million to ensure that kids that have some problems can be successful in school so that they can be honest, contributing members of our society.

Some Hon. Members: Hear, hear!

Hon. Ms. Atkinson: — As well, Mr. Speaker, we've added a million dollars to our designated disabled people program. And these increases, Mr. Speaker, are in recognition of the real costs associated with school divisions in the provision of appropriate education for these students.

Mr. Speaker, I have heard from educators of the citizens of this province that we need to support in providing quality education for Saskatchewan students. Our government, when the Minister of Finance delivered her budget, ensured that we provided

increased support to those areas requiring special consideration. And, Mr. Speaker, I am proud of that fact.

Mr. Speaker, funding for capital projects remains very tight. We'll target the most urgent capital priorities to deal with enrolment pressures and repairs and renovations. Emphasis will continue to be placed on the cost-efficient sharing of facilities and on the provision of safe, well-equipped schools for Saskatchewan students.

Mr. Speaker, our department needs to be congratulated. They went through their administrative costs with a fine-toothed comb and again, Mr. Speaker, admin costs have been reduced by more than \$400,000 in this fiscal year. And I think, Mr. Speaker, that is a tribute to the dedication and public commitment of the staff in the Department of Education. And I want to thank them for their efforts today.

So, Mr. Speaker, in conclusion, I want to invite all members of the Assembly and the people of Saskatchewan to consider the following facts when forming their judgement on this budget. The budget addresses the fiscal reality of significantly reduced federal transfer payments. The budget shields school divisions from any operating grant's reductions for the next two years. In fact the budget increases operating grants in each of the next two years. It provides us with an opportunity to further our key educational policy objectives.

Mr. Speaker, this budget is about hope, and this budget is about confidence in our province's future — a future which will be shaped, Mr. Speaker, by our government's strong support for sustaining a high quality education system.

Mr. Speaker, this is a budget which I call upon all members of this Legislative Assembly to support. It's a budget for the next century, and it's a budget about our young people, our children's future, Mr. Speaker, I can assure you. I will be voting for this budget, and I would invite all members of this House to join the government in supporting a budget that takes us into the next century.

Some Hon. Members: Hear, hear!

Mr. Bjornerud: — Thank you, Mr. Speaker. Mr. Speaker, I find this budget is just another example of broken promises and poor choices. This government insists more money is being spent on health care than ever before, and yet they've closed 52 hospitals and many more acute care beds.

Mr. Speaker, where was and where is the plan? A former minister of Health said we would have input into setting up health districts. But before the process was finished, she came along and did what she had pre-planned anyway. Now that we have elected and appointed health boards, although we have some appointments that were not really arrived at by the original format set out by the Health department, these boards are now being blamed for the huge deficits. They are becoming the scapegoats for this government's mismanagement. Health care history of the last four years in Saskatchewan shows there was no plan and is no plan, Mr. Speaker, just hack and slash to be able to say the budget was balanced in time for '95 election.

Now we come to municipal government. The Minister of Municipal Government and the Premier have said there is no plan to amalgamate municipalities. Well now we have a \$28 million cut to Municipal Government, 20 million of that next year. Municipalities have been downloaded on for the last seven or eight years, Mr. Speaker, drastically in the last four. Many RMs (rural municipality) are receiving close to 40 per cent less in revenue from this government now as they did when the government came into power in '91. Now after these cuts, another \$28 million less.

Mr. Speaker, municipalities are now being told they have to become more efficient by sharing services. What on earth, Mr. Speaker, does this government think that these people have been doing? They've been taking all these cuts and only raising their mill rate on an average of 10.8 per cent in this same time period. They have been becoming very efficient. Part of this has been done by sharing services such as offices, fire protection, rec facilities, garbage collection, machinery, road building and maintenance equipment. They're already sharing services.

This government would do better taking the lead of municipal government instead of forcing something on them that they don't want or need.

Mr. Speaker, these municipalities were also promised 10 per cent of the VLT (video lottery terminal) money. And guess what? Another broken promise. No money is coming.

What I see with municipal amalgamation is many things resembling the health care fiasco. The urban members can sit in here and say what a wonderful health care system we have. But ask anyone in rural Saskatchewan and you get a much different picture painted. This government by slashing funding, feel they can force the county system upon municipalities of all sizes.

Mr. Speaker, no study has been done, no cost analysis done, nothing to show where the big dollars will be saved. The studies that have been done and experienced by other municipalities in other provinces have actually proved to be more expensive per capita.

Next on the chopping block, education. Mr. Speaker, 2 per cent was promised, which would have been what — \$7 million? But instead we get now a \$2 million increase, which isn't even new money. They have pushed the protocol agreement aside, dealt with teachers, and the \$2 million won't even come close to cover the wage increase, let alone the other increasing costs.

This government is saying to trustees, you aren't part of the negotiating process, but you will be responsible to come up with the extra money to fund schools, without school closures and teacher lay-offs. Then the government, as usual, will blame the school divisions when closures and teacher lay-offs happen.

This government has become masters at blaming everyone else for their lack of vision and lack of a master plan. But after every utility rate hike possible, highest income tax rate in the country, they are front and centre when they are taking credit for a balanced budget. Well, Mr. Speaker, the people of Saskatchewan balanced the budget; not the members opposite.

What is so astounding is that in the election campaign, the Saskatchewan public was told the budget is balanced, so the cutting is over. This government did this knowing full well how much the federal cut-backs were going to be at that time.

We have seen the government break contracts with farmers, costing Saskatchewan farmers millions, sending federal money back to Ottawa and then whining about the federal funding cuts. We have seen this government break campaign promises to no end since the election.

Mr. Speaker, the NDP was ousted from power in 1982 for being arrogant and out of touch with the Saskatchewan people. Well, Mr. Speaker, Mr. Blakeney's government look like mice compared to the fat cats we see in government now.

Some Hon. Members: Hear, hear!

Mr. Bjornerud: — Agriculture, Mr. Speaker, has been wrote off by this government — breaking contracts with farmers, program funding cuts, crop insurance cut-backs, and now another 50 million in cut-backs.

Mr. Speaker, I suggest the members opposite should take a drive in rural Saskatchewan and they should do it quick while the highways are still somewhat passable. They will see the inventiveness of the farmers in rural Saskatchewan; people who have been hit hard, as hard or harder than anyone else in this province and they're still trying to their full capacity to survive in agriculture. And they are the ones planning for the 21st century despite the choices being made by this government.

Mr. Speaker, for a government to lay off highway maintenance people when our highways are in the worst condition in the history of this province shows that this province is being run by a calculator and not a well oiled plan for the good of all Saskatchewan people.

Mr. Speaker, for Saskatchewan Environment and Resource Management to lay off 125 people can only be explained in one of two ways. Either they were overstaffed by more than 100 people, which is another example of mismanagement by this government; or the government's priority of the environment is at an all-time low and again being dictated by the calculator, not the well-being of the Saskatchewan public and future generations.

Another subject and another broken promise by the minister from Yorkton on Whitespruce. When the election was on he said, there is nothing to the rumour Whitespruce will close. Well here we go again — more broken promises.

Since 1991 we have heard only two consistencies out of the NDP Party. The first four years they did nothing but blame Grant Devine and the Conservatives. Mr. Speaker, for two or three years this had a lot of credibility to it. Now since the election, they have switched to blaming the Premier's good friend, the Prime Minister. Will they ever get to the point that this government will take the responsibility for their own mistakes in the choices they are making?

Some Hon. Members: Hear, hear!

Mr. Bjornerud: — Mr. Speaker, in closing, I must say I feel this budget may also be responsible for the cold weather because of the chilly reception it's getting in rural Saskatchewan.

Mr. Speaker, many members opposite have continually talked about change in the 21st century. Well, Mr. Speaker, I would suggest three more budgets like this one and the people of Saskatchewan will make the change; they will change the government in 1999 to make the Allan Blakeney ousting in '82 look like child's play.

Mr. Speaker, as you've probably guessed, I cannot support this budget. Thank you.

Mr. Osika: — Thank you, Mr. Speaker. It's with great pleasure that I rise to add my voice to this budget debate.

Mr. Speaker, it is perhaps fortunate that I rise today because I've just returned from a short trip to the western edge of this great province of ours. It is a part of the province that will always hold a warm place in my heart because that's where I was born. But, Mr. Speaker, more than a trip down memory lane, the last couple of days have been an eye-opener for me — an eye-opener because I've seen firsthand the devastating impact this government's policies are having, particularly in western Saskatchewan.

Mr. Speaker, as you move closer and closer to the Saskatchewan-Alberta border, you can see the detrimental effects of this government's oppressive taxation policies. Out there, people don't have to think twice about taking a short trip across the border to buy some of their larger items and perhaps do most of their spending. The taxation policy of this government is forcing large businesses in that area right out of business — the very people that create employment activity and opportunity. They simply cannot compete against the zero sales tax rate in Alberta.

