

The Assembly met at 13:30.

Prayers

**ROUTINE PROCEEDINGS**

**PRESENTING PETITIONS**

**Ms. Julé:** — Thank you, Mr. Speaker. Mr. Speaker, I stand again today to present petitions on behalf of people throughout the Bruno, Humboldt, Muenster area who would like to see Bruno be allowed to be part of the Humboldt telephone exchange. And the prayer reads as follows, Mr. Speaker:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to allow Bruno to be part of the Humboldt telephone exchange.

And the signatures on this petition, Mr. Speaker, are from Humboldt, from Muenster, from St. Gregor, Warman, and Quill Lake.

I so present.

**Mr. Hermanson:** — Well, thank you, Mr. Speaker. I have a petition regarding the . . . regarding two of the government's Crown corporations, SaskPower and SaskEnergy. Both recently announced significant rate increases for residential and business customers. The prayer reads:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to use a portion of its windfall oil and gas revenues to provide a more substantial energy rate rebate to Saskatchewan consumers.

And as in duty bound, your petitioners will ever pray.

Mr. Speaker, these petitioners come from the constituency of Rosetown-Biggar, primarily from Lucky Lake, Birsay. I see Swift Current out of the riding, and Beechy. And I'm happy to present this petition on their behalf. Thank you.

**Ms. Draude:** — Thank you, Mr. Speaker. I too have a petition to present today regarding the EMS (emergency medical services) report which many feel will have a detrimental effect on rural Saskatchewan.

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to not implement the consolidation and centralization of ambulance services as recommended in the EMS report and affirm its intent to work to improve community-based ambulance services.

The people that have signed this petition are from Rose Valley, Fosston, and Yellow Quill Reserve.

**Mr. Gantefoer:** — Thank you, Mr. Speaker. I rise on behalf of citizens concerned about the high price of energy. The prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon.

Assembly may be pleased to cause the government to use a portion of its windfall oil and gas revenues to provide a more substantial energy rate rebate to Saskatchewan consumers.

Signatures on this petition, Mr. Speaker, are from the communities of Ridgedale, Melfort, and Kinistino.

I so present.

**Mr. Stewart:** — Thank you, Mr. Speaker. I rise to present a petition signed by citizens concerned with the possible conversion of some paved highways to gravel. And the prayer reads:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to set aside any plans to revert Saskatchewan highways back to gravel, commit that the government will not download responsibility for current numbered highways onto local governments, and to consult with local residents, and to co-operate in finding and implementing other alternatives.

The petition is signed by individuals from the communities of Hearne and Briercrest.

I so present, Mr. Speaker.

**Ms. Eagles:** — Thank you, Mr. Speaker. Mr. Speaker, I too rise today to present a petition from citizens concerned about ambulance services. And the prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to not implement the consolidation and centralization of ambulance services as recommended in the EMS report and affirm its intent to work and improve community-based ambulance services.

And as in duty bound, your petitioners will ever pray.

And this is signed by citizens of Naicam.

I so present. Thank you.

**Mr. Wall:** — Thank you, Mr. Speaker. I rise on behalf of people in southwest Saskatchewan concerned about the state of the hospital there:

Wherefore your petitioners will humbly pray that your Hon. Assembly may be pleased to cause the provincial government to carefully consider Swift Current's request for a new hospital.

And as in duty bound, your petitioners will ever pray.

And, Mr. Speaker, this petition is presented . . . or has been signed by people in Swift Current, in Hazlet, in Webb, in Tompkins, from Cabri, Lancer, Pennant, and Success.

I so present.

**Ms. Bakken:** — Thank you, Mr. Speaker. I rise today to present a petition on behalf of the constituents of Weyburn-Big Muddy who are concerned about ambulance service in the rural areas. And the prayer reads:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to not implement the consolidation and centralization of ambulance services as recommended in the EMS report and affirm its intent to work to improve community-based ambulance services.

And as in duty bound, your petitioners will ever pray.

And this is signed by citizens of Radville and Ceylon.

I so present.

**Mr. Weekes:** — Thank you, Mr. Speaker. I also rise today to present a petition from citizens concerned about the retention of the Hafford Hospital. The prayer reads:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the provincial government to take necessary steps to ensure the Hafford Hospital remains open.

And it's signed by the citizens of Richard, Saskatchewan.

I so present.

**Mr. Brkich:** — Thank you, Mr. Speaker. I have a petition here with citizens concerned about the high cost of energy rates. The prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to use a portion of its windfall oil and gas revenues to provide a more substantial energy rebate to Saskatchewan consumers.

And as in duty bound, your petitioners will ever pray.

Citizens are from Davidson, Regina, Bladworth, Saskatoon, Imperial, and Cupar.

I so present.

**Mr. Allchurch:** — Thank you, Mr. Speaker. Mr. Speaker, I also rise in the Assembly today to bring forth a petition regarding the high cost of energy rates.

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to use a portion of its windfall oil and gas revenues to provide a more substantial energy rate rebate to Saskatchewan consumers.

And as in duty bound, your petitioners will ever pray.

The signatures on this petition, Mr. Speaker, are from Spiritwood, from Shell Lake, and Milden.

I so present.

**Mr. Peters:** — Thank you, Mr. Speaker. I have a petition in regards to the Pioneer Lodge and the citizens that are concerned with what's happening there. And the prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to take the necessary action to ensure that, at the very least, current levels of service and care be maintained at the Pioneer Lodge in Assiniboia.

Mr. Speaker, the petition is signed by people from Mossbank, Assiniboia, Fir Mountain, and Willow Bunch.

I so present.

**Mr. Huyghebaert:** — Thank you, Mr. Speaker. Mr. Speaker, I rise again on behalf of concerned citizens reference the cuts at the Assiniboia Pioneer Lodge. And the prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to take the necessary action to ensure that, at the very least, current levels of services and care are maintained at Pioneer Lodge in Assiniboia.

And as in duty bound, your petitioners will ever pray.

And, Mr. Speaker, the signators in this come basically from all over southern Saskatchewan including Regina, Moose Jaw, Willow Bunch, Viceroy, other places in southern Saskatchewan.

I so present.

#### 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 on the following matters:

The centralization of ambulance services;

Swift Current's request for a new hospital;

Pioneer Lodge in Assiniboia;

Upgrading of Highway 43;

Energy rebate to consumers;

Hafford Hospital; and

Bruno and the Humboldt telephone exchange.

#### NOTICES OF MOTIONS AND QUESTIONS

**Mr. Bjornerud:** — Thank you, Mr. Speaker. Mr. Speaker, I give notice that I shall on day no. 28 ask the government the following question:

To the Minister of Agriculture: in the past fiscal year

2000-2001, how many applications for land purchases did the Farm Land Security Board receive from out-of-province residents? And of those applications, how many were rejected, how many were approved, and how many were granted exemptions?

Thank you, Mr. Speaker.

**Mr. Wiberg:** — Mr. Speaker, I give notice that I shall on day no. 28 ask the government the following question:

To the Minister of CIC: what method is SaskPower using to supply electrical energy to the community of Deschambault Lake?

**Mr. Hillson:** — Yes, thank you, Mr. Speaker. I'm pleased to give notice that on day no. 28 I'll ask the government the following question:

How much is budgeted for travel outside of Canada by officials of SaskPower to investigate investments made or under consideration for the year 2001?

I will also ask:

How much is budgeted for travel outside of Saskatchewan, but within Canada, by officials of SaskPower and its subsidiaries to investigate investments made or under consideration for the year 2001?

With parallel questions for the years 2000 and 1999 respectively.

Thank you.

#### INTRODUCTION OF GUESTS

**Hon. Mr. Cline:** — Thank you very much, Mr. Speaker. I'd like to introduce to you and through you to all members of the Legislative Assembly a group of 60 students from Caroline Robins School which is in my constituency of Saskatoon Mount Royal. They're sitting in the west gallery, Mr. Speaker, and they're accompanied by their teachers, Tom Paterson and Linda Liebrecht.

They have been visiting Regina, seeing some of the sights. We are going to get our photograph taken later on. They're having a tour of the building and we're going to have refreshments. So I know the students are having an enjoyable time.

I hope they find the proceedings here interesting and I'd like all members, Mr. Speaker, to join with me in welcoming the students and teachers from Caroline Robins School today as well as any parents, chaperons, and the driver who may be in attendance. Thank you.

**Hon. Members:** Hear, hear!

**Mr. Stewart:** — Thank you, Mr. Speaker. I wish to introduce to you, Mr. Speaker, and through you to all members of this Assembly, two ladies seated in the east gallery, a Mrs. Norma Donovan and a Patricia Line, both tireless workers for us in the city of Moose Jaw — Norma in Moose Jaw Wakamow and

Patricia in Moose Jaw North.

And I'm sure that all members will be happy to welcome them here today and I hope they have an interesting and educational day in the legislature.

**Hon. Members:** Hear, hear!

**Mr. Yates:** — Thank you, Mr. Speaker. I'd like to introduce to you and through you to the other members of the Assembly, 45 grade 6, 7, and 8 students from St. Catherine School here in Regina, and their teachers, Mr. Allan Schmidt and Mrs. Lynne Selinger.

And they're going to have the opportunity to witness some of the events today in the Assembly. As well we'll have a chance to visit later and have drinks, and they can ask questions about what they've seen here today.

Mr. Speaker, I ask you and all the others to join me in welcoming them to this Assembly.

**Hon. Members:** Hear, hear!

**Mr. Bjornerud:** — Thank you, Mr. Speaker. Mr. Speaker, I'd like to introduce to you and through you to the members of the Assembly, a constituent of mine, and actually a past constituent of mine, that lives in Yorkton, Caroline Armbruster and her sister-in-law Deana.

I want to mention to them, Mr. Speaker, that I am available for supper if they wish to buy. I have quite a fair amount of spare time at that certain time of the day.

So I'd like all the members to welcome them here today.

**Hon. Members:** Hear, hear!

#### STATEMENTS BY MEMBERS

##### Assiniboia Rebels Win Keystone Cup

**Mr. Huyghebaert:** — Mr. Speaker, a couple of weeks ago I rose in the Assembly to congratulate the Assiniboia Southern Rebels on winning the Saskatchewan junior B championship and I indicated at that time that they'd be off to Maple Ridge, British Columbia, to partake in the Keystone Cup.

Well I rise today, Mr. Speaker, to let everyone know that I've very pleased to announce that they won the Keystone Cup in a 3 to 1 victory over the Ridge Meadow Flames in Sunday's gold medal game, which is emblematic of the Western Canadian junior B championships.

Mr. Speaker, Assiniboia finished the 16 round robin with a 3, 0, and 2 record and needed an 8-3 victory over Ridge Meadows in the final preliminary game to earn a berth in the championship. The Rebels goaltender, Sheldon Tuck, was outstanding throughout the tournament and was selected as the championship's most valuable player.

En route to winning the Keystone Cup, the Assiniboia Rebels posted 26 straight games without a loss. It's quite a feat.

I would like to acknowledge and congratulate Coach Chik Volsky and all of the Assiniboia Southern Rebels for their outstanding achievement in the Keystone Cup.

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

(13:45)

### **Sask. Exports to Grow**

**Mr. Thomson:** — Thank you, Mr. Speaker. In today's *Leader-Post*, there's a very interesting and encouraging article with at least one very tantalizing line, and the article comes at a very appropriate time.

The headline is: "Sask. exports to grow" and the article quotes none other than the chief economist of the Export Development Corporation of Canada who predicts, among other things, and I quote: "seven-per-cent rise in Saskatchewan export sales this year."

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

**Mr. Thomson:** — "In fact," he says, and I quote again: "the province's expected export growth is (now the members opposite will like this) triple the national average."

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

**Mr. Thomson:** — "Triple the national average." It's what my friend from Dewdney would call good news, Mr. Speaker.

It's also interesting to note that the article says one of the reasons Saskatchewan's economy is in good shape is we're not as dependent, our exports are not as dependent, on the American markets as other provinces' are.

In the article, the economist goes on to say Saskatchewan's got a pretty good diversification record despite its reputation — a reputation which the members opposite constantly sully.

We know, and others like the economists of the major banks, the credit rating agencies, and now one more voice, Mr. Speaker, that the Saskatchewan economy is doing just fine, thank you very much.

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

### **Avonlea Prairie Thunder - Western Canadian Female Hockey Championship**

**Mr. Stewart:** — Thank you, Mr. Speaker. I've been very eager to tell you about the Avonlea Prairie Thunder. The Avonlea Prairie Thunder recently won the gold medal in the Western Canadian Female Hockey Championship.

The team went undefeated in round robin play against teams representing Alberta, British Columbia, Manitoba, and Hockey North. The team met Manitoba for the final game and defeated them 6 to 2 to capture the gold medal.

Congratulations to the female athletes and coaches Wayne Watson, Brad Mohr, manager Carol Holland and trainer Carol Hubbard.

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

### **Early Childhood Intervention Week**

**Mr. Prebble:** — Thank you very much, Mr. Speaker. Mr. Speaker, as writer and speaker Margery Sheronce remarked: "A child has only one start in life and it's up to us to make it a good one."

Ensuring that children born with some type of developmental delay get that good start can present challenges not usually faced by new parents. As parents adjust to the reality that their child will require extra help, they may feel alone and often overwhelmed, Mr. Speaker.

During Early Childhood Intervention Week, which is this week, we acknowledge those challenges facing all of us to ensure that every child has the best start at life and a chance to fulfill their potential.

Fortunately in Saskatchewan we can offer parents and children help. The early childhood intervention program provides families with caring professional staff that support and assist parents of a young child with a disability until that child either enters the school system or no longer requires the services of the program.

Early childhood intervention services are delivered by community-based, non-profit organizations located around our province.

I would ask the members of this House and indeed all citizens to think about and acknowledge the very important contribution made by those early childhood intervention services and service providers. The infants and young children they work with do indeed have only one start in life, and it is these dedicated professionals that make the difference.

Thank you very much, Mr. Speaker.

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

### **Flooding in Southeast Saskatchewan**

**Mr. McMorris:** — Thank you, Mr. Speaker. Mr. Speaker, I wish to inform the House today of a disaster that's taking place in my area as we speak. The disaster is flooding. Not only is it affecting the Indian Head-Milestone constituency but it's also affecting a number of other constituencies such as Estevan, Moosomin, and Weyburn.

I spoke to the reeve of the RM (rural municipality) of Wellington this morning who said that 40 to 50 sections of land are under water. The front page of *The Leader-Post* today talks of Floyd Keller from the Osage area who is surrounded by flooded land.

Mr. Speaker, not only have these farmers had to withstand the devastating effects of low commodity prices, dysfunctional safety net programs, and now this — disastrous floods.