Now I realize, Mr. Speaker, Saskatchewan is not in a position to get rid of the sales tax. And frankly, people realize that, and they were willing to take that into account. When the tax was 5 per cent, people for the most part were willing to keep their money in Saskatchewan.

(1500)

When the Conservatives raised the tax to 7 per cent, the problem of cross-border shopping took an upturn and did begin gnawing away at the business sector in Saskatchewan. And then the first thing this government did when assuming office was to raise the tax to 9 per cent — 9 per cent.

This move served as a death knell to business people near the Alberta border. Money began to flow over the border at a faster and faster rate, a trend that continues until this very day. Probably the most upsetting part about all this is this government's and this Finance minister's stubborn refusal to accept this very basic fact.

People are overburdened by taxation. The economy is

stagnating because people have no disposable income to spend in Saskatchewan. Once they pay their taxes, they have to pay higher and higher utility bills, higher service fees, higher everything. This government cannot tax enough; it just keeps going and going and going.

The Minister of Finance, her blinders firmly in place, says people in Saskatchewan like to pay high taxes. It's what makes our province so great, she says. Well I only say to her, take a trip to the West and ask the business owners that are managing to survive what they think of high taxation. In fact travel anywhere in Saskatchewan — you'll find the same story.

But wait a minute, the Finance minister says in her budget, I did say lower taxes. Yes, Mr. Speaker, a very few Saskatchewan residents will enjoy relief because of this budget. Yes, a few of our citizens will get the greatest benefit of an extra \$12.50 a month. Wow! I'm overwhelmed and I'm sure all the people in this province are overwhelmed. That's just about enough to pay off the higher power bills this government has imposed. I think the Finance minister will excuse the people of Saskatchewan for failing to do many handsprings in the streets over \$12.50.

Mr. Speaker, since this government took over in 1991, it has raised personal taxes by 33 per cent and that doesn't include the outrageous utility rate hikes but, Mr. Speaker, that wasn't enough. They have seen fit to drain a further \$100 million out of the economy through its VLT program — \$100 million. This government is now taking in more money from the people of Saskatchewan than ever before. But that's not enough for this government to feel compelled to keep its promises.

Of the \$100 million the government is now siphoning out of our communities each and every year, last year it promised to return a paltry 10 per cent to communities devastated by the loss of this money out of the local economy. Clearly 10 per cent wasn't enough, but at least it was something. But as soon as the votes were counted and cast in the last election, even this very small promise became too much for this arrogant and untrustworthy government to honour — another broken promise.

This is the same government that promised our beleaguered education system a raise of 2 per cent this year. Of course that was before the election. Around 8:01 p.m. on election night, this pledge to the schools, to our students, also became null and void. Another broken promise.

And then there was the promise to not send farmers GRIP (gross revenue insurance program) bills. That seemed fair since this is a government that stole \$188 million from farmers to balance last year's budget in time for the election. Of course after the election, the Minister of Agriculture practically sprinted to the mailbox to get those same bills in the mail. Yes, Mr. Speaker, another broken promise.

The list goes on and on and on. This is a government that promised to rid our public service of patronage in the 1991 campaign. Then what did it do? Well Mr. Messer was made president of SaskPower as a political reward. Unfortunately he's but one sorry example. In the last few days, Mr. Ching has been named president of SaskTel. I guess being the Premier's

room-mate does have its privileges, Mr. Speaker.

For the Saskatchewan public to put up with the pain they have, pain inflicted by this government, to have to sit and watch the Premier reward his political friends in this way is absolutely wrong. It's wrong. For this government to break promise after promise after promise is also wrong. We know that. The Saskatchewan public knows that. Good grief, even the third party might even know that. The only ones who don't know that are the members opposite consumed by their own arrogance and disregard for the public.

This absolute disregard for the citizens of this province was made even more evident in the political charade they pulled in the days and weeks leading up to the presentation of this budget. They put the fear of God into everyone in this province. Cuts, cuts, cuts, they said. Brace yourself. Those nasty feds are forcing us into making tough decisions they said. Of course the people of Saskatchewan were scared to death. And for what? So this government could play a cynical political game.

The Finance minister knew full well the province could absorb the cuts from Ottawa, given the record revenue we're experiencing due to strong resource and farm sectors and of course the mind-boggling taxation regime imposed by this government. But the Finance minister wanted to look like a hero riding in to save the day.

Madam Minister, don't expect congratulations for doing your job. You're paid quite well. Get on with it and stop the political nonsense. The people of this province deserve better than this government playing politics with their lives, which is exactly what they've been doing since being re-elected in 1991. The election campaign is over; get on with the job you were elected to do.

Mr. Speaker, this is a government that reminds me of a great magician. There is plenty of smoke and mirrors, plenty of magic and illusion, but precious little, if any of it, is real. It's all trickery on the part of this government, with whom politics always, always takes precedence over sound policy. But remove the smoke and mirrors and the house of cards collapses.

Trickery is what we saw in the lead-up to the budget — the cupboard is empty, we can't live up to our election commitments. Give me a break. Mr. Speaker, the people of Saskatchewan might very well think the only thing in short supply with this government is honesty. They may very well think there's a shortage of integrity and trust. They may very well think that, but I couldn't possibly comment.

Mr. Speaker, the Finance minister proudly stood on the floor of this House and stated, with a straight face I might add, that there would be no new taxes as a result of this budget — no new taxes. Another sham, I'm afraid, more smoke, more mirrors. At the same time the minister was making that bold promise, she was busily offloading once again onto local governments. This time they're going to lose 25 per cent of their funding. Where does the minister think they can make up that kind of revenue?

This is not the provincial government we're talking about.

There just isn't that much waste at the local level. Like our schools and our health care, local government have been cut to the bone over the last four years. They can't take any more, but this government keeps piling it on, harder and harder and harder. And at the same time, they decry offloading by the federal government.

What hypocrites, Mr. Speaker. It's unbelievable. The members opposite are either in a serious case of denial or they are consumed by their own arrogance. They actually believe the nonsense they are spouting.

And what about these cuts to municipalities, Mr. Speaker. The Minister of Municipal Government has promised over and over this government will not force municipalities to amalgamate against their will. Well if chopping their funding by a full quarter isn't forced amalgamation, I don't know what is.

Clearly this is another cynical act by this cynical government — more dishonesty, more of the same, I'm afraid, Mr. Speaker.

And what about this government cutting some of its own waste? Well, Mr. Speaker, they did cut. They have reduced the provincial civil service. But which jobs were trimmed? The front-line employees that are so very vital. The paper-pushers here in Regina are safe, but the people who actually do the work — the ones who actually repair our highways, the ones who serve our citizens, the ones who actually are needed — are the first to go.

This is a government which can have two ministers of Education but can't afford to hire teachers or fund schools. This is a government that feels it necessary to have two ministers of gambling but closes hospitals. It's all a matter of choices, Mr. Speaker. And this government has made the wrong choices.

Mr. Speaker, as my colleagues have said, this budget is nothing more than a blaming budget, an abdication of leadership by this government. This is a government which is either unwilling or unable to take responsibility for its own actions. They take credit for the good, but what about the bad? That's never their fault.

Not these members, who seem to walk on water, at least in their own minds. I just ask the members opposite, what colour is the sky in your world? They live in a world of fantasy, Mr. Speaker. The cabinet is out of touch with the people. And the back-benchers, who might still have contact with the public, are muzzled. It's truly distressing, Mr. Speaker. And it's truly sad.

Mr. Speaker, I knew when I got into politics I would have to suffer a few slings and arrows. That goes with the territory, and I can take it. But what I cannot take is this government's attitude towards the people of Saskatchewan. It's reprehensible and it's wrong.

No, this budget is not going to cause the sky to fall. It won't be the ruination of our province. The sun will, in fact, rise tomorrow, and I hope it brings with it some warmth. But, Mr. Speaker, that being said, it does not set us on the right course — a course for prosperity, a course for opportunity, a course for hope.

The government says it's moving towards the new century. Unfortunately, it appears the new century in this government's view is one where few if any jobs will be created in Saskatchewan. It's a future where our best and our brightest unfortunately will continue to flee Saskatchewan for opportunities elsewhere.

Mr. Speaker, that's not the future this opposition caucus wants to see and it's not the future the people of Saskatchewan want to see. I'm pleading with this government to begin listening to the people, and I don't mean through expensive PR (public relations) campaigns — really listen to them. Talk to them — don't talk at them. There is so much wisdom out there waiting to be plucked, but the NDP has failed to do that and doesn't appear willing to do so in the future.

But, Mr. Speaker, this budget is nothing but politics pure and simple. The problems of Saskatchewan are ignored by a government that appears to be in a constant election mode. The time for campaigning is over. The time for real action is now. But we're not getting the action from the members opposite.

(1515)

And, Mr. Speaker, the members opposite do not care to listen to what is actual and factual and continue to ignore the very thing that the people of Saskatchewan, the citizens, want them to hear and listen to. They, through their arrogance and utter disdain for the people in Saskatchewan, continue to refuse to listen.

And for all the reasons I have cited, Mr. Speaker, I proudly stand with my colleagues in the official opposition and am prepared to vote against this budget.

Some Hon. Members: Hear, hear!

Mr. McPherson: — Thank you, Mr. Speaker. Mr. Speaker, I'll have but a few words to say today, because of course I don't want to upstage the budget any more than it was easy to upstage the throne speech. But there are a few points I want to step through today, Mr. Speaker.

Firstly, I'm going to start with the Minister of Agriculture, because I was in the House last night, unlike the third party, Mr. Speaker, and in fact I was listening to the Minister of Agriculture the best I could. And I notice that there were some errors, I guess, in some of the things that he had been speaking of, and I think I just want to clarify right now what perhaps he should have been saying compared to what he did say.

He was talking about the Liberals being the ones that were trying to close hospitals and schools and not build roads. You know, what he was getting at in fact was that . . . And the Finance minister also yesterday was pointing out to some of our members that in fact the member from Wood River here wanted to spend more money on hospitals, and our Highways critic wanted more money for highways, and our Education critic wanted more money for education. And they went around the room here trying to make the point, I think, that we wanted to spend more money.

But in fact they were making the point for us, Mr. Deputy Speaker, that what we do want is more money where the people of this province want it spent, more wisely.

What they don't want, what they don't want at all is to have Jack Messer at \$183,000 a year; Carole Bryant at \$154,000; Don Ching, an announcement that — in fact, I hear the heckling from the member from Elphinstone right now — a good friend of his and law partner of the Premier, Mr. Don Ching, at what, 170, 180,000? And they didn't include the perks on that; I'm sure you've included perks. You wouldn't hardly give Jack \$23,000 worth of perks and not give it to Don Ching also. So we expect this could be 200,000, \$220,000.

And so yes, the Minister of Agriculture, if you want to make this note, yes, I do wish there would be more money for hospitals. And if I had to choose between Jack Messer, Don Ching, Carole Bryant, Zach Douglas, Reg Gross, the whole list of friends of the member from Elphinstone, I'd say yes, let's keep the Plains open.

And I bet you, Mr. Speaker, the numbers . . . the people that I've just mentioned, I think the money that they cost us — and you add Dave Dombowsky and some of the other members that were mentioned in the House today — you know, those members would keep the Plains open.

And if you were to put the question to the people of the province, what would you rather have? Hey, bar none, I know that they would go with us, each and every time, that in fact yes, the schools, the hospitals, the highways.

Also, and I'm not really sure what the point was that the Minister of Agriculture was making last night. He was talking about spinning records backwards. I'd love to take my seat if he would just stand up and explain that one more time, because we had some calls and people weren't just quite putting it together. And we're not sure, you know, the days of Woodstock, when they were spinning those Beatles records around, maybe if that isn't still hanging around. But you could maybe, I don't know, do some press later on that, Mr. Member, if you could do that.

You know when I look at the budget though, the way that you get a good indication of what this budget's all about is to look at a few of the past budgets and what's happened. And I'll be very brief, very brief. Because when I look at what they've done in the past and where this is going in the future, it's pretty . . . I mean, there's a direction. There's a clear direction set here.

Since getting into power, they've cut back on rural Saskatchewan. The first announcement I recall, I think back in early '92 when the member from Rosetown at that time announced that he was going to gravel the highways. And of course he had an amount of pressure from all around the province. And I recall a number of calls that not only did he get from my area, but I'll have to admit I encouraged them to phone that member up and try and see if they couldn't shake that gravel up in the member himself a little bit and get him to think clearly about what he's doing with announcements such as gravelling the highways.

Especially in an area of the province . . . they were going to do

about a hundred miles of gravelling in the south-west corner. This is an area of the province that in fact they don't have a lot of road problems. They don't bust up like in other areas of the province. And I guess luckily enough . . . or thankful to the people in the Department of Highways that actually sat the minister down and explained to him, like there's not a cost here; there's no savings to be had. In fact there's more of a cost if you're going to gravel the highways. I say, if they've got extra gravel, why not, why not save some of that money for the RMs because they've been cutting back those grants where in fact we could use gravel on some of the grid roads. And maybe that would be a better way for them to go.

And that Minister of Agriculture also, I would just remind him that it was his government, his government that in fact took the \$188 million out of farm programs to balance the books of last year.

Now the member from Arm River has made a point time and time again in this House about the promises made last spring by the former minister of Agriculture and the Premier. We looked it up in *Hansard* and the questions were put to the Premier: in fact, would he guarantee the farmers would not get the bills. And of course, he says, no problem; they are not getting bills. And they said that in the House many occasions. They talked about it in the election campaign.

And do you know that \$188 million which helped them balance the books the last year, only 6 per cent of that money — 6 per cent, Mr. Speaker, is all it would take to fulfil that promise and not send those bills out.

So just for the Minister of Agriculture's information, you wouldn't have had to have been held in such poor esteem by the farmers of this province, had you just fulfilled that promise and really for such a small amount of money; 6 per cent is less than half of what you gave to the ministerial assistants in an increase only a year and a half ago, two years ago.

We look at the taxation, the input costs. I know yesterday he spoke about how they would like to do something on the input costs. Well don't look at us and ask us. I mean they're in government. If you want to deal with input costs, then you would have to — I don't know — visit the Premier and ask him, can't we do something on the taxation on fuel?

You know actually even if it were meaning to stop the gravelling of highways, then take the other half of that fuel tax and actually put it towards the highways. Maybe they could have matched the 85 million that the federal government, who they continuously blame . . . they could have matched that 85 million. That way you're getting highways done at 50 cent dollars. Get some people out in rural Saskatchewan buying gas, in fact, while they're building roads and staying in motels and . . . but when I look at past budgets I think, you know, of prescription drug plan changes. We now have a prescription drug plan with a cost of \$1,700 a year . . .

An Hon. Member: — Seniors can't afford it.

Mr. McPherson: — Right. Seniors can't afford it, that's right. And they're proud of that. You know they talk about past

budgets and they all clap and you know, well they're trained. That's what they are, Mr. Speaker, they're very well trained. I'll give them that.

We also look at all the hospitals that they've closed — and they are proud of this. One of the members, do you remember which member it was? I think it was the member from Saskatoon Eastview was it? Sat in here the other day and she stood in her place and was actually proud of the fact that they closed 52 rural hospitals.

I would ask that some of those members — I know you're from large urban centres and maybe you're out of touch with, you know, if you go beyond the Lewvan or the Ring Road, 8th Street, or wherever their parameters are and wherever they live — just to get out there and see in fact what you're doing to the people in rural Saskatchewan.

Those 52 hospitals — take a look at the fight put up against the rural people. And it didn't matter which party they were from. People from all parties, in fact, who knows better than you the number of people that you lost in your own party because of some of the actions. I mean it was dramatic.

But we take a look at these 52 hospitals and, Mr. Speaker, you recall the rural health care coalition, first of all put up quite a fight. And then we had communities such as Climax threatening legal action. Communities such as Ponteix that actually went to court and you recall the judgement from the justice in fact stating he couldn't even rule on it because the government controlled the funding, yet they claim that district boards have all that power.

So they go ahead and they close the small hospitals and now of course we're having calls from the regional hospitals. They're not getting funding and they're going to cut back and they close the Plains. With all due respect you know, I have no idea why this government refused on two occasions to debate the Plains closure. Given the information that we have brought forward on several occasions in this House, the kind of monies that have been spent on consultants . . . consultants that go out to the district boards with letters, you know, basically threatening and forcing the board into making decisions on closure . . . (inaudible interjection) . . . Sure. That's what it's all about.

Do you recall last budget when we had \$980,000 taken out of cancer research so that we could have \$976,000 put into elections? It's all about priorities. I mean I really do enjoy looking at some of your own documents where you hold them up and you say, oh it's all about making choices. You bet it is. You bet it is.

And when I see the choices that are being made, Mr. Speaker, by this government, and especially by the Finance minister, when she stands in the House . . . Do you know, I got more calls, Mr. Speaker, from people saying, I watched this on TV and I couldn't believe it — how insincere the Finance minister appeared to be . . .