Mr. Speaker, quite often it is said on the farm that we never lose a crop in April and May. But, Mr. Speaker, when you don't

seed until the end of June, the chances of getting a crop are quite a bit less.

The economic hit on the areas around these flooded areas is going to be significant, and it's an area that's already been hit hard with, as I said, low commodity prices. I think we'll be hearing more of this in the days to come and I really do believe that some disaster relief is going to be needed to help these farmers through yet another tough year.

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

#### **Regina's Royal Red Horse Show**

**Mr. Wartman:** — Thank you, Mr. Speaker. I'm very pleased to announce to the Assembly that the Canadian National Arabian Horse Show, better known as the Royal Red, is guaranteed a home in Regina this year and for the next five.

The Royal Red will continue to be a feature attraction at Regina's Exhibition Park and will continue to attract the horse lover and general tourist alike to our city and to our province.

I should mention that the excellent facilities at Exhibition Park are a major reason for Regina being chosen, as well as the welcome that the city extends to the people who come for this show.

This year's show between August 20 and 25 is the 44th annual and the 14th consecutive show in Regina.

It is estimated that the Royal Red brings \$12 million annually to our economy. Owners, exhibitors, visitors, and tourists spend approximately 6.8 million each year. The rest comes from economic links created between Saskatchewan agricultural and agribusinesses such as the purchase of feed and pharmaceuticals.

Mr. Speaker, 12 million is not an insignificant boost to our economy. The 10,000 annually contributed in support of this show by the Agriculture Development Fund is a wise investment indeed.

Mr. Speaker, I congratulate Doug Cressman, his bid committee, and the Regina Exhibition Park for keeping this fine show in Regina.

Thank you.

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

#### **Town of Craik Concerned for the Future**

**Mr. Brkich:** — Thank you, Mr. Speaker. It is with concern I rise today to speak to the House about the community of Craik. Last month the Cargill elevator was demolished and later came the announcement that the sole surviving Saskatchewan Wheat Pool elevator will close in July.

Mr. Speaker, as I related to this House in an earlier member's statement, the community of Craik has worked hard to survive, and their efforts at saving their community are commendable to say the least. But now they're very worried about their future

and they will have no elevators left in their town.

Mr. Speaker, Mayor Rod Haugerud of Craik has worked very hard at different ideas and goals. The Craik Regional Park has been very successful, and the town of Craik has even developed their own TV cable system so revenue earned helps to maintain the town rather than leave the town. The mayor has indicated that the loss of elevators will hurt the roads and highways. And he believes that freight should be moved whenever possible by rail.

Indeed it was Craik and this mayor that put forward the resolution at the recent SUMA (Saskatchewan Urban Municipalities Association) convention about our roads and freight being moved by rail. And there it was approved, Mr. Speaker.

Mr. Speaker, the concerns echoed by the mayor should be carefully listened to as they represent the views of so many small rural centres across Saskatchewan. These concerns, along with worries about the future of the health care service in most towns, are what communities such as Craik deem most important.

Mr. Speaker, I'd like to congratulate the citizens of Craik and their area for their continuing hard work to ensure their future, and thank the mayor for sharing his vision for the renewal of rural Saskatchewan.

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

**The Speaker:** — I would like to welcome all the students to the legislature and I would just like to remind them that during the procedures of the legislature it is not customary for anybody in the galleries to participate in any way — cheering or yelling out or anything. And I just invite you to keep that in mind.

#### **SIAST Heavy Equipment Mechanics Lab**

**Ms. Jones:** — Thank you. Mr. Speaker, as a former truck driver myself, I know the value of equipment being kept in top-notch repair. There is nothing more frustrating or costly than getting halfway to your destination.

Truck drivers need mechanics and mechanics need training facilities. That is why I'm pleased to note that SIAST (Saskatchewan Institute of Applied Science and Technology) in Saskatoon has officially opened a new \$3.5 million facility for its heavy equipment mechanics program.

This new 5,000 square metre facility will provide a work environment similar to that found in the heavy equipment industry. The building has nine classrooms, a computer lab, and office area, an industry training area, and a 6 tonne overhead crane — state of the art, Mr. Speaker.

With this facility and with the experience that SIAST faculty has gained since 1963 when the program began, our heavy equipment and mechanics program is a leader in Canada and in North America.

And as my colleague from Moose Jaw Wakamow said about another SIAST program last week, this one trains Saskatchewan

students who take Saskatchewan jobs and raise Saskatchewan families.

Currently 52 students are enrolled. Over the years, 1,700 have completed training. Mr. Speaker, this facility funded by this government is just one more example of how we are melding education and training with economic opportunity for the good of our young people and the benefit of our province.

Thank you, Mr. Speaker.

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

## ORAL QUESTIONS

### Proposed Energy Rate Increases

**Mr. Hermanson:** — Thank you, Mr. Speaker. My question is for the minister responsible for SaskPower. Saskatchewan families are being buried under higher utility rates. They are growing faster than the list of hospitals that the NDP (New Democratic Party) are planning to close.

Today SaskPower is warning that power rates will be going up again this year by as much as another 10 per cent. Mr. Speaker, that's on top of residential power rate hikes of 6 per cent just a few months ago.

Mr. Speaker, SaskPower's utility rate increases are in addition to the massive increases announced by SaskEnergy. Just last December Saskatchewan families were hit with a 27 per cent increase in their energy bills and within the next few weeks SaskEnergy will be asking for yet another increase — as much as 50 per cent.

Mr. Speaker, will the minister finally admit that Saskatchewan families need some further financial relief from the NDP's massive utility rate increases?

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

**Hon. Mr. Cline:** — Well, Mr. Speaker, with a question like that I think the Leader of the Opposition must be still be taking his advice from Stockwell Day. And I have news for him, even Deborah Grey doesn't take her advice from Stockwell Day these days, Mr. Speaker.

But I want to . . . The member gets up and says you know we've got money in the treasury to pay rebates out to people. I want to point out to the House and to the people, Mr. Speaker, that in the *Humboldt Journal*, April 12, we have another one of those members, this time the member from Kelvington-Wadena. What is she saying? She's saying the budget spending is not sustainable. They say we're spending too much money.

So one day, Mr. Speaker, they come in and say, you're spending too much money. Today they come in and they say, spend some more money, Mr. Speaker. One day they say, the Crowns are making too much profit, that they've got too much money. The next day, Mr. Speaker, they come in and say, the Crowns are losing too much money.

And, Mr. Speaker, what I say is this opposition is not credible.

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

**Mr. Hermanson:** — Thank you, Mr. Speaker. Mr. Speaker, what the opposition has been saying is that SaskPower should not be hiring an additional 200 managers and then raising the power rates of this province.

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

**Mr. Hermanson:** — Mr. Speaker, the minister for Crown corporations will not answer. My next question is for the Premier of Saskatchewan.

Saskatchewan families are getting buried under an avalanche of NDP utility rate increases. I outlined all of them. Meanwhile, and this is fact, the NDP is sitting on a hundred and eighty-five million dollars in Crown corporation profits and \$500 million — that's a half a billion, Mr. Premier — in windfall oil and gas revenues.

Unfortunately the NDP appears to be quite happy to grow the size of government, grow the size of SaskPower, while Saskatchewan families struggle. That's the point we're trying to make.

Mr. Speaker, the people of Saskatchewan deserve better from their government. After question period today I will be moving, I will be moving a motion calling on the government to consider providing further financial relief to Saskatchewan families struggling to pay for massive utility increases.

Mr. Speaker, will the Premier support the Saskatchewan Party motion?

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

**Hon. Mr. Cline:** — Well here we go again, Mr. Speaker. We've got the member from Kelvington-Wadena, the member from Lloydminster, the member from Humboldt saying to the media, the government is spending too much money. Then we've got the so-called Leader of the Opposition getting up and saying the government is sitting on too much money. He's saying to the people that we're not spending enough money, Mr. Speaker.

And the people have to ask, which way is it? The opposition cannot have it both ways. They cannot say in the media day after day that we're spending too much money on health care, on education, on children, on highways. We're spending too much, they say, and they vote against that, Mr. Speaker, and then they come in and they say we should spend more. And it doesn't make sense, Mr. Speaker.

They told us we should put money into fixing the roads. We're hiring people to fix the roads. Now they tell us to fire the people that we're going to get to fix the roads, Mr. Speaker.

They told us to get more social workers to take care of children at risk. We hired the social workers, then they come in and tell us to fire the social workers, Mr. Speaker. It's not a credible opposition.

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

(14:00)

**Mr. Hermanson:** — Mr. Speaker, the senseless rhetoric that's coming from the Minister of Finance — a Minister of Finance who is sitting on more money and is growing a government bigger and bigger than it's ever been in our province; a province where the people are struggling as they never have before to make ends meet. They're struggling to the point where they're leaving the province of Saskatchewan and he doesn't even recognize that.

Mr. Speaker, the bottom line is that the NDP is sitting on nearly \$700 million in a political slush fund while Saskatchewan people are buried under a sea of high utility rates. We could keep our utility rates lower and we could provide the people with some advantages in Saskatchewan.

Mr. Speaker, immediately after question period the Saskatchewan Party will be moving a motion to provide some relief for Saskatchewan families from massive utility rate increases.

My question for the Premier and his government: Will the NDP finally care about people and support a motion to assist the families of our province?

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

**Hon. Mr. Cline:** — Well, here we go again, Mr. Speaker, with the Leader of the Opposition sometimes complaining that he says we're spending too much money and we're going to go into deficit; today he's saying we're sitting on a surplus. Well I've got news for the Leader of the Opposition, Mr. Speaker. The opposite of a surplus, which is what we're operating at, is a deficit, Mr. Speaker.

And if we follow the voodoo Stockwell Day inspired economics of that member, Mr. Speaker, we will head back into deficit and debt. The people of this province, Mr. Speaker, have seen that kind of thinking before. They have been there, and done that, and we're not going back to deficit and debt, Mr. Speaker.

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

### Municipal Revenue-Sharing Grants

**Mr. Bjornerud:** — Thank you, Mr. Speaker. Mr. Speaker, my question is for the Minister of Municipal Government. Mr. Speaker, a few weeks ago the NDP voted to expand the size of government rather than hold the line on property taxes. We're now seeing the results of that decision.

Last night, Mr. Speaker, the city of Saskatoon was forced to raise property taxes by 4 per cent. This increase is a direct result of the NDP's decision to freeze revenue sharing grants and the NDP's decision to hike SaskPower rates. Mr. Speaker, this tax hike could have been avoided if the NDP had of only increased municipal revenue sharing, instead of increasing the size of government.

Mr. Speaker, in the light of Saskatoon's 4 per cent hike, will the

minister admit he made a mistake and increase the municipal revenue-sharing grant?

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

**Hon. Mr. Osika:** — Well, Mr. Speaker, the opposition continues to suggest that this government has not been listening to the people and the municipalities. We have been listening. There have been programs for municipalities to assist them with their infrastructure programs.

And I have copies of letters here from municipalities that don't agree with the opposition attacking those workers, Mr. Speaker, that will be working in Agriculture and Food, Energy and Mines, Highways, and social workers, and in health care — front-line workers. These people are attacking those folks and don't want them out there working to fix our highways and fix the ills of this province. They are opposed to anything and everything in rural Saskatchewan, Mr. Speaker.

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

**Mr. Bjornerud:** — Thank you, Mr. Speaker. Well, Mr. Speaker, thanks to that minister and his temporary leader and the rest of the NDP, municipal taxes are going up all over this province — thanks to that government, Mr. Speaker. And, Mr. Speaker, it's not just Saskatoon. Virtually every municipal body in this province is raising taxes because the NDP chose bigger government over property tax relief.

Last night, Mr. Speaker, Moose Jaw was forced to raise property taxes by 2 per cent. Once again this is a direct result of the NDP's decision to expand the size of government and freeze revenue-sharing grants. Bigger government, higher taxes — that's the NDP plan, Mr. Speaker.

Mr. Speaker, to the minister: does the minister really think Saskatchewan taxpayers should be forced to pay higher taxes to pay for the NDP's plans to expand the size of government?

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

**Hon. Mr. Osika:** — Mr. Speaker, it would be great if we had that \$750 million that we have to pay interest on in the debt that's been accumulated as a result of the last administration.

Mr. Speaker, our commitment to municipal government remains strong. Two years ago there . . .

**The Speaker:** — Order, order. Order, order. Order. Order. The minister will continue.

**Hon. Mr. Osika:** — Thank you, Mr. Speaker. I'll reiterate the fact that the commitment to municipalities remains strong with the \$10 million introduced two years ago for the municipal infrastructure programs and this year marking the fourth year in the grants-in-lieu-of program to the tune of \$13.1 million, Mr. Speaker.

Municipalities now receive \$97 million in unconditional and targeted programs. It's the opposition does not want to see anything happen — creation of employment in rural Saskatchewan to help fix our highways, to help our young

people that are in trouble, to help the education sector, and health care. They're opposed to that. They voted against that, Mr. Speaker.

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

### Closure of Lanigan Hospital

**Ms. Harpauer:** — Thank you, Mr. Speaker. Mr. Speaker, my question is for the Minister of Health.

Yesterday in response to the questions about the decision to close the Lanigan Hospital for three months, the Minister of Health said that the health district was working with the community and consulting with staff to see what could be done to best deal with the situation. Well this answer certainly came as a big surprise to the people in the Lanigan community.

In fact, PCS (Potash Corporation of Saskatchewan Inc.), Lanigan, had to phone the health district themselves to find out what was going on. They had not been consulted with about how the hospital closure would affect them and they had not been told that the hospital would not be operating for three months. With over 360 employees on staff at the mine they rely on the fact that acute care services are just minutes away in Lanigan.

Mr. Speaker, to the minister: why is the Department of Health allowing the closure of this hospital in a major agriculture and mining community on the busy Yellowhead Highway in the summer?

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

**Hon. Mr. Nilson:** — Mr. Speaker, in this particular situation the local community is working with the town council in Lanigan, with other people, and the district health board has had discussions. They are talking about June 15 as a day when they are looking at temporarily closing that hospital for the summer to deal with the fact that they don't have sufficient nurses to provide the care over the summer.

What we know is that they are continuing to talk with the people in the community. They're continuing to try to find a solution in that particular area. The role that I have is to make sure that all people in the province have the appropriate health care services, and we will continue to do that through the Department of Health because we know and we are sure that we are going to be able to provide health care services for everybody.

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

**Ms. Harpauer:** — Mr. Speaker, I think the Minister of Health should really question who's giving him his information because there was a meeting just six days prior to the announcement, with all the stakeholders, and they were not told that there was a nursing shortage. The nursing shortage didn't just happen and the staff were also not told that this was going to happen.