I mean when she's giving a speech and she's really and truly letting on she cares about children and poverty and hungry kids. Hey, where's the bus? Is she funding it? No. No, they aren't.

They're spending money elsewhere. They, I don't think, have any concern about hungry kids.

But I will give them this. They know to campaign. That sounds good at election time and that's their story and they're sticking to it.

However, when we look at, you know, those past budgets, the kind of cuts that have happened in rural Saskatchewan, supposedly they're proud of it and they're going to continue to pay. They paid a price in the last election in rural Saskatchewan and they'll continue to pay that price. One more term, Mr. Speaker. One more term.

And I think even in the urban centres, they're going to pay the ultimate price. And hopefully they'll go the way of the third party. I'm not . . . Yes, I guess I can call them Conservatives in here, can't I? Yes, Conservatives, the third party. I mean Lord knows, they're not going to be back for years.

You know, I don't know, a lot of people that I trust their political judgement say 50 to 60 years. I don't know. We can only hope, I guess, as people of the province, that that is the case. No less than 40 though.

But now let's take a look at actually what's happening in this budget document. And I'll be brief because it's only a few things that just, you know, jump right off the page. And they make no sense at all when you look at the Finance minister's own documents. And I turn to page 16 of the *Estimates*.

Now the Finance minister said there's no new taxes. You know, and on the surface people would like to take her word for it. I mean let's not . . . she's the Finance minister and, you know, we should be holding our elected officials in high esteem. But no new taxes, and yet in their own statement of revenue, page 16, it shows \$100 million more in taxes — their own document. It isn't jibing with the speech. She's got a few minutes to maybe explain herself because, you know, I know she doesn't write the speech, and I know she doesn't do the book, the *Estimates* book. But at least her officials should make her aware that things that she's saying don't jibe with things that they're printing.

Also transfers from the federal government, that was an interesting one, Mr. Speaker, because, in one of the pages in the speech, they talked about transfers getting cut back. Oh, it was a dramatic amount. I think if you added it up, it was . . . Here we go. Page 9 of the speech. Now on page 9, they're talking about a \$114 million cut in federal funding for essential service in Saskatchewan, and this is broken down: 47 million, Social Services; 52 million, Post-Secondary Education . . . oh, that's 15 million for Education. Oh, the first one was Health at 47 million. Well it adds up to 114 million.

(1530)

We look at the *Estimates*, and it shows here in *Estimates*, transfers from the Government of Canada for Canada Health and Social Transfer and equalization payments and all other sources combined amounts to \$43 million.

Well she'll have her shot at explaining why in fact her speech doesn't jibe with this. Maybe they are not informing the speech writer; I mean that could be. That could be. That happened to the Premier. Remember SARM (Saskatchewan Association of Rural Municipalities) convention when the Premier stood up and in his speech said that 46 per cent of the funds spent by rural governments is on administration. And I dare say if they didn't fire that speech writer . . . well I just bet they did. And I think you think they did too. But that is one of the cases.

Also page 16, Saskatchewan Liquor and Gaming Authority. You know their estimate, Mr. Speaker, last year was — where are we here? — \$242 million they estimated. But they actually brought in just about 440 million — twice as much. They're out \$200 million. Okay, hey that's a windfall right? And wherever it came from, it must be obvious . . . let's just accept it as a windfall. We'll use it for operating the province.

An Hon. Member: — Education, eh?

Mr. McPherson: — Well sure, education, health care, roads, okay. Yet in this year's estimate, they're back down to 231 million. That means somehow they found \$200 million they didn't know about, but now they're going to lose it again. I suspect, and probably rightfully so, that this smells of a slush fund. There is \$200 million sitting somewhere. Either they fooled us last year, or they're going to fool us this year. But we're going to be fooled — no other way that they can explain this one away.

I'm going to stay with the estimates just for a moment. When I take a look at the . . . Here's the first one up, is the Department of Agriculture and Food. Page 3 of the speech, from the Finance minister's own speech. Well it says she's pleased to announce that they're going to invest up to 238 million over the next four years to diversify and strengthen agriculture and do all the things that that government claims that they'll do for rural Saskatchewan. Yet I look on page 29 of the *Estimates*; what we actually see is \$60 million less in funding.

Now, Madam Minister, if I could have your attention, this is probably a good time for you to explain, it's probably a good time for you to explain how it is you're cutting back 60 million a year but in fact going to invest this \$238 million of extra money.

You see the problem is that you don't have the farmers to help you get through a balanced budget this year as you did with the 188 million of last year.

Mr. Speaker, if I could just get them to stop heckling, I'd be able to carry on with the speech.

Now unless the minister is in fact going to try and save enough by closing other offices . . . now I know that's one thing that's being offered up, closing Crop Insurance offices and rural service centres. But there again I don't think she's done her calculations because that doesn't add up to \$240 million either. So you'll have to have a look at that.

I'm just going to quickly go through just a few more of these estimates, Mr. Speaker. In fact I see Executive Council estimates in here. Now if you, as a government, want to save a

few dollars, this is usually a pretty good place that you can save it because you and I both know this is where they're, you know, getting the political hacks and the speech writers. And there's a fair amount that could be cut back here.

On the surface, it does appear that they're cutting back. And yet you know I saw an order in council come through; I think it was yesterday, day before yesterday. I saw an order in council come through. I think it's paying about \$70,000 a year for a former talk show host, Lorne Harasen. He's now working in Executive Council. And I don't know how many talk shows you're doing. I don't know how many you're doing. It's not like . . . you're no Dick Assman; I'll tell you that. But obviously they're doing some talk shows because otherwise why would they pay somebody \$70,000? And this is only to counsel them.

And I would agree, you know, they need counselling, but I don't think it's in talk shows. So there you had an option to cut back. I see administration is up in this department. Nothing was done about that though.

In health care — and I think this also happened in education, didn't it? — where the money was flat. Now this supposedly is something they want to take credit for. We were able to — what's the buzz word they're using today? — back-fill. They're able to back-fill from where the . . .

An Hon. Member: — Landfill.

Mr. McPherson: — Yes, it's more like a landfill site coming from them. But they're able to back-fill, I guess, supposedly from the federal government, which they can't make those figures work out.

But in fact when you have money that's flat, what that is saying to the people out there that are sitting on health district boards, Mr. Speaker, and running deficits . . . And you recall not too many days ago I raised in this House some \$500,000 that the Swift Current Health District Board is short. And they've had a public meeting, and their options really are like a lot of other board's options. And that would be to lay off more staff, lay off nurses, close beds. This also happened in the East Central Health District where they're having a three and a half . . . \$3.6 million deficit.

So it's not bad enough that we're saying the money's flat, but let's take a look at what that really means. That means that they have to make up for last year's or the year before's deficit, but last year for sure. Plus that means they can't have that sort of a deficit going into the next year. So it's not that they have to make up 500,000 or 3.6 million; they actually have to have that for the following year also and for all the years following that.

So what does that mean? When you go out to Yorkton and ask them what's going to happen to their regional hospital, they're saying, well it's nurses; it's beds. I think it was Foam Lake; they said the Foam Lake hospital would have to be perhaps cut way back or shut down. That's what it means.

And while you're doing that, we have tabled and we have presented in this House lists of highly paid consultants, people making 80, \$85,000 a year. These are the health care consultants. And surprisingly enough, I suspect they're all

donating quite heavily to that party as well.

In the Highways estimates there was another problem, you know. And I see on page 4, I read on page 4 of the speech, Mr. Speaker. This is one other thing that the Minister of Finance could perhaps explain. Is she's saying that there is a further \$125 million to upgrade and maintain highway routes in Saskatchewan?

Well initially I thought, well I mean that's going to help at least in my part of the province. We definitely need some highways. But you know what really bothered me is in the *Estimates*, when I expected to go and find where this extra money was being spent, well I see that it isn't there. They aren't spending any more money in highways.

In fact what they did in the budget — and I went back through, and I looked at a lot of these estimates — what appeared to be an announcement of new funding is in fact just saying what is in the budget, in any budget of any given year. There's nothing new about it. It's like me going through here and saying, well in Labour they're going to spend . . . oh, what a huge amount of money. Probably in Labour they are . . . you know, \$10 million. But it's not new money; it's money that they spend every year.

So the people out there that thought they were going to get some highway projects, I mean they were really fooled. But it all came home to roost on them here not too many days ago when in fact we start getting calls from the workers that are actually out there in those depots, rural depots. They're saying, listen, we're being told we're losing our jobs. That's what this amounts to. I mean you can have a real fluffy speech, but you know at the end of the day when people are losing their jobs and not getting their highways, that's when it all comes home to hurt. Not the people of Saskatchewan, but it's going to hurt the government as well.

Mr. Speaker, it doesn't matter which section I go through. And I've got several here we could go through. It's just the same stuff. Many of the things that I noticed in the speech referred to last year or years previous to that. I'll give some credit to the speech writer because initially you would think that there's a, you know, a lot of money being spent. But all it is, is announcing budgets of previous years. There's nothing in here that the people can actually say I can take this to the bank. There's none of that.

But you know you had options. You had options to provide more money for those children living in poverty, which you promised in the first term that you would take care of, and you didn't. Madam Minister, you didn't. You stood up in this House the other day pretending to be so sincere. Nobody's buying it. Nobody is buying it at all because you're not sincere; otherwise you would have dealt with that problem. You would have dealt with that problem before you hired the 42 political staff at two and a half million dollars.

What did you spend on hungry kids? I noticed it was announced one or two budgets ago — \$500,000? That's nonsense. That's being shameful. That's, you know, an insult to the people that are in need, Mr. Speaker.

I won't hold this up much longer, Mr. Speaker, only to say that one of the actions also was mentioned in this House today. And that is in regards to the former Devine government. There again we have a government that has been in the news more than any other political party, but it's not for doing things in a positive way for the province. It's because half of them are either on their way to court or just been to court or talking about the day when they have to be in court. That amounts to a million dollars, Mr. Speaker — a little over a million, wasn't it? — a little over a million dollars.

Now if the government was really sincere, they're chasing . . . I mean look at how they're chasing the farmers around on the GRIP (gross revenue insurance program) bills. Why don't they go after that money? They went after the 125,000 that the member of the Conservative Party, you know, admitted to owing. They didn't go after any interest, but they're going after the interest of all the people that owe ACS (Agricultural Credit Corporation of Saskatchewan) loans or student loans.

Why is it so unfair that you can have a political party stand up and grandstand day after day after day about how they're overpaid, and you know what? I think most of the other members in the House — and I know the people in the province do agree — they are overpaid. If you're only going to sit in here for 25 minutes a day and do nothing more than bring in Bills to show the disrespect of this House, they're overpaid. You bet they are.

But you know, that member, the Leader of the Third Party, and his cohort there — I guess he's a whip — why don't they give their money back, not their MLA pay but their extra funds? He gets something like — what did they say? — \$20,000 extra pay to the Leader of the Third Party to come in here for 25 minutes a day and do nothing but be a rabble-rouser . . . and the fellow that sits right beside him getting \$4,000.

Well, Mr. Member, I told you the other night. Why don't you do the honourable thing? When I was third party whip, I gave up my \$4,000. Why doesn't he? Do you want to stand up in the House right now and do it? Do you want to stand up and do it? No. But if you really and truly are as moral as you claim to be, why doesn't he do it?

Well, Mr. Speaker, I can see that of course the members opposite are getting somewhat riled.

The Speaker: — Order.

Mr. McPherson: — Thank you, Mr. Speaker. They're difficult. There wasn't a ruling, Mr. Speaker. I can tell when . . . you know it's like when you throw a rock out in the dark and you hear a dog bark; you hit the dog. And I can hear a lot of barking over there.

So I just want to show you, you know, maybe for other years there are some options. Hey, give us a call. We could probably set you straight because we're a little more in touch with the people of Saskatchewan than you folks are. Thank you.

Some Hon. Members: Hear, hear!

The Speaker: — Order, order. Order. It is my duty to warn the Assembly that the Minister of Finance is about to exercise her right to close debate, and afterwards all members will be precluded from speaking to this question. Therefore if any member wishes to speak, let that member do so now.

Hon. Ms. MacKinnon: — Mr. Speaker, it's a great pleasure to close the debate on the 1996-97 provincial budget. There's been a lot of talk in the budget debate about the best. Saskatchewan is the best province in which to live. Canada is the best country in which to live. Mr. Speaker, I'd like to conclude the debate today by adding another best. Mr. Speaker, this is the best caucus that I have ever had the honour to be associated with.

Some Hon. Members: Hear, hear!

(1545)

Hon. Ms. MacKinnon: — Mr. Speaker, when many members of this caucus were elected in 1991, they had to face the harsh reality that they had to clean up the mess left to them by the Tories. What they did, Mr. Speaker, was they rolled up their sleeves, and they went to work. They gave us their advice. They gave us their input. They helped us make choices, and then they went out and defended those choices to the people of Saskatchewan.

Mr. Speaker, in 1995, when the current caucus was elected, we faced a new problem, a new fiscal problem handed to us by the Liberals in Ottawa. Once again the members of this caucus rolled up their sleeves, and they went to work. They helped us organize one of the most extensive consultations ever in the history of this province. They helped us make the choices. And now, Mr. Speaker, in their speeches in this Assembly and outside, they're defending those choices and telling the people of Saskatchewan why this budget is preparing this province for the 21st century.

So I'd like to begin by thanking the government caucus members for their support during this budget process and through every other budget process. This, Mr. Speaker, is a wonderful caucus.

Some Hon. Members: Hear, hear!

Hon. Ms. MacKinnon: — I'd also like to thank my cabinet colleagues and most particularly the Premier who has set the tone for this government, a tone of fiscal integrity while at the same time ensuring that we protect our social programs.

I particularly want to thank the cabinet members who have sat on the Treasury Board: the Minister of the Environment, the Minister of Economic Development, the Minister responsible for CIC, the Minister of Social Services, and particularly the Provincial Secretary. These were people who spent hours of their time combing through departmental budgets, looking for savings so that we can use those savings to protect our health, education, and social programs. So, Mr. Speaker, this budget is a team effort.

It's also a budget which reflects the values and priorities of the people of this province, values like changing to meet the new

realities of the 21st century while preserving the enduring values of our past: compassion, cooperation, and community. Priorities like creating jobs — 10,000 new jobs created since 1992; another 20,000 to be created in the next four years. Priorities like fiscal integrity — a four-year plan with balanced budgets, reduced debt, and declining interest payments. Priorities like protecting our social programs.

As I travelled around this province and consulted with people, they spoke loud and clear about the need to protect our social programs. One resident wrote to me to say, and I quote: health, education, and social safety nets are a must if our people and our way of life is to survive. Another Saskatchewan person asked us to focus on the resources that matter most. She said most important to each of us is good health, education, protecting the homeless and the poor.

Mr. Speaker, this budget is a defining moment in Saskatchewan's history because what this budget reflects is the fact that Liberals, Liberals in Ottawa, are prepared to present a budget to the people of Canada in which three-quarters of the cuts are to health, education, and social programs. And Liberals opposite are prepared to tacitly support that kind of budget. It's also a process in which Tory governments across Canada are prepared to use the federal cuts as their justification for slashing money for social programs.

This government reflects the priorities of the people of this province: our commitment to protect health, education, and social programs from federal cuts.

So, Mr. Speaker, what does this budget mean to the average person? It means the average person can look toward the new century with a sense of confidence and security. Confidence because their future promises more jobs, balanced budgets, lower taxes, and less public debt. Security because the cornerstones of our quality of life — our health, education and social programs — will be here for us, our children, and our grandchildren.

This budget prepares us for the 21st century in which Saskatchewan will continue to be the best province in the best country in which to live. Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

The division bells rang from 3:50 p.m. until 4 p.m.

Motion agreed to on the following recorded division.

Yeas — 34

Romanow	Van Mulligen	Mitchell
Wiens	MacKinnon	Lingenfelter
Shillington	Atkinson	Johnson
Upshall	Kowalsky	Crofford
Renaud	Calvert	Pringle
Koenker	Trew	Bradley
Lorje	Teichrob	Nilson
Cline	Serby	Stanger
Hamilton	Murray	Langford
Wall	Kasperski	Ward

Jess	Flavel	Murrell
Thomson		

Nays — 12

Osika	McLane	Draude
McPherson	Belanger	Bjornerud
Julé	Krawetz	Boyd
D'Autremont	Toth	Haverstock

COMMITTEE OF FINANCE

Motions for Interim Supply

The Chair: — Order. Order. I recognize the Minister of Finance, and would she introduce her officials, please.

Hon. Ms. MacKinnon: — Thank you very much. First of all I'd like to move resolution no. 1:

That a sum not exceeding \$339.045 million be granted to Her Majesty on account for the 12 months ending March 31, 1997.

And I'd like to also take this opportunity to introduce the officials I have here today. On my left is Bill Jones, the deputy minister of Finance. Next to Bill is Bruce Gray, senior fiscal policy analyst — economic, fiscal and policy branch. On my right is Brian Smith, executive director, Public Employees Benefits Agency. Behind Mr. Jones is Kirk McGregor, executive director, taxation and intergovernmental affairs branch. And behind me is Larry Spannier, executive director, Treasury Board branch.