Mr. Speaker, when you work in a mining industry, emergency and acute care services nearby are necessary. In fact any

workplace counts on these services being available when an accident happens.

April 28 is the day of mourning for workers killed or injured on the job. And, Mr. Speaker, the government's own press release says that more than 30 people died and thousands more were injured in workplace accidents in Saskatchewan during the last year and yet this very government is stripping health services away from these workers.

PCS Lanigan is very concerned with the loss of acute care and emergency care services in Lanigan and may consider making their own arrangements.

Mr. Speaker, is this what the system is coming to? Will the Minister of Health guarantee that PCS Lanigan will not have to make their own arrangements for emergency and acute care services while the Lanigan Hospital is closed?

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

**Hon. Mr. Nilson:** — Mr. Speaker, what will happen in that particular health district and within that particular community will involve all of the local people. And I'm sure that the people who are involved with PCS can work with the health district to make sure that the appropriate arrangements for emergency service or what other services are necessary.

We have a concern as the provincial Department of Health around the number of health care providers, around the number of nurses. We're working very hard to make sure that we train more people, that we retain the ones that we have, and that we recruit more.

We are going to continue to work with all of the people in the province on that particular issue but we're also going to support the local communities as they deal with their own particular issues in their communities.

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

### Psychiatrists Leaving Regina

**Mr. Gantefer:** — Thank you, Mr. Speaker. Mr. Speaker, two weeks ago I asked the minister about psychiatrists who had indicated they were leaving Regina. I asked what the minister and the Department of Health were prepared to do to keep these doctors here. The minister's answer was that the psychiatrists would be receiving a 14 per cent increase in their salary and that the department was continuing to try to recruit new doctors to our health care system.

But today in a letter to the editor of *The Leader-Post* six psychiatrists leaving the Regina Health District say they are all planning to leave the province because of poor administration and managerial decisions. They say they have expressed their concerns to the health district and the provincial department for the past two years but they have been ignored, Mr. Speaker.

Mr. Speaker, my question is this: why has the Department of Health not responded to these concerns and taken action in order to keep these doctors in Regina?

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

**Hon. Mr. Nilson:** — Mr. Speaker, the Regina Health District is working very carefully to recruit more psychiatrists for Regina. And they're working with a committee to make sure that they have the appropriate number of psychiatrists. We know once again it's an issue of finding enough health providers to work in the area.

Now the other side of this is that we are working right across the country to find enough psychiatrists for the whole of Canada. Part of the difficulty is that we are not training enough psychiatrists in Canada and so the recruiting ends up going to places like England to get more people to work.

And what we will continue to do is work with our health districts, we'll work with the other provinces, we'll work with the Canadian government, so that we can get sufficient number of psychiatrists and other health care providers.

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

**Mr. Gantefoer:** — Thank you, Mr. Speaker. Mr. Speaker, I want to quote from the letter to the editor that these psychiatrists sent:

It is no secret to the Department of Health and the Regina Health District that precisely those psychiatrists who are now leaving and the others who are very seriously thinking of leaving the province had formally and informally warned them well over two years ago of the grave structural and managerial problems affecting the psychiatric care of patients in Regina.

Mr. Speaker, three of the doctors are going to Alberta, two are going to Ontario, and one is going back to the United Kingdom where he says he'll be paid less, but he doesn't have to put up with the problems that this system has created, Mr. Speaker.

Mr. Speaker, these are problems of the minister's own making and now what he wants to do instead of dealing with these issues is further delay and delay and delay.

Mr. Speaker, will the minister announce to this House what he is going to do to attract new doctors to a system that is chasing doctors out?

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

**Hon. Mr. Calvert:** — Mr. Speaker, I want to speak on behalf of government. I hear the critic of the Saskatchewan Party, health care, raising some significant issues in health care. I hear today in the House the member from Watrous raising significant issues in the House — the very day, Mr. Speaker, the very day this party refuses to participate in an all-party committee to deal with the challenges facing health care, Mr. Speaker.

The day they refuse to participate . . .

**The Speaker:** — Order. Order, order. Order.

(14:15)

**Hon. Mr. Calvert:** — Thank you, Mr. Speaker. The member, the Health critic, wants to quote editorials today. I'd like to quote an editorial from *The Estevan Mercury*, Mr. Speaker, April 18, 2001. Quote:

If the Saskatchewan Party decides not to participate (in the all-party committee), they will lose credibility and the opportunity to show the public their own political will, courage, and leadership capabilities in a public forum.

Mr. Speaker, further on:

When this one area of public expenditure takes up over 40 per cent of the provincial budget, it demands more than lip service and question period one-liners from opposition members.

Mr. Speaker, they are quickly losing their credibility.

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

#### SaskTel Investment in IQ&A

**Mr. Wall:** — Thank you, Mr. Speaker. Mr. Speaker, my question is for the CIC minister. Mr. Speaker, in 1998 the NDP lost millions of dollars in the Channel Lake fiasco without cabinet approval for the expenditures. Apparently they didn't bother to read the contract before they signed it. Now SaskTel has gone one better — they didn't even have a contract, Mr. Speaker.

SaskTel lost \$2 million trying to buy and sell people's health care information through IQ&A with no signed contract to ensure they could even get this information. As a result of the Channel Lake fiasco, the government made a number of recommendations, Mr. Speaker. We would like to know if the NDP followed these recommendations in the case of IQ&A.

Mr. Speaker, to the minister: did the CIC Board approve SaskTel's plan to collect and sell people's health care information, and did cabinet approve of this plan?

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

**Hon. Mr. Sonntag:** — Thank you very much, Mr. Speaker. First of all let me speak to the issue of due diligence. In no way, Mr. Speaker, in no way the opposition . . . And I think sometimes the public is, while understandably, believe that due diligence is a guarantee for success. Due diligence is not a guarantee for success, Mr. Speaker. It's not. In every single case, Mr. Speaker, the Crowns and their subsidiaries will do their very best to ensure that taxpayers' dollars are at minimal risk.

But, Mr. Speaker, and I tell the opposition this today, I bet — and I'll put my job on the line — my guess is, Mr. Speaker, that we will lose money in the future, Mr. Speaker. When you invest money, you risk, Mr. Speaker. But the Crowns' record will show, Mr. Speaker, that many more times, we have returned profits and dividends to the people of Saskatchewan than they have lost money, Mr. Speaker.

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

**Mr. Wall:** — Thank you, Mr. Speaker. Mr. Speaker, throughout these questions, the minister often talks about the fact that he refuses to micromanage. He keeps saying he's not prepared to do that.

But according to the Channel Lake report, Mr. Speaker, what we're asking isn't micromanagement. It's sound management, according to that government's report.

Mr. Speaker, recommendation 14 of the Channel Lake report says Crown subsidiaries should only be created and divested after clear completed and timely prior approval by the Crown board, the CIC board and, (Mr. Speaker), by order in council.

That would be the cabinet of the province of Saskatchewan.

Mr. Speaker, we can't find an order in council either creating or winding down this company. So it appears the NDP is ignoring its own recommendations in the Channel Lake report.

Again to the minister: who approved SaskTel's decision to sell people's health care information?

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

**Hon. Mr. Sonntag:** — Mr. Speaker, we are always concerned when there's public dollars lost, always concerned.

Mr. Speaker, I want to refer to a report by Deloitte and Touche. It says, "IQ&A Partnership, December 31, 1999." It's their annual report, Mr. Speaker, done May 18 of 2000. The document's tabled in this legislature on June the 29, 2000. Mr. Speaker, in this legislature, June 29, Mr. Speaker.

I want to quote from a couple of the notes in this public report that that member says they knew nothing about, Mr. Speaker. Note no. 2 says:

Subsequent to December 31, 1999, the Partnership made a decision to suspend the operations of the Corporation indefinitely," (Mr. Speaker).

Public information, June 29, 2000.

Note no. 6:

Effective July 19, 1999, SaskTel Data Exchange Inc. acquired 40% of the partnership interest which, combined with their 60% interest purchased in 1998 gave them 100% partnership interest.

Public information.

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

**Mr. Wall:** — Mr. Speaker, I want to thank the minister for basically reading the preamble to my next question.

They knew this thing was going south a year into it. They still acquired the shares of the other partners and wasted even more taxpayers' money, Mr. Speaker.

The minister keeps talking about due diligence. You know, in

the newspaper yesterday, he confirmed what due diligence is. Apparently Crown presidents come to him as the minister with plans to risk taxpayers' money and he says, have you done the due diligence, and the president says yes, and he gets his cheque book out, Mr. Speaker. That's the extent of his due diligence over there, on that side of the House.

Mr. Speaker, another lesson, another lesson from the Channel Lake fiasco is that Crown subsidiaries have to be constantly monitored. In recommendation 18, Mr. Speaker, it says, they must provide quarterly performance reports to the CIC board.

The question to the minister is this: did IQ&A provide quarterly performance reports to the CIC board and if so, why did CIC board never identify that there were problems with this company?

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

**Hon. Mr. Sonntag:** — Mr. Speaker, in my estimation the real lack of due diligence occurred from the years 1982 to 1991. That's when the real lack of due diligence occurred, Mr. Speaker, when we saw debt racked up of over a billion dollars a year on the operating side, increased debt on the Crown corporations side of over \$2 billion.

The fact is, Mr. Speaker, our Crown corporations, in investments, they will fail, Mr. Speaker; there will be investments where they will fail. But I could go through the list as I have before, Mr. Speaker. We're just using SaskTel where they have lost, as an example, one dollar . . . for every one dollar they've lost, they have returned nine dollars profit to the people of Saskatchewan, Mr. Speaker.

The other private companies for the member's information in case he didn't read through the report, Mr. Speaker, was MTS (Manitoba Telephone System), MT&T (Maritime Telephone and Telegraph), MB (Manitoba) Telephone, BC TEL. They also participated in what, what they believed was due diligence at the time.

Mr. Speaker, our Crowns serve very useful purpose for the people of Saskatchewan. They will continue to invest, Mr. Speaker, and they will continue to return dividends and profits to the people of Saskatchewan.

## INTRODUCTION OF BILLS

### Bill No. 217 — The Accountability of Subsidiaries of Subsidiary Crown Corporations Act

**Mr. Wall:** — Thank you, Mr. Speaker. I move first reading of Bill No. 217, The Accountability of Subsidiaries of Subsidiary Crown Corporations Act.

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

## TABLING OF CERTIFICATES

**The Speaker:** — Members of the Assembly, before orders of the day, I wish to inform the Assembly that the Clerk of the

Legislative Assembly has received from the Chief Electoral Officer, certificates of the following elections and returns:

Of Lorne Calvert, Esq. as member for Saskatoon Riverdale. Order. And of Warren McCall, Esq. as member for the constituency of Regina Elphinstone.

### ROYAL ASSENT

At 14:26 Her Honour the Lieutenant Governor entered the Chamber, took her seat upon the throne, and gave Royal Assent to the following Bill:

Bill No. 208 - The Provincial Emblems and Honours Amendment Act, 2001

**Her Honour:** — In Her Majesty's name, I assent to this Bill.

Her Honour retired from the Chamber at 14:28.

### ORDERS OF THE DAY

#### PRIVATE MEMBERS' MOTIONS

##### Motion No. 2 — Rebates for Utility Rate Increases

**Mr. Wall:** — Thank you. Thank you, Mr. Speaker. It's a pleasure to stand in the legislature, stand in my place today and speak to this issue, speak to this motion that's before the Assembly. And I would encourage all the members of the Assembly to give it careful consideration in light of what we know has happened already with respect to utility rate hikes in our province and also in light of what we know to be coming.

We heard earlier this day that SaskPower is contemplating a 10 per cent rate hike in addition to the 6 per cent they just received, effective the first of this month I believe. And in addition to that, we also understand that SaskEnergy will be coming forward with a request to the rate review panel in the order of 40 to 60 per cent, Mr. Speaker. And so we would, I would hope that all members would give this particular motion careful consideration.

It doesn't put a lot of limits in terms of each member's consideration of the general concept of relief from these rate hikes. In other words, it doesn't peg rebates as the only way to provide that relief, nor does it peg tax relief or any other use of the considerable amount of money that the government is sitting on to aid in this cause. It leaves it open. It simply asks the Assembly to consider this to support the providing of relief for Saskatchewan people who are suffering under the weight of these increases.

(14:30)

Mr. Speaker, it's also timely not only because rate hikes are going up, Mr. Speaker, but it's timely because it's very, very clear that this government can afford to help Saskatchewan families, Saskatchewan small-business men and women, and the Saskatchewan institutions, school boards and health boards and other non-profit organizations that are really being crushed under the weight of these energy bills. The government can truly afford to help.

It wasn't long ago, Mr. Speaker, that this government and others across the province could simply say to people asking them for assistance, could say to them, we can't afford it. And arguably they were telling the truth. They were in the process of trying to fight deficits and debt, and they simply couldn't afford these sorts of one-time requests.

But the truth of the matter today, Mr. Speaker, the truth of the matter in the province of Saskatchewan is that we can afford to help Saskatchewan families. This government can afford to assist people, to provide them some sort of relief be it through tax cuts or additional rebate help or some other means. The fact is the government can afford it today.

And consider this, Mr. Speaker. There are only a few provinces in this country that actually benefit when the price of energy goes through the roof as it has. Certainly we're all paying now higher utility bills, but we encourage the people of this province and this Assembly to remember that when we are paying higher utility bills because energy rates have gone up, so too are the coffers of the government filling up with the royalty revenues that they collect from oil and gas. That is a matter of fact.

That is a matter of record as well, as we saw with the last budget. And despite the Department of Finance's own underestimating of what those revenues will be in this particular budget year, that will be the fact this year as well for the province of Saskatchewan.

So it's unfair to simply tell Saskatchewan people, well you'll have to suck it up and you'll have to pay these higher energy costs while the government coffers are growing, while the government coffers are filling up from the very same fact — the fact that oil and gas now around the world is much higher than it was only months or a couple of years previously.

The fact of the matter is this, Mr. Speaker, the government will be making more money off of the price of gas. If the president of SaskEnergy is right and SaskEnergy needs to increase its rates by 50 per cent to simply flow through his own cost for gas, then so too must it be right that the provincial government should be forecasting a 50 per cent increase in its royalty revenue from natural gas.

I think the member for Regina South would agree. If the price is going up that we pay for gas, the royalty revenue is also coming up. And if it's not coming up by 50 per cent, fair enough. It might be coming up by something less than that but it certainly is going up, the government's revenue from this area.

And so it's very interesting to note, Mr. Speaker, that on one hand the people at SaskEnergy are forecasting the price of gas to go up 50 per cent but the Government of Saskatchewan, when it's seemingly trying to lowball the revenue it's going to get this year, said what about the price of natural gas in the budget? That it will decrease by over 40 per cent.