Mr. Krawetz: — Thank you, Mr. Chairman. Mr. Chairman, I'm pleased to welcome the officials from the Department of Finance. I see a person across who I had the pleasure of working with many years ago, and I'm glad to work with him. . . . (inaudible interjection) . . . Good friend.

Mr. Chairman, Madam Minister, what I'd like to see is a list of the expenditures that you're requesting in terms of the entire expenditure. Could you provide us with that list first and a little explanation?

Hon. Ms. MacKinnon: — Mr. Chair, I will send across three copies, one for the Liberal Party, one for the third party, and one for the member from Saskatoon Greystone.

Mr. Krawetz: — Thank you, Mr. Chairman. Madam Minister, in the second two columns you indicate that you have your first interim supply, and you have a one-twelfth calculation in one column, and then you have a provided column which is identical. Could you explain what those two columns mean?

Hon. Ms. MacKinnon: — The first column tells you what one-twelfth is, and the second column tells you what we're asking for.

Mr. Krawetz: — So by your response, I take it then that you are asking for one-twelfth of the budget?

Hon. Ms. MacKinnon: — To the member opposite, yes, that's right.

Mr. Krawetz: — Thank you. Is . . . and I haven't done the calculations, but when I see the listing for each of the departments, am I to assume that it is accurate across the board, a one-twelfth calculation of each of the departments?

Hon. Ms. MacKinnon: — It's a straight one-twelfth to be voted.

Mr. McPherson: — Thank you, Mr. Chairman. Madam Minister, the one-twelfth that you were just referring to, is that right across the board, or are you looking at more monies in one department versus another?

Hon. Ms. MacKinnon: — To the member opposite, it's a straight one-twelfth.

Mr. McPherson: — All right. Madam Minister, now that the . . . I just want to have a look in your *Estimates* because you're asking for a significant amount of money. And yet your own *Estimates* booklet does not . . . well, it leaves a lot to be desired.

When I was in the House the other day listening to you give a speech, you talked about some hundreds of millions, and the Premier has used that on more than one occasion. I think . . . (inaudible interjection) . . . well, Premier, I think you've been up as high as three, four hundred million dollars of federal cuts, and it just is not jiving.

Madam Minister, page 16 — we look at transfers from the federal government both in Canada Health and Social Transfers and equalization. And it shows from last year to this year, there's only a difference of \$43 million. In your speech the other day, you used \$114 million figure, and as I said, the Premier's been using three, four hundred million.

Well, Premier, going into the election, you were using figures, you were making promises, you were making promises which in fact were completely outrageous. So what we have . . . (inaudible interjection) . . . Pardon?

An Hon. Member: — What promise is outrageous that I made?

Mr. McPherson: — What promises? Well, you made promises . . . In fact, that's a good point, Mr. Chair. And I guess I'm going to have to respond to the Premier somewhat too, in this debate with the Finance minister. Because what in fact happened last spring, what in fact happened last spring, it was the Premier making promises to the teachers' federation that there would be a wage increase.

You made that promise and you're hanging dollars onto the shoulders and the backs of the people throughout Saskatchewan trying to fund education. So we're trying to get some indication whether or not . . . or how much of this one-twelfth will in fact be going to deal with the promises that the — in education alone — that the Premier made last spring just before the election.

Hon. Ms. MacKinnon: — To the member opposite. What I would refer him to is money coming from the federal government for the Canada Health and Social Transfer, 1995-96, \$621 million; 1996-97, \$508 million — decline of approximately \$114 million.

Mr. McPherson: — Madam Minister, I see you have selective reading because on page 16 . . . Now you've been telling the people of this province that there's these huge cuts from the federal government. And in fact, you know, the people of the province are somewhat surprised because the Premier has for a few years been telling people all throughout Saskatchewan what a great friendship he has with the Prime Minister.

An Hon. Member: — No I haven't at all.

Mr. McPherson: — Well of course you have. You're always bragging about this great friendship you have with the Prime Minister. And yet as soon as he's, you know, hundreds and hundreds of miles away . . .

The Chair: — Order, order. I would advise the member to direct his questions to the Minister of Finance.

Mr. McPherson: — All right, Mr. Chair. Madam Minister, the Premier has claimed on many occasions, Madam Minister, that in fact he has this great friendship, and yet in your selective reading you're dealing only with Canada Health and Social Transfer. You're ignoring, I guess for sake of your political argument, the fact that in total the combined amount change that you get from the federal government, is only 43 million.

Now I don't want to be the one to stand in the House and say that you've been less than truthful to the people of the province. But in fact your own figures, your own figures — I'm just going to work them out here right now — your own figures show that the total difference between what your *Estimates* and your actual is \$43 million.

It's not fair. It's not fair of you to take any one line in your *Estimates* and say, you know, this is a bigger picture, because that's what you're trying to do. You're trying to let on you're dealing with a big picture when in fact you're dealing with \$43 million. You're not being truthful. So now what we have to wonder about, if we can't believe the figures that you're giving to us on page 16 of your own *Estimates* document, Madam Minister, then how do we even have, you know, any idea that the document you sent over to the member of Canora-Pelly is in fact truthful.

(1615)

I mean this is the problem we're going to have. If we're looking . . . you're asking for one-twelfth of some amounts of money and right into the beginning of your own *Estimates* you're completely off base. Are you also off base on these figures that you're using?

So, Madam Minister, will you at least recognize if not for the Premier who claims this great friendship, but for the people of the province of Saskatchewan that in fact the difference in

monies from the federal government — because we're all federal taxpayers also — that it's only \$43 million.

And really what . . . (inaudible interjection) . . . I'll answer that. I think that you should have to stand in your place today and explain to the people of this province why it is that you're not being truthful about the federal monies.

Hon. Ms. MacKinnon: — Mr. Chair, to the member opposite whose expertise in finance is well renowned, last year the federal government said they would give to the province of Saskatchewan, in transfers for 1995-96, \$1,384 million. This year they're saying they're going to give to the province of Saskatchewan \$921.9 million. The difference is \$463 million less.

So I will tell . . . I will say to the member. . .

An Hon. Member: — Where? Where?

Hon. Ms. MacKinnon: — Well, Mr. Member, take 1,384 . . .

An Hon. Member: — Show him what page.

Hon. Ms. MacKinnon: — Page 16.

An Hon. Member: — Make sure he's reading in the right book though too.

Hon. Ms. MacKinnon: — Yes, this book. Let me read it to you: 1,384 . . . four thousand . . . is what the federal government said they were going to give to the people of Saskatchewan last year. This year they're saying they're going to give us 921. The difference between those is about \$463 million less.

So I say to the member opposite, no matter how many times he and his federal counterparts say, take these numbers and flip them upside down and look at them this way, and they're going to not be the kind of reduction that we're talking about, there's one number that the members opposite simply cannot escape. And it's the number that three-quarters of the cuts in the recent federal budget were to health, education, and social programs. And the members opposite have supported that.

And we will continue to remind the people of Saskatchewan that you're willing to tolerate and accept and support a budget in which three-quarters of the cuts are to health, education, and social programs.

Mr. McPherson: — Mr. Chair, Madam Minister, you are being more than cute with the figures because in your own document, on page 16, what you're looking at . . . what you're trying to get the people of the province to believe is that in fact the province is actually operating on estimate to estimate when in fact it isn't, because you juggle the estimates. Let's be serious. You can put any figure you want in any estimate column.

But the middle column is the one that brings it all home and puts it on your shoulders, Madam Minister. That's the one that tells whether or not you're being up front with the people of the

province.

In your *Estimates* you've got the 1,384 but in your actual it was 964. You see . . . and where it really comes to be a problem for you is when I look down the page, and I see in transfers from Crown entities, Saskatchewan Liquor and Gaming Authority, your estimate was \$242 million, but your actual was just about double that. Like, there's \$200 million that you're not accounting for.

Now let's take for granted that, I don't know, because of the government's addiction to gaming that in fact, you know, you've come up with a \$200 million windfall. But if you had it last year, wouldn't you have it in the upcoming year? This year? Next year? But I see in your estimate, in your estimate for this year you've dropped it back down to 231 million.

So I'm sure when you're on your feet, you'll either tell us that you've, you know, a serious miscalculation, or in fact a slush fund. And that showed up here, what, a year ago? A year and a half ago? You had a few . . . \$150 million in retained earnings in Liquor and Gaming. See the kind of games you play here with the estimates? People don't buy into that though.

Madam Minister, it's not the . . . what is it? — the 1,384, it's the 964. And then your estimate is 921. So it's 43 million. And you've got to stop trying to fool the people of the province that in fact they've got a federal government that is treating you so unfairly, Madam Minister, because it's you. It was your decision.

It was the decision of the Finance department to close hospitals. You and the former Minister of Health, supported by all of the members that surround you, and your cabinet. That's who's closing hospitals and schools, and not taking care of the roads or the children living in poverty. That's what the problem is.

And, Madam Minister, so you come to the House today and you think well, you know, you're going to get one-twelfth of the money. In fact up until yesterday you thought you were going to get two-twelfths of the money.

You think that you can go around spending like a drunken sailor and never having to answer for it. Now if you want to spend this kind of money, Madam Minister, you better start coming clean to the people of this province on why the figures don't jive, firstly; and when it is that you're going to stop playing the kind of games you are with the numbers.

Hon. Ms. MacKinnon: — Mr. Chair, I don't know what the derogatory comment was about sailors, but I'm sure sailors would be interested in finding out what the member was trying to convey.

The proper way to look at estimates is estimate to estimate. What did the federal government say they were going to give us last year? What are they saying they're going to give us this year? The difference is 400-and-some million dollars less. When we get in the real numbers for '96-97, we will compare them to the real numbers for '95-96.

But you know really, I wish the members opposite would stop painting themselves as nothing but apologists for the federal

government. Every province in Canada, every social group in Canada, every health board in this province knows that the federal government dramatically cut funding for health, education, social programs.

I wish for once the members opposite would stand up and represent people of Saskatchewan instead of just being an apologist for the federal Liberals.

Mr. Krawetz: — Thank you, Mr. Chairman. Madam Minister, I'd like to continue on that same topic just to clarify for myself, okay. When you talk about the second column, in your *Estimates*, the second column is a forecasted budget to the day, last Sunday, March 31, just ended. And I would take it that these numbers are fairly close, fairly accurate. And that you are saying that your expense column is totalling \$5,217,400,000. And I refer to page 17.

The middle column on page 16 is the revenue side. I see \$5.218 billion. And as my colleague pointed out, the amount of money that you received, the expenditures that you have had for the year '95-96 have I think, if my math is correct, you will have a surplus of approximately \$600,000 based on those projections.

I'll stop there and ask if so far I have read this correctly.

Hon. Ms. MacKinnon: — Mr. Speaker, to the member opposite, the surplus for 1995-96 will be \$600,000.

Mr. Krawetz: — Thank you very much. Yes, I'm glad that I read that correctly.

Now I know what you're saying in terms of estimates for next year, and estimates may vary. But I will not put in, if I am doing an estimate of my business, I will not put in in the line of estimates that I will win the 6/49 and I will put down \$2 million as an estimate for my business, and likely you have not done the same. Therefore I think your estimates should be taken to be fairly accurate.

So again, if I look at the revenue side first, I see a forecast of \$5,345,400,000. And I see an expense side of approximately \$4,987,602,000. Taking those two numbers, and I see . . . my first question then is, are you suggesting by the revenue versus expenditure that the sale of the Cameco shares, which is a revenue item as I read it, revenue of approximately \$350 million — I think you're calling it a special dividend. The first question I would have for you, is that the sale of Cameco shares, or I should say, half the revenue of the sale of Cameco shares?

Hon. Ms. MacKinnon: — The 350 million is from the sale of Cameco shares.

Mr. Krawetz: — If I read the report on the sale of Cameco shares, then the second portion, is it 350 million? And when will that revenue source be available to the Government of Saskatchewan?

Hon. Ms. MacKinnon: — Mr. Speaker, as you would know from the press release, the payment is going to be made in instalments. So part of it will be paid now and part of it will be paid later.

Mr. Krawetz: — Is later in the fiscal year 1996-97? Or is it later than that? What I'm asking for, Madam Minister, is will you be adjusting the estimates by another 350 million because that revenue source will come into your hands — pick a day — March 1 of next year? And I'm just throwing that as an example.

Hon. Ms. MacKinnon: — Mr. Chairman, we will be making no adjustments to the estimates.

Mr. Krawetz: — Okay, thank you. I take it then that it is money that will be received after March 31, 1997.

Okay, if that's true and I look at your revenue then, you are stating that your anticipated revenue from the sale of Cameco, which is 350 million for the fiscal year we are in right now, will be received. And we hope then that that amount of money will be available at the end of the fiscal year '96-97 as a surplus so that then, if I read your document correctly on page 14, we can now create a debt reduction account that will then place that surplus money into a debt reduction account. Have I read that correctly?

Hon. Ms. MacKinnon: — Mr. Chairman, what the government has said is all of the money from Cameco will be used to reduce debt.

Mr. Krawetz: — Thank you. If the estimates of expenditures, your suggested estimate of 4.987 billion, is suddenly dramatically out — dramatically out for whatever reasons, Madam Minister, so therefore you have suddenly spent an additional \$200 million during the course of this year — will that mean then that the 350 million from Cameco shares are no longer . . . that money then will no longer be available to put against debt?

Hon. Ms. MacKinnon: — Mr. Chairman, to the member opposite, first of all, it's highly unusual that this government is out by that amount in its estimates unless the federal government does as it's done in the past and dramatically reduce, with virtually no notice, our equalization payments.

And our practice has been if, for some reason or other, there is some extra expense, we look for savings across government. So we would take that approach.

Mr. Krawetz: — Thank you for the response. Am I then to take your response to say that your estimate of revenue, which includes the monies from the Government of Canada, are fairly accurate, based on past history?

Hon. Ms. MacKinnon: — I would say that the estimates of revenue are accurate, and I would say they're also cautious, based on past history. If you look at the past history of this government in recent years, what's happened is our revenues have usually come in over what we estimate. And there's a reason for that; we're cautious in estimating revenue. It's called growth in the economy.

Mr. Krawetz: — Okay, thank you; appreciate that response. If I then take a look at the revenue of Canada, money that will

come to the province, I see a figure of 921 million. Based on what you've just told me, in that your forecast for '95-96 is accurate, is accurate, and there is \$964 million worth of revenue that you have received from the federal government up to March 31, your projections, your estimates, which you tell me are fairly accurate, we will get \$922 million approximately from the federal government.

Madam Minister, to me, that's a difference of about 43 million. Is that not so?

(1630)

Hon. Ms. MacKinnon: — No, Mr. Speaker, it isn't so. What I said to the member opposite is, I said our revenue estimates are accurate except for the revenue estimates from the federal government. And what you have to take into account is, in its last budget, February 1995, the federal government said to the province of Saskatchewan, we're going to give you \$650 million in equalization, give or take a few dollars. By October they said oops, sorry, we made a mistake in our estimates — which is fine, it happens — and we're giving you \$400 million less, more than \$400 million less.

So the only accurate comparison, Mr. Speaker, the only accurate comparison when it comes to federal transfers is what they say they're going to give this year relative to what they said they're going to give last year, but because it is so absolutely volatile, it is not accurate to compare a forecast with anything but a forecast.

So the reality is, last year they said they were going to give us 1.3 billion; this year they say they're going to give us 921 million. The difference is about \$400 million less, and that's the accurate comparison. And I made it clear in my first response to you, our revenue estimates were accurate except for transfers from the federal government which have historically not been accurate.

Mr. Krawetz: — Thank you, Madam Minister. What I'm hearing you say then though, is that as far as the revenue column, the 5.165 billion in the estimated column for '95-96, you're telling me that that number was the same number that you used a year ago. Is that correct?

Hon. Ms. MacKinnon: — Mr. Speaker, what I'm saying is that our estimate was that we would get . . . our estimate last year was that the revenue would be \$5.1 billion. What I'm saying to the member opposite is the unreliable part of the estimate is federal transfers, because we are vulnerable to massive shifts, particularly in equalization. This year alone \$400 million less than they promised us. February they said, the province of Saskatchewan, we promise to give you \$650 million for equalization. April, a very similar number. October — they come back and say, whoops, sorry; we're going to be giving you more than \$400 million less than we promised to give you, than we committed to give you. And so those numbers are very volatile.

Mr. Krawetz: — I appreciate that. Now, Madam Minister, though, I did see — I think it was from your department — a description of how complicated the formula is between the province of Saskatchewan and the federal government

regarding how we determine the equalization payments.

And I know you can't explain that entire, complicated formula, but I'd ask you if you could, for my clarity, tell me, were the equalization payments known to you before, in terms of the formula, and were they adjusted because the province has done financially better? And therefore, because of revenue that you have received, we've had an adjusted equalization payment. Is that correct?

Hon. Ms. MacKinnon: — I'd like to review this again for the member opposite. In its February budget, the federal government said, we will be giving to the province of Saskatchewan about \$650 million in equalization.

An Hon. Member: — Answer his question. If you know . . .

Hon. Ms. MacKinnon: — I wish the member from Wood River would learn to listen. It would be very helpful to the House. They said, in the 1995 federal budget, they said, we'll give the province of Saskatchewan \$650 million in equalization. In April, they do another estimate. They confirm the fact that they would be giving us about that amount.