Why would they say that, Mr. Speaker? Maybe someone in the Department of Finance should pick up the phone and call someone over at SaskEnergy so that they can get their story straight because someone's not telling the truth. Either way . . . either way, Mr. Speaker, even using these underestimated numbers that the government had in its budget, it is sitting on

between a half a billion and 750 to \$800 million right now in its current account. It has it there in the Fiscal Stabilization Fund.

And why is it there, Mr. Speaker? Well it's there because of the high price of oil and gas primarily. They made more money in royalties. It's windfall revenue from the energy sector sitting in the bank account of the province of Saskatchewan.

In addition to that we found out — although the government won't confirm it and I'd argue that it's their responsibility to do so — but we find out from very good sources that the Crown corporations of our province, the family of Crowns, is sitting on a family bank account of about \$185 million. In addition to that, they didn't have to pay their dividend to the government as was planned in the '99 budget.

And all of this means one thing, Mr. Speaker. It means that the Government of Saskatchewan can afford to help Saskatchewan people if it chooses to, if it has the courage to, if it has the fortitude to help Saskatchewan families and small business through a time of very high utility rates. And hopefully and arguably a temporary time of utility rates at these levels anyway. If it has the courage to do that, it has the resources to.

So we've already settled the question as to whether the government can afford it. It can. Clearly it can. It could afford to provide some more meaningful help and still leave some in a Stabilization Fund and still leave room for some other catastrophic event that it might want to plan for. It could do those things. That matter is settled.

What is not settled, Mr. Speaker, and why we present a motion like this is because this government does not seem to be prepared to help. It has the resources but it lacks the will. It has the money in the bank but it lacks the courage, or the compassion maybe, to at least consider . . . and that's how we framed our argument in past weeks. That's how we've really framed this motion. We've left it wide open.

Will the government at least consider helping Saskatchewan families to a greater extent than they have already — the \$25 so-called pizza rebate? I think that's what the people in my riding are calling it. Basically the pizza rebate except by and large, \$25 doesn't buy enough pizza to feed your family anymore. But apparently it's enough. The minister has said several times, that's enough for Saskatchewan families.

Well Saskatchewan families, even without the 50 per cent rate hike coming from SaskEnergy and the 10 per cent hike coming from SaskPower, Saskatchewan families have had to live through — have had to live through 23 per cent increases over the winter months.

And in my home and in many other homes in Swift Current — and by the way it's a very small 30-year-old bungalow — my bill didn't go up 23 per cent. That was the rate of increase. My bill doubled. I'm sure many members opposite saw their bill double.

I know many constituents phoned and were confused because the government announced the rate increase of 20-some per cent but their bills doubled because they weren't equalized or for any other number of reasons. So for four or five months they

were paying excruciatingly high bills that had doubled, Mr. Speaker.

And so now we are talking about a potential 50 per cent increase in the price of natural gas. What will people's bills do then, next winter, if the situation around the world hasn't eased itself and we're still looking at these rates? What will they do then?

Well, Mr. Speaker, I hope what they'll do is continue to call their MLAs (Member of the Legislative Assembly). They're calling us. I know they're calling the government members opposite. Call their MLAs and ask them why it is that they are happy to sit on a huge bank account — a huge bank account in the Crowns, a huge windfall fund from oil and gas revenues. Why are they prepared to sit on that and leave Saskatchewan people out in the cold? That's what we're trying to answer today. That's what we're trying to answer today.

And the member from Regina Qu'Appelle is chirping. But his constituents, his constituents' bills doubled as well, and he doesn't seem to care. He cares more about shouting some rhetorical comment across the way, some smart aleck remark than he does about the fact that the budgets of Saskatchewan families are breaking under the weights of utility bills while he and his government sits on a half a billion to \$700 million worth of cash.

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

**Mr. Wall:** — That is sad, Mr. Speaker, it's sad.

So, Mr. Speaker, I would just encourage members of the Assembly to take a close look at the wording in the motion that we're using. Again we're not tying the government's hands in terms of talking about rebate. We're talking about a general concept of relief — financial relief to people.

I have tried to establish, I've tried to demonstrate to the House that the government has the resources to help people who are facing these increases and the rate increases to come. They only need the will. That's all they need. And so we're asking them to support our motion, to have that will to make that decision on behalf of Saskatchewan people.

And so it is a pleasure for me to move, Mr. Speaker, seconded by the member for Arm River:

That this Assembly urges the government to consider providing greater financial relief to Saskatchewan residents facing massive increases in energy costs, especially in light of growing profits to Crowns, rising levels of retained earnings in the Crowns, and the windfall for the provincial treasury gained through rising natural gas and oil royalties.

**Mr. Brkich:** — Mr. Speaker, I rise today to talk to the motion the member from Swift Current brought. I think it's a very good motion.

At times, you know, when Saskatchewan Crown corporation bank accounts are growing, the people of Saskatchewan in particular . . . our Saskatchewan families are seeing their bank accounts getting smaller due to never-ending stream of utility

rate increases from this coalition government.

Mr. Speaker, clearly we can see the trend is developing here. The recent announcement indicated the cost per family of Saskatchewan of natural gas costs may go up as much as \$400 per year. And just recently we also had an announcement that SaskPower, that there may be an increase in their rates very soon, Mr. Speaker.

I ask just how are we going to help these Saskatchewan families with these increased costs? These same people that phone, the same people that present us petitions, that I presented here from Regina, Saskatoon, Moose Jaw, Bladworth, Davidson, Girvin — all the small centres and major centres from this province, they are very concerned about it.

You know, Mr. Speaker, it's always very interesting to hear the members opposite bragging about their alleged historic tax cuts. But in reality what they have done is raised our taxes. Let me explain, Mr. Speaker.

In raising utility rates, they have raised our taxes. What we have here is another example of this government's backdoor taxation policy which is to give with one hand and take with the other hand. And, Mr. Speaker, they are taking a lot more than they are giving out right now.

We have seen profits from the major Crown corporations jump to nearly \$300 million last year. This increase of nearly 36 per cent — 36 per cent increase in profits. But even with this profit increase of nearly 36 per cent, we have seen a steadily increasing utility rates over the past few years for Saskatchewan families.

Mr. Speaker, I've talked with many of my constituents here in Arm River and there isn't a one of them who would not state flatly that the cost of living here in Saskatchewan has gone up and that there are many factors that contribute to this.

What is not acceptable though is the majority of the costs that Saskatchewan residents have incurred in the cost of living increases have gone up due to utility rate increases. SaskPower has increased their rates. SaskEnergy's increased their rates, and incidentally, Mr. Speaker, SaskEnergy is looking for another increase of possibly 50 per cent, never mind SGI rates increase. SaskTel has raised their rates.

I rarely talk with anyone who has not said this is going to be of any benefit to this province whatsoever, Mr. Speaker. Many of the people that I talk to have constantly compared what it was costing them to live in Saskatchewan even 10 years ago.

And let's look at that; let's look at 10 years ago. Let's look at from '91 to '99 at the major Crown utilities. They've increased their rates 18 times since '91. In that time revenues and profits have also increased, Mr. Speaker. It's even more disturbing to note that as the Crowns have taken in record profits at the expense of the struggling Saskatchewan families, they're also taking in \$150 million which is supposed to go into the General Revenue Fund and saving it for a rainy day.

And how do we find a rainy day, Mr. Speaker? Well I don't know, a rainy day could be when the next election for the NDP

is possibly; we're not sure.

The opposite members keep tooting that they are supposed to have a new look, a new agenda, a new future, a new vision for Saskatchewan. And they talk about their commitment to revitalize rural Saskatchewan. Well I don't see any rural revitalization going on in terms of what this government has done in real action to re-evaluate rural Saskatchewan.

When we talk about these utility rate increases which are coming to bear on all the families of Saskatchewan, and particularly rural Saskatchewan, we see struggling farm families who can barely put it together to see another crop. And they of course have the increased cost of utilities added to this, never mind the extra cost of natural gas that's gone into fertilizer costs, fuel costs.

(14:45)

I know that this government has taken a couple of steps to ease the burden on their Saskatchewan families. They've set out \$25 which I'm sure Saskatchewan families would find of some benefit, though many of them say it's of what benefit, they're not sure.

We would like to see something a little more than \$25. Because as we all know, Mr. Speaker, \$25 nowadays doesn't go very far.

I would like to take a few moments here to go over the rate increases that we experienced in the last 10 years. When we look at SaskPower in February of 1999, we see an increase of 4 per cent; '93, January, an increase of almost 5 per cent. April of '94, another increase of close to 4 per cent.

January of 1996, increases of between 12 and 14 per cent, including a \$2 monthly reconstruction fee — reconstruction fee that was supposed to build power lines in rural Saskatchewan. And now they say that . . . they still charge that, but they don't build any power lines. If you want power lines to your farm, you have to pay for it even though they still take the \$2 off.

Let's look at SaskEnergy. February of 1999, increases of 4 per cent. January of '93, increases of 2 per cent. December of '93, increases of almost 10 per cent. June of '97, increases of 2.3 per cent. January of 1998, gas prices rose 8.9 per cent. In November of 1999, increases of over 12 per cent.

Mr. Speaker, I see a trend here. I hate to repeat myself, but there are constant increases here and no relief in sight.

I must briefly talk a little bit about the other two Crowns here to show that a pattern has developed here. It seems to be continuing to develop.

SaskTel, March of '92, a 3 to 5 per cent increase in long distance. July of '93, an increase of 15 per cent in line rental. January of '98, an increase of 40 to 50 per cent in local service.

SGI, '92, increases of 10 per cent. April of '93, increases of 4.7 per cent. January of 1998, increases of 5 per cent; in January 1998, increases of 40 per cent in deductibles.

Mr. Speaker, when I talk to the mayors and reeves in our

municipal government, especially in the rural areas, there is a general consensus that it is going to be extremely difficult for many businesses that are barely standing afloat to stay in business in the upcoming year.

The costs in municipal government in Saskatchewan will be increasing dramatically, result of utility rate increases. When we look at the public facilities such as skating rinks, halls, swimming pools, all these utilities that it takes to running a town or an RM, what are these towns to do or the children to do when they might have to look at closing halls or skating rinks.

Of course there's only one option the municipality has, and that is to raise taxes. So again they will raise taxes and pass this burden unfortunately to Saskatchewan families and residents who have already been hit hard by high utility rates.

And again you can see that's almost like a double taxation. They're getting taxed more on the municipal government side as well as the Crown corporation side. Of course this isn't to mention PST (provincial sales tax) and the small-business tax.

So what we have here is a growing list of higher and higher taxes that the average resident in this province simply cannot shoulder any more, Mr. Speaker. We must look at any and all ways possible to provide relief to the people of Saskatchewan. There is no way that they can continue to bear this unbalanced burden.

As I had mentioned previously, when we look at natural gas hikes over the last basically decade and this latest proposed increase of almost . . . could be almost \$400 per year per family, there are many experts who fear that this could go higher. We could be looking at an average family of four paying up to an extra \$50 a month. This is an extremely large amount of money for a family on a fixed budget with all the costs incurred on a day-to-day basis.

Mr. Speaker, this will affect families, especially the working class people in urban and rural centres. It is clear that this area of family living costs must be addressed by this Assembly. We are asking for commitment by this government that some form of meaningful relief in the area of high utility rates come directly back to the people that need them the most — the hard-working people of this province, Mr. Speaker. They simply can't shoulder this burden any longer.

Mr. Speaker, in the rural areas as well as the major cities, we have many people who are working in small businesses who are struggling to survive. And these small businesses are struggling with these high utility rates. And any hope of being able to give a wage increase to these hard-working employees is blunted by the fact that they have to pay these high energy costs. So while the person who is employed by this business is forced to stay at a low wage so that the business can continue on somehow, there is no hope that this business will be able to give a wage increase to a person who so justly deserves it.

And businessmen also face of course these high rate increases. So what we have is, is we're cutting the earnings of the business and we're cutting the earnings of the employees that works for the business. This is a no-win situation for nobody out there, Mr. Speaker. Any way you look at it there is no way that is fair

to these families to pass it on to them.

And then you look at the farm families that are undoubtedly facing high input costs of fertilizer, fuel, and associated costs, including chemicals, repairs, equipment, and more. Now they also face these high energy costs with very, very little money to pay these high bills.

Mr. Speaker, I've addressed this motion today simply because I believe that a line must be drawn. I believe that we cannot allow these increases to continue. I believe that the very viability of the province is now at stake, and that serious measures need to be taken to stop these increases in their tracks, and attempt to somehow get the economy of this province back on track. Any form of utility rate increases, in a form of taxation, that the residents of Saskatchewan simply cannot bear any further.

We already have examples of how municipal governments and urban governments are dealing with these utility rate increases, and that by raising their mill rate, Mr. Speaker, that's how they're doing it, unfortunately.

We have Saskatoon, Moose Jaw, and another smaller centre, Melfort, has already raised their mill rate to recover some of these higher costs. So it looks like the trend is developing that municipal and urban governments will have no choice but to increase their mill rates over the long haul, to absorb these utility rate increases.

I cannot stress enough that this, you know, cannot happen, that increased taxes are not the way to go. And I would urge this government to look at the whole thing a lot more closely, with some sort of action on their part.

Mr. Speaker, it is also important that I mention that we look at all the aspects of alternative energy as we look at the future of utilities in this province. And I do believe that this government has begun to look a bit in that area of development.

We see some windmill technology going up that would generate power through one of our most abundant resources, and that might be wind. We have a little bit of it out here, and a lot of it on the other opposite side of the House, Mr. Speaker. But that is something that this government will have to look at to help address the high costs.

We also look at alternative forms of fuel, perhaps ethanol development, in a way that we can get these high fuel costs down.

But getting back to the motion, Mr. Speaker, is the simple fact is that the Crowns are making a lot of money, and the Crowns were developed in this province just to cover costs and save taxpayers money. But when they are making costs . . . making profits of over a hundred to two hundred million dollars a year, and not passing them back to the basic people that are paying that, that is wrong, Mr. Speaker.

And that is why I am for this motion, and that is why I second the motion moved by the member from Swift Current. Thank you.

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

**Mr. Thomson:** — Thank you, Mr. Speaker. I am indeed pleased to have this opportunity today to respond to this particular motion, and in so doing address some of the issues that have been raised by members opposite over the past couple of weeks in this Assembly.

There is a great number of myths that the opposition are building. A great number of myths that I think need to be examined very closely, and that we need to correct, that we need to make sure Saskatchewan people have a clearer understanding of what is in fact the reality, Mr. Speaker — the reality of what is happening within our Crowns, the reality of what is happening with our communities, the reality of what is happening in this government's finances.

Because the members opposite have moved from week to week to week with different issues as they have hit and missed . . . shot and missed on every single one of the opportunities they've had to stand in this House.

They put up a . . . a straw dog is probably the best way to say it and they just take shots at it. And it lasts about as long as it takes for them to get outside into the scrums and have the media ask the tough questions whereupon it crumbles and they come back the next day with a new set of issues.

This resolution in front of the House, Mr. Speaker, is another clear example of their strategy to lead Saskatchewan people in a direction that does not reflect the reality of Saskatchewan's economy or the government's finances or the government's direction.

Let me start, Mr. Speaker, by the big misconception that the member for Arm River brought forward today that somehow Saskatchewan's people are bankrupt; they're destitute; that they can't afford the basic accommodation; that they can't afford to heat their homes. That's what the member opposite is saying. That's what the member for Arm River just said in his speech, Mr. Speaker.

Well let me tell you something — the facts. The economists, and I would suspect most of the people in his riding, would disagree with him. I have in front of me a report from *Sask Trends Monitor*, March of this very year. It says here, in an examination of household spending and household wealth of Saskatchewan people, that Saskatchewan households — and I'm quoting from the report now:

Saskatchewan households have a debt to . . . (equity) ratio of 11 per cent.

Guess what, Mr. Speaker. This report goes on to say this is the lowest rate in Canada — the lowest rate in Canada — the debt to equity ratio.

Mr. Speaker, the report goes on to say:

Some . . . more interesting information from the survey data (and I'm quoting) is obtained via a comparison with other provinces.

Now the members opposite will like this because they always like to point to other provinces.

Saskatchewan's ranking is relatively high in terms of wealth (the report says, Mr. Speaker).

It says:

The median value of assets are the fourth highest in the country and median net worth is second . . . (only to) Ontario.

It says:

Saskatchewan ranks first in median RRSP holdings, bank deposits, and the value of vehicles, and second highest for bond holdings.

The members opposite say people have no money. They say we're bankrupt. I say to you, Mr. Speaker, that the people in this province that are bankrupt are the opposition who are bankrupt of ideas. They bankrupted the province and they will bankrupt it again if they ever get the chance.

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

**Mr. Thomson:** — Mr. Speaker, the people of this province are not poor people. The people of the province are not being driven to destitution by this government. And I think it is irresponsible of the members opposite to stand as they do and accuse us of these things, Mr. Speaker.

Let me say very, very clearly . . . and I want to go through a series of the issues that have been raised by the members opposite in support of their argument, in support of this resolution. I should tell you right now that having listened to their rather sorry attempt to defend their resolution, that I'll be moving an amendment at the end of my remarks to clarify a few of the facts, Mr. Speaker.

But before I get to that point I want to take a look at some of the arguments put forward by the member for Swift Current and put forward by the member for Arm River in their comments today. The member for Swift Current went on at some length about the government's finances today.

He went on to say basically that we have this Fiscal Stabilization Fund with half a billion dollars in it — \$400 million in it — saying that this is a terrible, terrible thing for the province to have. A terrible thing that the province would set aside some of its money from a windfall. That we would set aside some of our money that we earned in a resource-based economy that we know fluctuates up and down. That we would set aside that money so that we could spread out — spread out the spending to ensure that public services continue to be offered even when economic downturn happens.

Now the members opposite don't need to look to me to accept that I believe this. I can tell you this. They should take a look to the members to our south, the Americans. They should take a look at the Albertans who put money away into their reserves as well.

I'll tell you, when we were down in Minneapolis this past August, Mr. Speaker, I had an opportunity to sit in on a fiscal leaders' round table at the Midwestern legislators' conference.

That round table focused in on the discussion about what was an appropriate level of reserve for governments to maintain in order to offset economic downturns. Now as it turns out, a rather topical issue, if you think about what's been happening in the US (United States) over the past year.

Legislators from across the Midwestern states and the Prairie provinces indicated that they were carrying somewhere between 5 per cent and 7 per cent in their fiscal stabilization funds.

Now, Mr. Speaker, we will know that last year our Fiscal Stabilization Fund had more money in it. Roughly I think it was about 10 per cent. We laid out in the fiscal economic plan for the province that we would reduce that down to closer to 5 per cent. We would reduce it because we wanted to use the funds to offset some spending on public services.

The same thing, Mr. Speaker, that goes on across every one of the midwestern American states, the same fiscal planning that goes on in every one of the western Canadian provinces.

(15:00)

And yet the members opposite would say to us that somehow what we're doing is wrong, that somehow what we're doing is in misstep with what's happening in other jurisdictions. Mr. Speaker, once again the members opposite are wrong. The approach that we are taking is fiscally sound, it's economically sound, and it makes a great deal of sense.

I can tell you, Mr. Speaker, that the one cautionary note I would put to this: while the members opposite say we should be spending out the Fiscal Stabilization Fund on things like rebates, what they are saying we should be spending out this money today on, I will tell you this. At the Council of State Governments in the US, through the midwestern legislative conference, tells us that if anything, state and provincial governments have underestimated the impact of an economic downturn on their revenues.

If anything, they say that we should be setting aside closer to 10 to 12 per cent of our revenues in stabilization funds to offset economic downturns.

Now the members opposite will say, oh, and I heard the member for Swift Current say the government's revenues are growing. Well isn't that interesting? Not two weeks ago we heard the Minister of Finance stand and say to this House during the budget, and I don't know whether the members opposite didn't have their pens handy or didn't have their ears open, but he said very clearly: revenues in this province for the government would drop by three-quarters of a billion dollars this year; three-quarters of a billion dollar decrease in government coffers.

But the members opposite say the government's bank accounts are growing. I say to them — and I encourage the next speaker who stands on their side to explain to me how this works — how is it the government's coffers can be growing while at the same time we have indication in the financial statements that will be confirmed by the auditor that provincial revenues have dropped by three-quarters of a billion dollars.

Now the member opposite, the member opposite — and I always like taking financial advice from the member for Sask Rivers — the member opposite will be interested to know, and I hope he's got his budget out, a three-quarter of a billion dollar drop in revenue, the members opposite may wonder where that comes from.

Well you know where it comes from Mr. Speaker. It came in part from a decrease in provincial taxes — a decrease in provincial taxes. You might just assume, you might just figure, that if the province has just embarked on the single largest cut to personal taxes in its history that you're going to see a decline in revenue. Well sure enough we did.

So the members on the one hand are saying, oh you're allowing the government coffers to grow. Oh, you've got massive growth in your government revenues. Well on the other hand they're saying but you've got to cut your taxes more quickly. They're saying you've got to spend out the money that you're sitting on in the surpluses, even though the economists tell us that we should be setting aside 5 to 7 to 10 per cent of that money in case of an economic downturn.

Well this government has laid out a plan to reduce taxes to help Saskatchewan families that the member from Arm River spoke, I will say, eloquently of only moments ago.

And here we have laid out, Mr. Speaker, a plan to reduce taxes. Here we've laid out a plan to help Saskatchewan families. Here we've laid out a plan that's fiscally sustainable through the Fiscal Stabilization one of the members opposite want us to spend out today.

Mr. Speaker, is there anything, anything, that those members would not simply liquidate?

I'll tell you, I would say to my grandmother if she's listening now, hide the silverware because when those members come in, they're going to try and put it in the garage sale.

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

**Mr. Thomson:** — Let me tell you that, Mr. Speaker. And I would say that if those members ever get the opportunity, ever get the opportunity, that they will put the silverware in the garage sale. That's what's going to happen, because we saw it when they were in, in the '80s.

And the member for Swift Current — and I know didn't have a very big role to play back when Grant Devine was here — but he was working, toiling away up on the third floor for John Gerich in the Liquor Board. And there he was, working on plans and we were seeing how those companies were managed then.

Let me tell you, it doesn't bode well, Mr. Speaker.

So for the members opposite to stand and present resolutions and to give us financial advice, I say thank you, we've seen your 10 years of track record and we say no thank you.

**The Speaker:** — I'll just remind the member to make all of his comments through the Chair.

**Mr. Thomson:** — Mr. Speaker, I have several other comments to make which I will be more circumspect in and address my remarks more directly to you.

Let me say this in terms of government revenue, just to highlight this point once again, the members opposite have said to this Assembly that the government revenues are growing.

The fact is the Provincial Auditor and the Minister of Finance are showing that the provincial revenues are decreasing. Once again, we've got a discrepancy.

I say to the Saskatchewan people, who do you trust? Who do you trust, Mr. Speaker? Who do the people of Saskatchewan trust? The members opposite with their track record from the '80s or this government with its track record through the '90s?

Eight successive balanced budgets, nine successive credit rating upgrades. Mr. Speaker, that is a record of financial success. And I would say the people of Saskatchewan are more likely to trust the Minister of Finance than they are the member for Swift Current.

Mr. Speaker, I want to speak very specifically to some of the issues that have been raised in relation to utility rates and the Crown Corporation sector.

Over the past two weeks, we've listened to members opposite stand and ask questions about the Crown utilities. They've stood and they've asked questions saying, on one hand, your Crowns . . . only last Thursday I think we had them saying, your Crowns make too much money. How is it you could allow the Crown corporations to make this amount of money? How is it you could run them profitably? How is it that you could run them efficiently, that they were making this kind of money?

And yet they missed this one point, the Crowns made money by offering the lowest utility rates in the country — in the country, Mr. Speaker. But we never hear the members opposite say that. We never hear the members opposite come in here and say, you know, Crown ownership has provided for that opportunity, for us to be able to have fair rates.

Members opposite simply like to cherry pick the issues and say, no, in fact, what's happened is the Crowns made too much money. Now, as if, as if they were just getting that line to catch, all of a sudden they come in three days later and they say, oh but wait a second, your Crowns are now losing money.

So on Thursday the Crowns were making too much money. By Monday, the member from Swift Current is saying, well, come and explain to us, he says to the Minister for CIC, how one of your Crowns lost \$2 million.

Well which is it? Are the Crowns making too much money or are the Crowns making not enough money? Should the Crowns be making more money or should the Crowns be making less money?

I would be very interested to hear, as this debate goes on, what exactly the members opposite have for a plan, Mr. Speaker, for the Crown corporations. Is the plan for the Crowns to make more money or is the plan for the Crowns to make less money?

Because they don't seem to have this clear.

They criticize us for keeping the money from this year's dividend in CIC. Now, Mr. Speaker, I want to be very clear about this point because I don't think we've had a great deal of discussion on it in the Assembly to date.

The decision to defer the dividend was made in part because we knew we had the windfall revenues. We didn't need to transfer the money from CIC this year to offset expenditures this year. Instead what we've opted to do, is we have opted to spread that dividend over the next three years to allow us a more . . . a higher level of sustainable, public services.

Now doesn't that make sense, Mr. Speaker? Doesn't that make sense that in a year when we have windfall revenues in the GRF (General Revenue Fund) that we would use those to offset public services.

Well on the one hand, when we have the opportunity, yes, we could have taken another 200 million or 150 million out of CIC and moved it over to the GRF as a dividend. We could have done that this year. And yes, we could have moved it and let it be part of the Fiscal Stabilization Fund. But what we had decided to do instead, Mr. Speaker, was we decided to leave it, leave it in CIC so that we could increase the amount of money that we were going to take over the next three years to offset those public service expenditures.

This is a logical, sustainable, fiscally and economically sound approach to managing the Crowns, but the members opposite seem to miss this point. The Crowns make too much money on the one hand, but the Crowns lose money in some of their deals. The Crowns are sitting on too much money, but we shouldn't go and pass on the rates. There's no consistency on the part of the members opposite in their approach. I think I listened to the member for Estevan, who I know has a great deal of advice to offer this Assembly when it comes to the management of the Crowns.

And I know that she'll be interested to, Mr. Speaker, I think she'll be . . . I will be interested to hear what she has to tell her constituents in Estevan who work for SaskPower, on what her approach to running that Crown corporation would be. Because let me tell you this, Mr. Speaker, when she worked for Grant Devine we know what their approach was. Their approach was the privatization, the privatization of these Crown assets. That was the approach they had and I don't think it differed very much from what their approach is today.

Mr. Speaker, but as we take a look at what is happening around the province, and we listen to what the Leader of the Opposition is saying around the province, I can understand where Saskatchewan people would be just a tad bit confused by what the approach of the members opposite is. The members opposite on the one hand are saying, don't worry we are not going to sell the Crown corporations. On the other hand they're saying, you know what, we should sell the Crown corporations to reduce our overall debt.

Okay, which is it? Which is it? My question is: are they going to maintain the Crowns like the leader says one day, or are they going to sell the Crowns to pay down the public debt, which

they say the next day? I'm interested simply to know what the members opposite are going to do, Mr. Speaker.

Because it seems to vary as we find out from what . . . And I think this is a very interesting comment, the Leader of the Opposition probably told us more than he wanted when he was talking about his economic plan. And he said his economic plan was dependent on what? The weather. It was dependent on the weather. So I guess if they wake up and it happens to be a bright, sunny day they're keeping the Crowns. If they wake up and it's a cloudy, gloomy day they're going to sell the Crowns, because we don't seem to have any consistent position from them as to what exactly they want to do, Mr. Speaker.

What are they going to do with SaskPower? What are they going to do with SaskEnergy? What are they going to do with SaskTel? I would say to you not only will they privatize it, but they will give away those Crown assets for much less than they're worth, because that was their attempt with SaskEnergy last time.

Mr. Speaker, our approach to Crown ownership is clear. Crown ownership when the Crowns are efficiently managed makes perfect sense. It makes sense for the Saskatchewan people to own the assets. It makes sense for Saskatchewan people to control the assets. It makes sense for us to have them accountable to this legislature. That's our approach, and the benefits Saskatchewan people see are the lowest rates for utilities in the country, Mr. Speaker.

Mr. Speaker, the members opposite say the Crowns constantly are increasing their rates. I think it may interest them to know that SaskPower has frozen the rates. There has been a rate freeze for now, from '95 to 2000. No rate increase in SaskPower. SaskEnergy increased their transmission rates once — once — in seven years. That's not to say that they haven't passed on, that's not to say that they haven't passed on the increase costs.

But I can tell you, if the members opposite are criticizing the civil servants that are working hard and our officials that are working hard in SaskEnergy I say to them, you are making a huge mistake. There is a reason why today we enjoy the lowest rates possible.

Mr. Speaker, one of the things that SaskEnergy did that I think was very important was it ended up buying back some storage capacity for gas. This storage capacity enabled us to buy gas when it was relatively cheap and lock in the price.