In October, the federal government alerted us to the fact that the money for equalization would be cut dramatically. By January, that money had been cut to the tune of over \$400 million. Why are we getting less? Partly because Saskatchewan is doing very well, but also partly because other economies, like Ontario, did not do as well as anticipated.

So it's partly because we are doing well, but another major part of the decline in equalization is economies like Ontario did not do as well as anticipated.

Mr. Krawetz: — Thank you, Madam Minister. I'll rephrase the question a little bit because I'm not sure that I can accurately answer it by what you've told me.

Has there been an adjustment in the equalization formula, i.e., was there another agreement signed with the federal government so that it has changed that formula? And if that is not true, if the same formula is in place, then you would have known that there would have been adjustment. It would not have come as a surprise to you because that formula has not changed. And if that formula is in existence, for how long have we been operating on that formula? And what are the projections into the future? Is this a two-year agreement? Is this five-year agreement?

Hon. Ms. MacKinnon: — Mr. Speaker, the formula is the same. The calculation is made by the federal government. It's the federal government that hands out the estimates to the province. What we can know in Saskatchewan is how well we are doing. What we cannot know in Saskatchewan is how well Ontario is doing. Ontario doesn't funnel its numbers to us; Ontario funnels its numbers to Ottawa.

So it's the federal government that does the estimates. It's the federal government that changes its estimates, and it's the federal government that's changed its estimates in October. In fact as I recall, if you look at the December 1995 Finance

ministers meeting in Ottawa, the federal government was still using their old equalization number. They hadn't even adjusted their own numbers until December. And we had to point out to them the fact that their initial estimates were that we were going to be getting less.

So it is the federal government that is in a position to look at what all the provinces are doing and say, oops, Ontario has not done as well as people anticipated so Saskatchewan's equalization will be declining. So it is something that is very difficult for the federal government to anticipate, but it is their responsibility to do the final compilation of all these statistics.

Mr. Krawetz: — Thank you. Yes, while I understand that the financial affairs of one province may change dramatically over the course of a period of 12 months, January to December, and that is an unknown thing, it is also unknown for the province of Saskatchewan. We may have a terrible drought this summer. We don't know that, so therefore our revenues are unknown, and I appreciate what the minister has said in terms of the estimates coming from each province in through the federal system and then being adjusted accordingly. My question still is: what is the formula, what is the term of the agreement?

Hon. Ms. MacKinnon: — Mr. Chairman, to the member opposite, equalization is a five-year agreement.

Mr. Krawetz: — When did this current five-year agreement begin and when will it end and have there been any changes from day one to present day?

Hon. Ms. MacKinnon: — Mr. Chairman, the agreement was renewed in 1994-95. Once it's renewed, it can't be changed unless everybody agrees to a change.

Mr. Krawetz: — Thank you, Madam Minister. Madam Minister, if I may, I'm just going to now change to specifically some education-related questions, please, if I could. And I'd refer you to the section on Education which is on page 42 and 43.

For clarification, Madam Minister, you have indicated that there is a slight increase in school capital and you have italicized it by the number 1, and I see at the bottom that there's reference to interest payments. Could you indicate what the estimate for '95-96 and the '96-97 ones, what those 22 million and 24 million really mean to projects in Saskatchewan?

Hon. Ms. MacKinnon: — Mr. Chairman, I should take a moment to clarify with the member opposite what the process is here. The process is the year has ended March 31; the budget has not been completely passed — that is we have not gone through, the departmental estimates.

There are third parties out there who require funding. Groups like schools, health boards, people on social assistance, require funding. And so therefore the government has to come to the legislature and get interim supply, enough money to fund these vital services for a month.

This is not the process in which we look at detailed estimates of particular departments. There is another process, which the members can move on to as quickly as they would like, in

which the Department of Education people will be here.

I really don't know why the member from Wood River has to continue talking. Perhaps listening would help every so often. There's another process in which the Department of Education officials will be here. We'll give them all the detailed information they require about the Department of Education. We do not have that information here for you today.

Mr. Krawetz: — Thank you, Madam Minister. And I appreciate that that's a specific question to Education.

My concern is though that you're looking at one-twelfth allocation right up front, one-twelfth, which will be one-twelfth of the expenditure of \$24 million. And therefore we will be moving ahead, I think, and you're rightly so, that there are projects being submitted.

So has there been any directive to the facilities department within Education that the one-twelfth is necessary to begin some capital projects? Are we moving ahead or will there be a stalemate until this budget is processed?

The Chair: — Order. I want to bring to the attention of the members that the purpose of interim supply is to grant money for the operation of government departments and programs on an interim basis while reserving to the Legislative Assembly the right to complete detailed reviews in estimates at a later time.

So if you're going to get into questions on specifics within a department of the estimates, I would ask the members to leave that to estimates at a later time. Interim supply is not for that purpose.

Mr. McPherson: — Point of order, Mr. Chair. What we're trying to establish here is in fact how much monies firstly . . . the member from Canora-Pelly was trying to establish firstly how much money is actually coming from the federal government. And Madam Minister has not addressed any of those questions. Like she's asking for a substantial . . .

The Chair: — Order. Order. The member was not asking. It was in a Department of Education, from the estimates of the Department of Education. And I will say the members must realize that this is not the appropriate place for individual departments. Interim supply is not that, and I would ask for generalities on the interim supply.

Mr. Krawetz: — Thank you, Mr. Chair. I didn't realize that we have to be general and non-specific.

But when we see that there is a one-twelfth request, and the sheet that was presented to me says very specifically that there is a one-twelfth request for Education, it is an expenditure of \$45 million. Is that . . . and I'm not going to relate it to Education only then. When we talk about all the departments, all of the \$337 million then, will the revenue that is being requested, will it enable the normal workings of each department to continue? Or will we be waiting for the entire budget then to be passed to look at all of the departments?

Hon. Ms. MacKinnon: — To the member opposite, what the

one-twelfth will do will allow the government departments to continue with necessary expenditures. And so it will mean . . . generally you asked a general question about Education capital. It'll allow the projects under way to continue to be financed.

Mr. Krawetz: — Thank you, Madam Minister. We see that the interim supply is an interim supply of money for expenditures. Is there ever any calculation of the income that the government is getting to offset, or is it straight one-twelfth of the entire expenditure? Or do we look at income taxes, you know, PST (provincial sales tax) and the like? Are they offset by any of the revenue of government?

Hon. Ms. MacKinnon: — Well, Mr. Chairman, to the member opposite. They're obviously offset by revenue in the sense that you keep on getting revenue in from sales tax, income tax, other government revenue sources. But they're not listed here because the list that is before you is to get enough money so that the government can continue to fund vital public services — health boards, schools, these sorts of organizations. And that's really the purpose of interim supply.

(1645)

Mr. Krawetz: — Thank you, Madam Minister. I see specifics, and again I guess I won't refer to a specific department because I can't, but in general, because this is, I take it, expenditures for the month of April for boards, school divisions, and municipalities to operate; we're getting into the spring season and we're hearing all about the possibilities of massive flooding and if I look at television reports of the flooding down in the States last year, etc., is there any provision then, necessary for sort of an emergency expenditure of government from some . . . that is not budgeted?

Hon. Ms. MacKinnon: — Mr. Chair, to the member opposite. This would be one-twelfth of the regular spending of government. Anything that was unusual would not be taken into account here.

Mr. Krawetz: — How would we handle that unusual expenditure by mid-April?

Hon. Ms. MacKinnon: — Departments, Mr. Chairman, would manage within the one-twelfth, and if they needed more for some reason they'd have to come back and ask for more.

Mr. Krawetz: — Madam Minister, your one-twelfth supply is exactly one-twelfth of your estimate which is \$337 million. In terms of the allocations to boards, to municipalities, etc., are these payments made by the same process, that is, they will get a one-twelfth share for the month of April? I'm not clear on that process.

Hon. Ms. MacKinnon: — Mr. Chairman, to the member opposite, the process will vary from department to department depending on what third party is involved. But the purpose of interim supply is to allow the departments to make payments that have to be made before the budget is finally passed. And how that works its way through the system will vary from department to department.

The committee reported progress.

GOVERNMENT MOTIONS

Hours of Sitting

Hon. Mr. Shillington: — I move, seconded by the member from Watrous:

That notwithstanding rule 3 of the *Rules and Procedures of the Legislative Assembly of Saskatchewan*, this Assembly shall, on Thursday, April 4, 1996, meet at 10 a.m. until 10:30 p.m. and that it do recess from 1 p.m. to 2 p.m. and from 5 p.m. to 7 p.m.

Motion agreed to.

The Assembly adjourned at 4:52 p.m.