Now it will interest the members opposite to know that we had to buy these caverns back. We had to buy them back. Why did we have to buy them back, Mr. Speaker? Because in one of their great brain waves when they were in office, they sold them. They decided it would be much better if we just bought the gas on the spot market.

Well I have in front of me information which was tabled in the Crown Corporations Committee last Thursday that shows consistently, consistently, that the gas prices charged by SaskEnergy because of their smart purchasing have been lower than what the spot prices were. The price that they are passing on to consumers, you and I, Mr. Speaker, as we buy gas to heat

our homes, has been lower on average than what was the spot prices if they had just gone to the markets.

Mr. Speaker, that is what SaskEnergy is there for. That is how they make sound financial decisions on behalf of Saskatchewan people as a Crown utility. And you know, on top of it all, Mr. Speaker, they're even making money.

Now this should warm the capitalist hearts of the members opposite that even a socialist Crown corporation can make money. I have to take some exception with what the member from Arm River said on Thursday in the Crown Corporations Committee when he said, Mr. Speaker, he was saying to us the people in his constituency don't mind being gouged by a private sector company, but it sure gets their goat when they get gouged by a Crown utility.

I was quite surprised, Mr. Speaker, that the member opposite would advocate that we should give up the fair pricing policy of SaskEnergy and simply sell off these Crowns and allow his constituents to be gouged by the private sector. That's what he says that they would rather do.

Well I just find it incredible, absolutely incredible that the member for Arm River would even suggest such a thing. How can he stand in this House today and talk about the need for us to support the local rinks, the need for us to support the local schools, for the need for us to support our local families, and then turn around and say, but you know my ideology says to me, my common sense says to me, that this plan you socialists are working on makes some sense.

(15:15)

But the member opposite says my ideological blinders say that that is not possible, Mr. Speaker. He says instead that they should be gouged by the private sector companies — because you know what — the private sector is always right. That's what he says. That's the basis of their argument, and it is every bit as illogical as they lay it out as when I lay it out to the Assembly today on their behalf. That's what the members opposite are talking about, if you can believe it. And that's on SaskEnergy.

Now the members opposite are talking about a gas rate increase this year. We know that today we are selling gas, SaskEnergy is selling gas to you and I as consumers, at about 4.50 a gigajoule — I think it's about 4.52, 4.56, in that neighbourhood. We know that the gas that they are required to buy on the spot markets to refill the caverns, the gas that they are needing to buy, they are buying at 7-something a gigajoule. We have a \$3 variance in the amount that we are selling the gas for and the amount that we are buying the gas for.

Now you'd have to ask, what is the impact of this? Well we learned on Thursday the impact of this was a deficit in the gas variance account . . . (inaudible interjection) . . . The gas variance account. The member for Swift Current happened to write this down and he's quite correct. There is a deficit in the gas variance account.

Now the amount of that, I'm told by the president of SaskEnergy, was somewhere in the neighbourhood of 130 to

\$200 million depending on where the price goes. This is the amount, the variance, between what we're selling gas to Saskatchewan consumers for right now today and what we are recouping the . . . what we are spending to replenish our supplies.

Now, Mr. Speaker, the uncertainty in this is that nobody knows exactly what the price of gas is going to be when we need to go and lock in the next set of contracts. It would be convenient if we could simply say today that it's going to be 7.70. We don't know that. We know that during the past four months, I believe, six months, I guess, going back to October, that gas has spiked as high as \$14, 13-something a gigajoule.

I say to the members opposite, it's a good thing that we weren't living in Alberta where we were having to buy that gas to heat our homes in the middle of the winter on the spot markets. I say to them that it is fortunate that we had SaskEnergy in place so that they could cushion the impact for Saskatchewan residents.

But the members opposite want to ignore this point, and this resolution ignores the point of the work that SaskEnergy has done to date in support of cushioning our consumers.

The members say that their gas bills have gone up by more than 23 per cent, that it was passed on when we had to replenish the supply. SaskEnergy's officials said it was very clear that one of the things ordinary consumers like you and I could do, Mr. Speaker, is equalize our accounts.

Equalization is basically the principle SaskEnergy uses when it does its pricing. It buys and locks in. In each of the last — I have graphs here going back to 1996 — it shows that that has been a better deal for Saskatchewan consumers than if we had bought on the spot markets like they do in Alberta.

Now I say to the members opposite and I say to Saskatchewan citizens that may be listening or hear of this, think in your individual households if you would not be better off equalizing your gas bill. I do it. It allows me the chance to have a very standard amount of money come out of my bills.

Yes, you still see the increases as they come in, but those increases are balanced out over the year. We obviously, as the member for Estevan was kind enough to point out, obviously we don't use a lot of gas in the summer to heat our homes. That's the opportunity when you have to recoup the cost to spread it out. This is easier for consumers. You don't see the shock.

This is very much the same principle that SaskEnergy uses in their pricing, of benefit to Saskatchewan people, Mr. Speaker. But the members opposite ignore that. They ignore the fact that today we have a \$68 million deficit in the gas variance account. They neglect the fact that by the time SaskEnergy is able to recoup its gas, it could be as much as 130 to \$200 million.

Now what we do not know, Mr. Speaker, no member of this Assembly knows and no member of this government knows because it's beyond our control, we do not know what the price of gas will be. And secondly, we do not know what the independent rate review panel will say when the application is made to them to pass on that additional cost.

Will they say that the utility should eat the cost, current cost difference in the variance account? Or will it say it can pass it on. No member opposite is in a position to be able to tell us that, nor is any member on this side of the House, because we simply don't know.

Mr. Speaker, these are big, big numbers — a \$68 million difference, to date, in the gas variance account, because we're selling it to consumers at 4.50 a gigajoule, we're buying it at over 7.50 a gigajoule. This is where we end up with the variance.

Now because of the way we set up the Crown corporation, we have a position that we can cushion this. We can cushion the impact to Saskatchewan consumers. But we should not expect that that would go on forever. We cannot simply believe that the Crowns are going to be able to eat the cost of this gas and sell it at a Utopian value of 4.50 a gigajoule. I wish we could.

Now the good news is that the Department of Energy tells us that they believe the gas prices will stabilize and come down. The other good news is that SaskEnergy does not need yet to lock in the amount that they're buying at.

This is one of the reasons why we have some time, Mr. Speaker, to take a look at what the impact is. This is one of the reasons why this motion today is frankly, I think, premature.

I think that the members opposite and I think this Assembly as a whole would be better off if we waited to see what the future action is of both SaskEnergy, of what the action is of the rate review panel and then made a decision of where we should go.

But for the members opposite to say well, the spot price today is pick your number and that's what we are going to figure the rate increase is, let me just say I'm glad we're not having this debate back on January 1 when the spot price was well over \$13 a gigajoule. I say I'm glad that we are not sitting in Alberta today where we know that that cost is going to be passed on directly to your gas meter.

But I say to the member opposite, Mr. Speaker, that the approach that they take towards our Crown corporations is illogical and not in the best interests of Saskatchewan people.

The members opposite say the Crowns make too much money. They say we should eat the costs. We shouldn't pass on these costs. Well let's ask ourselves what would happen if we followed them down that path. Let's think about what would happen if we simply ran these corporations, even if we ran them on solely a break-even basis.

They've tried this. They've tried this in other provinces. They tried this in Manitoba. One of the best case studies of this — and if I ever have the opportunity to work on a master's degree I think I would pick this as a topic — and that is what happened to Manitoba's Crown management system, where they opted to work the Crowns as non-profit corporations versus how we've opted to operate them as business entities.

I'll tell you what happened. Take a look at MTS as the case study; MTS, the previous Conservative administration that Manitoba decided they were going to sell. They decided they

were going to sell it in part for ideological reasons because they don't believe in Crown ownership, but in part because of the management strategy they employed in that Crown did not allow them to recapitalize their investments.

What we ended up with, Mr. Speaker, was we ended up with a Crown telephone corporation in Manitoba that was not able to have the same standard of service delivery that Saskatchewan did. Two sister provinces, relatively similar bases. Two sister corporations set up in the same way. One corporation operates on a relative break-even basis. One corporation operates on a relative profit. Interestingly enough, both offer pretty much the same rates.

What's the difference? The difference is that SaskTel, through its international arm, has other investments. The difference was that we were investing in other places around the country. The difference was we were diversifying out of simply lines.

SaskTel, as an example of our Crowns, was able to set aside money to make big capital reinvestments, the major one of which was made in my riding only last year when they put in a duplicate switching station. As we all found out, Regina, unfortunately, had most of its major hospitals all on one switch, and all of its emergency services. This caused a bit of a problem when the lines went down. We were able to correct this because we had the money to recapitalize. MTS didn't have the money to recapitalize, and as a result they were forced into privatization.

I would say to you, Mr. Speaker, that I suspect whether it's SaskTel, SaskEnergy, or SaskPower, that is very much the plan the members opposite have. Run the profits down. Allow the debt to grow. Create these Crowns so that they cannot recapitalize and thus the argument to the shareholder, the people of Saskatchewan, is we have to sell them off. That's what the members opposite are putting forward. That's their argument.

Their argument today when they say that we should simply give out the money now even though we don't know in SaskEnergy what that rate of gas is, we don't know what the rate review panel is going to say, we don't know what we're going to lock in at, they say today spend all that money. They say today take every last cent that you can out of the Crowns and move it over and spend it over here — through the GRF.

Well, I can tell you, Mr. Speaker, that this is not a logical or a sound basis on which for us to run our Crowns and it is not one that this government will move on.

In terms of support for Saskatchewan families, we have done a great deal. I point only to the great approach that we have taken, a rather visionary approach, and as we'll know a somewhat controversial approach to undertake the single, largest personal tax cuts in Saskatchewan history over the last three years — three years of successive income tax cuts. I know that today people in my riding, families in my riding, are seeing this year, more than a \$500 benefit from that. Where we have single-income families earning more than \$50,000, that benefit will be more than twice that amount because we've built back in fairness into the system, because we've scrapped the high taxes they put in.

The members opposite say Saskatchewan people cannot afford to pay a fair price for gas. I say to them they're wrong. I say to them that the fiscal opportunities that we've had in front of us, our spending priorities, and our tax strategy ensures that Saskatchewan people today can afford to pay a fair price for gas. They can afford to heat their homes. They can afford to turn on the light switch. They can afford to drive their cars.

Now it was only a few months ago that the member opposite said — remember this, Mr. Speaker — it was only a few months ago the member opposite, as gas prices for our vehicles was reaching 70 cents a litre — incidentally about what they are today — was saying we should spend the money that we have in the Crowns and in the GRF, Fiscal Stabilization Fund, in order to reduce the tax rate on gasoline.

Well what if we'd done that? We could have done it. What if we had done that? Well we would have spent out the Fiscal Stabilization Fund. We would have gas that would have dipped, for a few months, down in price below 70 cents. And my guess is that gasoline would have gone back up to about 70 cents.

Why do I say this? Well you know what? The people of Saskatchewan tried this little experiment not that many years ago when a certain party promised to remove the gas tax, came in, decided to remove the gas tax, and voila, what happened? The oil companies stepped in and corrected the price. Which made it even worse when the government decided what a booboo they had made and had to come back in and put the gas tax back on.

So first they'd given the room for the companies to increase the base price and then they decided to apply the tax on top of it.

Now what worries me, Mr. Speaker, about this particular resolution is it's sponsored by the member for Swift Current, a member who unfortunately has a great deal of knowledge about what went on in that administration that had these hare-brained schemes. I'm not saying he was working on the hare-brained schemes but I say that he would have some knowledge of them, Mr. Speaker.

And it worries me now that four months ago, five, six, seven months ago, he's saying: reduce the price of gasoline that we pay by reducing the taxes; spend out the Fiscal Stabilization Fund; don't worry about it.

Good thing we didn't follow that because we wouldn't be able to implement his plan today which says spend out the Fiscal Stabilization Fund on support of energy rates. I can only imagine, only imagine what grand plan they're going to come up with next week.

Mr. Speaker, let me say to the members opposite. I understand the members opposite have had enough. I would say to . . .

**The Speaker:** — Order. Why is the member from Saskatoon Eastview on her feet?

**Ms. Junor:** — To introduce guests, Mr. Speaker.

Leave granted.

## INTRODUCTION OF GUESTS

**Ms. Junor:** — Thank you, Mr. Speaker. I'd like to introduce to you and through you to the other members of the Assembly the grade 4 class from Hugh Cairns Victoria Cross School in Saskatoon Eastview, my riding.

The 40 students are here today with their teacher, Ms. Miller Racicot — I hope that's the right pronunciation, I'm close — Joyce Braitenbade, Ryan Sproule, the chaperones, Mr. Borrowman, Ms. Kens, Mr. Dishko, Ms. Miller. Others with them are Ms. Newton, Ms. Michayliuk, and Mr. Couch.

I'd like to welcome the students and hope they enjoy their observation of the proceedings. I'd also like to wish them a nice tour of the building, and I'll be meeting with them in a few minutes to have a few . . . to answer a few questions and share a refreshment.

I'd like to welcome them today.

**Hon. Members:** Hear, hear!

(15:30)

## PRIVATE MEMBERS' MOTIONS

### Motion No. 2 — Rebates for Utility Rate Increases (continued)

**Mr. Thomson:** — Thank you, Mr. Speaker. I just want to recap some of the argument that I've presented . . . (inaudible interjection) . . . Well if the members opposite like, I can recap it in quite an amount of detail, Mr. Speaker. But I just want to summarize the points as to why I believe that this resolution should not be supported by our Assembly, why this resolution is premature, and why it does not reflect the true picture the Saskatchewan families have.

The member for Swift Current has put forward an argument saying that this week we should spend out the Fiscal Stabilization Fund and the CIC dividend on a rate rebate of approximately, as I understand the numbers, he's talking 200 million, or 200 . . . is it \$200 I think per household, which is about a hundred million dollars. Spend out a hundred million dollars today. Don't worry about tomorrow; just spent it out. And do it again on a regular basis.

Of course last session it was to reduce the overall price of gasoline at the pump that we're paying for our cars, which would have amounted to another loss of money for the government.

The members opposite, the member for Swift Current says government revenues are growing at such a fast rate that we should use these additional funds that we've set aside to protect our social programs in case of economic downturn; they're growing so fast we should just spent them out today.

Of course the facts, presented by the Minister of Finance, endorsed by the auditor, show in fact government revenues are shrinking. Shrinking, why? Shrinking because we have introduced the single, largest personal tax cuts in Saskatchewan history.

Now this isn't money, this is not money that we are hoarding. This is not money that is simply being hidden away. This is money the Saskatchewan people are not sending into the government. Why? Because we reduced the tax rates.

Well, Mr. Speaker, the member opposite reminds me of a point that I love to raise in this House and that is that Saskatchewan enjoys the lowest dependence on income taxes for government revenue in the nation, in the nation.

We are proud of the fact, Mr. Speaker, that we have the lowest dependence on income taxes in the nation, proudest that we run one of the most efficient governments in the nation. We are proud of the fact that we have some of the best social programs in the nation.

That, Mr. Speaker, is a balanced approach to government. And it's something that the members opposite, I hope, write down because it would be a lesson well learned.

Mr. Speaker, when it comes to the Crowns, let me highlight once again. The members opposite on one hand say the Crowns should make no money, the Crowns make too much money, no money, or that they lose money. It just depends on where we're at in question period, to be quite honest. It usually starts out where they're making too much and by the end of question period, we're losing money.

It's amazing what the impact of 30 minutes and perhaps the cloudy weather outside may have on the members opposite perspective. This is the inconsistency. The so-called government in waiting seems to have this great strategy that the Crowns should make more money, less money, the same amount of money. But whatever money they've got, we should just spend it out. Drive these corporations' debts up like we saw they did in the 1980s. Drive the debt up, drive the prices up, drive up the ability for them to put forward an argument to sell them off wholesale. Because we know that that's what the result of these kind of decisions would be if we saw us spend out the reserves.

So the economists tell us we shouldn't spend out the reserves. The economists, if anything, in midwestern America and here in the Western provinces are telling us that the reserves, if anything, should perhaps be a little higher because of economic downturn.

But we've agreed that a 5 per cent, 5 to 7 per cent Fiscal Stabilization Fund is fair. We've agreed this year to use our windfall revenues to increase social programs and reduce taxes. We agreed to set aside the dividend we were going to take from the Crowns because we know we can take that in another year. We agreed to spread that out to allow us to have a higher level of public services over a greater amount of time.

Mr. Speaker, and the member opposite for Arm River says that part of this, what it really comes down to, is the strategy of how the ideology works, and that is that he says that the people in his riding — and I don't believe it for a minute — that they would rather be gouged by a private sector company than pay the fair prices of a Crown corporation. That's what the members opposite are saying and that I find very hard to believe.

But this is the approach they take — run down the reserves, run up the debt, don't worry about tomorrow, just keep spending. That's the approach. It doesn't make any sense and it doesn't pay any attention to the facts that I've outlined today, either in terms of the wealth of Saskatchewan people, the relative wealth that we have compared to our neighbours across the country, and the sound financial management that our officials, both in the Department of Finance and the Department of Energy and Mines, as well as the officials that we have — some of the best I would say on the continent today — working for us in our natural gas utility to keep the prices down.

I say that this resolution put forward by the members opposite flies in the face of the realities that we're looking at. It is premature at best. That will be as kind as I will be about it and I would simply say that I think it ignores the facts. And as such, Mr. Speaker, I feel compelled to move an amendment:

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

encourage the government to continue to provide Saskatchewan people the benefits of prudent management of the province's finances, an approach to put an end to the deficit financing of the previous administration, creating instead eight consecutive balanced budgets, nine credit rating upgrades, and the largest personal tax reduction in the province's history.

I move, seconded by the member for Saskatoon Meewasin.

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

**The Speaker:** — In reviewing the amendment, I note that the amendment speaks directly to the province's finances and tends to stress the finances of the province, whereas the motion — the original motion — tends to centre on the Crowns and Crown corporations. And I would invite the member to continue debate and to consider an alternate motion.

I rule this amendment out of order.

**Mr. Thomson:** — Thank you, Mr. Speaker. It was not my intention to move the focus by any means off of the Crown corporations. If I could have a motion paper, I would be quite prepared to reword it in a way that would fit both the intent of the remarks that I've made and more clearly tie in with the resolution proposed by the member for Swift Current.

I would say, I think, Mr. Speaker, I will move that we encourage the government to continue to provide Saskatchewan's people with the benefits of prudent financial management in our Crown corporations, an approach that has put an end to the deficit financing of the previous administrations, creating instead a series of balanced budgets, so on and so forth. I trust that that would be in order, Mr. Speaker.

Mr. Speaker, thank you. The members opposite wanted to make sure that I was submitting a motion the same as I had read. I want to be very clear in what the amendment is that I wish to make:

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

encourage the government to continue to provide Saskatchewan people the benefits of prudent management of the province's energy resources, Crown corporations, and finances.

I so move, seconded by the member for Saskatoon Meewasin.

**Ms. Jones:** — Thank you, Mr. Speaker. It's my pleasure to second the amendment put forward by the member for Regina South, and I'm happy to remind this House that this government is indeed proud of its wise and prudent management of the province's finances.

Now, Mr. Speaker, I don't have to remind the members on our side of the House of the practices of the previous government, the deficit financing of the Tory administration, some of whose members are still sitting on the opposite side. And, Mr. Speaker, those practices left this province with a 15 . . . (inaudible interjection) . . . I know you don't . . . I'm sorry, Mr. Speaker, I know that they don't really like to be reminded of this but I'm going to do it anyway, Mr. Speaker.

Mr. Speaker, those practices left this province with a \$15 billion debt. Our province was nearly bankrupt, Mr. Speaker, and we're still forced to spend an inordinate amount of money every day of every month of every year on interest payments for the debt. Payments that do not do one iota of good for this province and its people, Mr. Speaker. Not one service enhancement, not one debt reduction — just interest, interest only.

Now the motion as put by the member from Swift Current is not explicit in what is meant by: consider greater financial relief to residents. However we've all heard in this House and many times before, and I believe that there's some quotes from newspapers, that they're considering and asking this government to provide further rebates. They also want us to somehow cushion it by not taking the proper payment on our utilities.

Now we know from question period that the members opposite have a lot of trouble, Mr. Speaker, with profitable Crowns. They absolutely have a philosophical bent that does not believe in Crowns. They would have them sold. They would spend the money. And there would be no future dividends to their shareholders who are the people of Saskatchewan, Mr. Speaker.

(15:45)

Mr. Speaker, the members opposite call on the government for more rebates to offset rising energy prices. We believe that there are better ways to put money into the pockets of people.

The energy credit announced by our government came at a price tag of \$10 million, Mr. Speaker. Mr. Speaker, all that gave each customer a credit of \$25. If I had my way, Mr. Speaker, we would have put that \$10 million into an energy conservation program right now. And we will do that, Mr. Speaker, but not before we've used up \$10 million to provide very little relief to natural gas consumers.

Energy conservation measures, on the other hand, would provide permanent savings for consumers. I'll remind the people of a little adage that says: give a man a fish and feed him for a day; teach a man to fish and feed him for a lifetime.

Mr. Speaker, the Sask Party is playing the same old game as they did last year. Whenever they find a small surplus of money they spend it over and over again calling on the government to increase spending on this and that but always using the same money.

Last year they called on us to spend around \$350 million to the tune of 2.3 billion, Mr. Speaker. We added it up and they spent the same amount of money over and over and over again and in about, oh a week and a half or so, they had come to the grand total of about \$2.3 billion all by spending the same 350,000 . . . or 350 million. Talk about voodoo economics, Mr. Deputy Speaker.

I'm proud to say that under the leadership of our former premier, our province has made tremendous strides towards restoring our fiscal health.

We're all aware that the Sask Party would have us spend all the money as soon as it's received. And we know that that's their philosophical bent — spend it now, it's gone, don't have any for another day. If it comes in spend it; if you don't have enough money later, too bad, cut the programs. That's their idea.

We know that that's the approach that put us into deficit and put us into a \$15 billion debt under that previous administration that some of those members, there, were part of. They say they're tired of hearing about it; we say we're tired of paying it.

The opposition want greater rebates, Mr. Speaker, but they neglect to say that last year SaskEnergy saved Saskatchewan residents over a hundred million dollars by keeping rate increases low. And how did they do that, Mr. Deputy Speaker? They did it by locking in prices and by passing on the savings to the consumer.

In addition, SaskPower has had a rate freeze for the past five years. And the member from Arm River says people can't afford to pay for it. Well I don't know how they'd afford to pay for it if they lived in Alberta or in another jurisdiction where they're paying much, much higher prices, Mr. Deputy Speaker.

Mr. Speaker, the Crowns use their profits for three purposes: that's to pay down debt, to expand and improve their services, and to pay dividends to their shareholders. Crown sector debt has been reduced by \$2.3 billion since 1991 when we took over, Mr. Deputy Speaker. The Crowns continue to provide top-notch services to Saskatchewan people at rates that are among the lowest rates in Canada. And the dividends to the General Revenue Fund continue to help pay for programs and services.

This year the Crowns will pay a dividend of \$200 million to the public treasury, and next year the Finance minister has estimated a dividend of about 300 million. This money is being spent on health, on highways, on education. What better way to spend it, Mr. Deputy Speaker.

Yet in her MLA report, the member from Kelvington-Wadena writes, on April 12, and I quote:

The budget spending is not sustainable over the long term. This would have been a deficit budget if the government hadn't transferred \$200 million from the Crowns and \$312 million from the slush fund.

Mr. Deputy Speaker, they call it a slush fund, but we know it as a Fiscal Stabilization Fund — a fund that puts money away for a rainy day instead of having to borrow, or to slash programs as the previous administration did, supported again by some of the same members who are still sitting over there. That's what the member for Kelvington-Wadena says.

Now the member from Swift Current wants us to take even more money, Mr. Deputy Speaker, and blow it on what he calls a \$25 pizza rebate. Meanwhile, the Leader of the Opposition, and the self-proclaimed commie suppressor, the member from Wood River, he wants . . . they want to sell the Crowns. Keep in mind, Mr. Speaker, that these are the same Crowns that are contributing \$500 million to the people of this province over the next two years, Crowns that are keeping our utility costs among the lowest in Canada.

The opposition, Mr. Speaker, increased Crown debt by \$2 billion, spent all of the retained earnings, sold off assets, and ran up a billion dollars a year in operating deficits. We, Mr. Deputy Speaker, paid down the debt, have retained earnings, have brought in eight consecutive balanced budgets, have enjoyed nine consecutive credit upgrades.

We and the people of Saskatchewan think that this is a much better way, a much better plan, because balanced budgets and credit upgrades also save taxpayers money.

Now let's talk about more ways that people are saving money. Effective January 1, Saskatchewan residents are benefiting from millions of dollars of provincial tax cuts. The new cuts combined with those of July 2000 add up to \$317 million this year, Mr. Deputy Speaker, \$317 million. Now that's a big saving and if you transferred that amount of money into a rebate, that might be substantial.

But no, Mr. Deputy Speaker, we're spending that money on sustainable tax cuts, money that will continue to be savings for the people of this province year after year after year. Mr. Speaker, our tax system is competitive, our tax system is fair, and our tax system is simple.

Mr. Deputy Speaker, our prudent management of finances takes into account a reduction in revenue of more than \$750 million, a fact recognized again by the member from Kelvington-Wadena in her April 12 MLA report. If we had spent all of our revenue last year, and more, as demanded by the Sask Party, this would have meant cuts to programs, higher taxes, and even a deficit, Mr. Deputy Speaker.

But we resisted their calls for more spending, for irresponsible spending, and we put it aside. We put it aside for the time when revenues were down so that we can provide stable funding for the critical needs of our province.

Mr. Speaker, happiness is never having to say you're Tory. And, Mr. Speaker, the member from Swift Current can't be happy because he can't distance himself from the wild spending of the Devine Tories. When his leader said there's so much more we can be, Mr. Speaker, what he really meant was there's so much more debt we can be in, Mr. Deputy Speaker.

But we're not going back there. We will continue to manage our finances in a responsible way. Our Crowns will continue through good management to generate profits for the benefit of the people of this province. The boom and bust mentality of the opposition is what got us into debt in the first place.

So, Mr. Deputy Speaker, as I said, I'm proud to second the amendment of the member from Regina South, that talks about the responsible way in which our government intends to continue to manage our finances. Thank you, Mr. Deputy Speaker.

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

**Mr. Krawetz:** — Thank you, Mr. Deputy Speaker. Mr. Deputy Speaker, it's a pleasure to enter into this afternoon's debate. And maybe for the people of Saskatchewan I think the first thing that has to be done is there has to be a clarification of some of the numbers that have been put forward over the course of this afternoon's debate and over the last couple of weeks.

Because you know, Mr. Speaker, since we received the information from the minister in the Estimates, the people of Saskatchewan have had a chance to look at the numbers that were put forward. They've had a chance to look at the amount of revenue that this government had last year and what they're projecting to have for this year. And then, Mr. Speaker, last week we had the information provided by the Crown corporations of this province.

You know, Mr. Speaker, when we look at the Crowns, and I'm going to look very specifically at two Crowns, Saskatchewan Power and Saskatchewan Energy, because, Mr. Speaker, I want to raise a point on behalf of many community groups in Saskatchewan, some very specifically from my constituency but I'm sure from all constituencies of members opposite and all of my colleagues on this side.

When we start to look at the financing of publicly owned buildings — buildings like curling rinks and skating rinks and community halls and bowling alleys — all of those facilities are run by the locally raised dollar, Mr. Speaker. And when we see the tremendous rate increases in SaskEnergy and SaskPower, there's a tremendous concern from a lot of these groups. Seniors' groups, for instance, Mr. Speaker, who run clubrooms, they are having difficulty trying to figure out what their next budget will be.

But you know, Mr. Speaker, last week we saw the Crowns put forward their profits from the year before. And we note that the two Crowns, SaskPower and SaskEnergy, have \$170 million of profit.

Now the members opposite talk about whether that's enough or not enough. I'm not going to get into that, Mr. Speaker; I'm going to just put forward the facts. The facts are there were

\$170 million worth of profit. That's up \$20 million over the previous year. So people have to look at that and say, if those two Crowns have that kind of profit, is there a reason why, number one, that the rate increases are being proposed; and number two, is there any relief that is going to be provided to the individuals in this province and/or the groups that I just mentioned?

The second point, the second point, Mr. Speaker, was raised by a member from Regina South about the Fiscal Stabilization Fund. And he talked about the Fiscal Stabilization Fund as if it was something that has existed for years and years and years. And I want to read from the government's budget and it says:

It is expected that \$775 million will be transferred to the Fiscal Stabilization Fund at the end of 2000/2001.

Well you know when that was, when that date occurred, Mr. Speaker? That date was March 31, some 24 days ago. Prior to that, the Fiscal Stabilization Fund had the sum total of zero dollars. So there isn't . . . the member alludes to the fact or suggests to the people of Saskatchewan that there was a fund that has been sitting there and now all of a sudden the opposition is saying we should be spending that fund from years back. He has his facts wrong, Mr. Deputy Speaker, so that's very, very critical.

Now the other point to note, as was mentioned by the members opposite, where did the funds come to create a \$775 million Fiscal Stabilization Fund? Last year's budget, Mr. Deputy Speaker, projected a \$405 million fund to be set up. But again, the mid-year report by the Finance minister back last November yet suggested that there was going to be windfall profits in the oil and gas sector — some \$440 million additional revenues. So now with taking those two amounts, we now have in excess of \$700 million.

But you know, Mr. Speaker, the other part that people in Saskatchewan are recognizing very quickly is that last year's budget also transferred from the Liquor and Gaming Fund the retained earnings. You know, Mr. Speaker, what that number was? It was \$699.8 million; \$700 million was taken by this government from the retained earnings of the Liquor and Gaming Fund and put into General Revenue Fund.

Now is it any wonder, Mr. Speaker, why all of a sudden there's 700-plus million dollars for a Fiscal Stabilization Fund. The member opposite has already said: well, we didn't have to use the CIC dividend last year.

Well you know what, Mr. Speaker, we heard in estimates or in . . . yes, it was estimates when we talked to the member, the minister for SERM, (Saskatchewan Environment and Resource Management) about the Forest Fire Contingency Fund. And he said well, you know, we didn't set that up last year. We're going to set it up this year using \$40 million of this year's revenue.

(16:00)

The opportunity was there last year, Mr. Deputy Speaker. They had huge numbers of dollars from oil and gas revenues, from the retained earnings that were found in the Liquor and Gaming

Authority and they didn't do it.

So now, Mr. Speaker, we're in a position where Crown corporations, after admitting to the fact that they have \$170 million profit in only two of the Crowns, are placing a severe burden on individuals and on corporations as to how they're going to balance.

Well, Mr. Speaker, let's take a look at what has happened with people in the province of Saskatchewan. And you know, Mr. Speaker, I want to read a letter. I want to read a letter for the hon. member from Regina Wascana Plains so she would listen to what reality is. The members opposite talked about reality. This is not reality.

Well I'm going to read a couple of paragraphs from the secretary-treasurer of the Foam Lake recreation association. This is a real group, Mr. Deputy Speaker, along with the groups that are the same in the community of Preeceville and Sturgis and Norquay and Pelly and Invermay and Canora, Theodore. All of those communities have groups that are trying to run their recreational facilities for the enjoyment of the seniors and the youth of this province and all of the people that are still left that haven't moved out, Mr. Deputy Speaker.

The couple of concerns that the secretary-treasurer raises are the following:

I have been the secretary-treasurer of our local recreation centre for 19 years, and in that time have continued to watch the rates for gas and power continue to climb and climb.

Our last three bills have been astronomical. Over \$6,500 for the two combined for December; 5,800 for January; and \$6,800 for February.

She goes on to say, and I quote again from the letter:

We will be faced with some very tough issues as we prepare our budget for the coming year. And one alternative may be (may be) to resort to natural ice, thus enabling us to cut our costs for running the icemaking plants.

Mr. Deputy Speaker, I've heard this concern from the communities that I've listed, that are communities in my constituency and I'm sure my colleagues have the very same concerns raised.

There are groups in this province that are struggling with SaskEnergy bills, with SaskPower bills. They are struggling with the astronomical increases that have occurred. Yet, SaskPower and SaskEnergy have a combined profit of \$170 million.

Now as the member for Swift Current put forward in his motion, we're talking about some form of relief, Mr. Deputy Speaker — relief to individuals to deal with high energy costs. And there are a number of ways to do that.

And if the government wants to be creative and wants to look at all of the different methods, put forward some options for

debate and for discussion. But that's what is needed for not only individuals, Mr. Deputy Speaker, but groups in the province who are struggling, groups that may decide to shut down their artificial ice-making plants and save money by reversing back to a natural ice situation.

That's not acceptable, Mr. Deputy Speaker. So I encourage the government to look very carefully at the resolution that says, consider options. Consider what might be relief for individuals, for groups. And as I've pointed out, Mr. Deputy Speaker, the revenue is there. The revenue is included in the Fiscal Stabilization Fund. The Crown profits are high.

And one of the other points to note, Mr. Deputy Speaker — and I think my colleague from Swift Current has briefly mentioned this — in the budget as put forward by the Minister of Finance, in the statement of revenue, he indicates that the revenue for oil and gas will fall by almost \$400 million. I talked to an individual who's involved in oil and gas exploration and the growth in this province, and his analysis of that, Mr. Deputy Speaker, was there has to be a collapse of the system to drop \$400 million.

So the question that has to be asked, Mr. Deputy Speaker, is if indeed the numbers seem to be understated, will we arrive at a situation come November when the next mid-year financial report will be put forward by the Minister of Finance and he will report to the people of this province that there is another windfall in oil and gas royalties beyond what the budget has estimated?

That's a question that I think the Minister of Finance needs to answer as well when we look at whether or not there is an ability for this government to address the relief that we are putting forward.

Mr. Deputy Speaker, I strongly support the resolution that was put forward, the original resolution, and I do not support the amendment that was put forward by government members. Thank you.

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

**Mr. Addley:** — Thank you very much, Mr. Speaker, and thank you to the member from Canora-Pelly for his very brief remarks.

I'm quite happy to stand in support of the amendment and in opposition to the main motion.

Before I begin I wanted to talk a little bit about some of the things that people outside of the Legislative Assembly have talked about. For example, the member from Swift Current talks about how he would like to have the government put more money into the rebates, spend taxpayers' money into rebates and have the government interfere into the free market society. I'm sure the member from Wood River would have something to say about that.

But there was an individual who says companies may have to look at doing things differently to deal with higher natural gas costs. Quote:

They perhaps have to look at alternative sources of energy or different ways of conservation, so there's going to be some pain in this process.

Who said that, Mr. Speaker? That was the Saskatchewan Chamber of Commerce president, Casey Davis. In fact he said he doesn't . . .

. . . the Chamber doesn't like the idea of rebates to cushion the blow of higher heating bills.

So that begs the question, Mr. Speaker, who are the people on that side representing? They claim to speak for business. Well here's the Saskatchewan Chamber of Commerce saying they don't want the member from Swift Current to be standing up and saying what he's saying.

He goes on, Mr. Speaker. He says, quote:

Casey Davis says subsidies don't make it fair for all business. "One business that is energy efficient perhaps has spent money, doesn't get the benefit of another business that hasn't paid any attention to those sort of issues, it just tends to distort the marketplace."

It just tends to distort the marketplace.

So, Mr. Deputy Speaker, we have individuals, we have businesses who are purchasing energy-efficient furnaces, who are putting money into insulation, who are trying to be energy-wise and conscious.

Well the member from Swift Current wants to penalize those individuals and say, I don't care; it doesn't matter; if you've used a lot of natural gas and power we'll just give you some more money.

But, Mr. Speaker, that individual from Swift Current knows all about that and when the Minister of Energy and Mines was speaking in question period recently, the member from Swift Current said yes, it is true that I worked for a previous administration. I worked for a government in the '80s that was clearly becoming tired, old, and out of touch with Saskatchewan people.

Well, Mr. Speaker, in 1982 when the government on this side lost, we said we knew we were becoming out of touch. We had learned our lessons. Well obviously the members on that side have not learned their lessons. They are still pulling up with the same tricks as they always did.

"Soaring fuel prices threaten to eat up SaskPower profits." That's from a *StarPhoenix* article on April 20, only four days ago. This year we're down to a break-even level point. What this article says, Mr. Deputy Speaker, is that the profits that SaskPower has are tenuous because the prices are going up. So the way the opposition wants to talk they want to put the money in, spend it now, forget about the consequences tomorrow.

But there are some good news in Saskatchewan, Mr. Speaker. Some of the things that we heard today that the member from Regina South talked about. "Saskatchewan exports to grow." In fact they are going to grow two times the national average.

Healthy growth in export dollars flowing into Saskatchewan should give the provincial economy a "generally positive outlook" says the chief economist of the Export Development Corp . . . Stephen Poloz . . .

Quote:

Saskatchewan has got pretty good diversification there, despite its reputation.

We hear, day in and day out, Mr. Speaker, the gloom and doom from the members opposite, talking about how bad things are in Saskatchewan, how the outlook is bad, how people are leaving the province, how we're driving people out, how the taxes are too high.

Well none of those things are true, Mr. Speaker. I represent the constituency of Saskatoon Sutherland. That's probably the fastest growing constituency in all of Saskatchewan. I've got whole new neighbourhoods in the last 10 years.

When I go up and knock on the doors and there's concerns about which way we're going, I said, listen you're following the NDP plan for prosperity. Look at this wonderful home that you have. It's probably a \$250,000 home that they've been able to scrimp and save and have a good income to be able to afford this home. So I'm very proud to represent the members from Saskatoon Sutherland.

And I'm also . . . what the members opposite seem to forget is that I was born and raised about six hours northwest of here. I know rural Saskatchewan. In fact I probably know more about rural Saskatchewan than most of the members on that side of the House.

Members who live in cities of Weyburn and Estevan and Swift Current, I'd ask what they know about communities of my size of under 500 people. So they don't understand that, Mr. Speaker. They claim . . . they pretend to know all about rural Saskatchewan. They're wannabe rural Saskatchewan, Mr. Speaker. But the people in rural Saskatchewan can see them coming.

Now, Mr. Speaker, we have members . . . another city of Humboldt. Another part of rural Saskatchewan which is significantly larger than the town I grew up in. But the member from Humboldt is attempting to defend her vote against the budget, saying that we have not enough money, it's not sustainable. There's not enough money for it in the budget. And yet now we have the member from Swift Current talking about how there's so much money that we can just blow it on energy rebates.

Well you know, Mr. Deputy Speaker, perhaps what we should have done as a government is do what the Government of Alberta did. And what they did was they deregulated the industry. And then the cost went through the roof, they brought in the royalties, and they've had to spend almost \$4 billion in rebates just to bring it down. And it's still higher than what we're paying in Saskatchewan. So again it's the old, give with one hand, take with the other.

Now some more good news . . . And that is the philosophy that

obviously the members opposite seem to follow and that's not the way of the members on this side.

Oh, I'm pleased to see that the member from Rosthern has not left because I'm quoting from the *Saskatchewan Valley News*, and this is dated April 19. And when we talk about how taxes are going up in rural Saskatchewan, how this government is hurting rural Saskatchewan, how urban people . . . and the taxes are going up because of this province. Well, if you're going to blame this government based on taxes when they're going up, perhaps we'll get a little bit of credit from the member from Rosthern when taxes are going down.

Now the headline in the *Saskatchewan Valley News* of April 19 says, quote: "Rosthern lowering mill rate for 2001."

So the town of Rosthern is lowering taxes, Mr. Speaker. They're lowering taxes. Now perhaps the reason they're able to do that, Mr. Deputy Speaker, is because this government listened when SUMA and SARM (Saskatchewan Association of Rural Municipalities) and SSTA (Saskatchewan School Trustees Association) came in January and said, we do not want you to increase the funding directly to taxes, we want you to provide relief for education so that . . . we all know that the taxes in our community is taxes from the community as well as the education portion of the taxes. And what they wanted, Mr. Speaker, the SUMA, SARM, and the SSTA, was they wanted this government to provide education relief.

Now we have increased the education budget. It's the largest increase in Saskatchewan history. In fact, not 10 years ago the amount that was paid on interest in this debt, the public debt, was more than we were able to invest in education. That's the legacy, Mr. Speaker, of following the philosophy of the members opposite.

What are we doing this year, Mr. Speaker? We are spending almost two times as much in education. Investing two times as much in education, as we are spending on interest on the Tory debt. It's an incredible turnaround.

(16:15)

So anyway, back to the article on the *Sask Valley News*: "Rosthern lowering mill rate for 2001." Quote:

Rosthern town council set its 2001 operating budget Monday, and lowered the mill rate for a change.

Council set the 2001 uniform mill rate . . .

And it goes on:

Council lowered the commercial property class mill rate factor . . . (and partly because of the) reassessment increased the value of commercial property to a greater degree than residential property.

Incredible good news. But do we hear this good news from the member from Rosthern? No, we hear gloom and doom.

Another article, Mr. Speaker, and this is in the *Regina Leader-Post* And this speaks a little bit about the philosophy

that's different than this side of the House. This side of the House talks about working with people, co-operating with people. The members opposite — obviously the philosophy is anti-co-operation.

And this is a letter to the editor. I'll just touch on a couple of points, and it's the case for keeping the Crowns:

What do we do next year when the money runs out?

The members opposite talk about spending all of the profits that come in this particular year with the Crown profits. In fact, what happens if we sell the Crowns, as some of the members opposite have advocated in the past. Where will we get the \$200 million the year after we've sold that? How will we replace the \$200 million a year in profit? And I'll quote a little bit from this letter to the editor:

During the Devine government's reign of terror, the Conservative government of Saskatchewan gave us a false sense of "rich" and became extravagant.

It borrowed and spent because we were "open for business".

To make it easier to sell Sask Power, it split off Sask Energy. It would have sold all of the Crown corporations to pay down some of the debt it had run up in the previous 10 years.

How would . . . (the member from) the taxpayers federation solve the property tax under those conditions today?

It goes on:

Selling Crown corporations is a political philosophy not based on hard economics. There are many things that must remain in the public domain such as schools, roads, sewer and water, hospitals, river and lakes as some examples.

Keeping money-makers such as the Crown corporations helps balance those tax-supported systems that don't make money.

Mr. Speaker, I was proud to serve as a member of a credit union board in Saskatoon, and was also able to serve as its president for seven years as well. The one thing that I learned is that the numbers have to add up, Mr. Speaker. And some of the things that the members opposite have talked about just doesn't add up. They spend the same money in three different ways and call it budgeting. Well if you spent the dollar, there's no dollar over here to spend.

Well if you've spent the dollar, there's no dollar over here to spend.

And one of the things we've also learned is that you need to set aside a little bit of money for the future. You need to have a loan fund so that if loans go bad . . . which will happen in a risky environment. For example, one thing I've learned with loans: that no loans officer ever makes a bad loan and yet we do have probably 3 per cent of delinquency on some of our loans. So what that means, Mr. Speaker, and I see one of the members

opposite not understanding what I'm saying, which doesn't surprise me. But when you are investing in a company or when you are making a loan to an individual, it's a good loan.

But circumstances change, the market happens, certain things occur that are not within your control. For example, the member from Big Muddy who owns a business knows that if the price of beef suddenly goes up because of the shortage of beef in foot in mouth . . . sorry, foot and mouth disease, that she'll have to increase the price of her hamburgers. That's just economics, Mr. Speaker, and that's the same thing with some of the investments that the Crowns have made.

Now if individuals want to find out how low their taxes have gone, also along the lines of Swift Current, I invite them to check out the website [www.taxcuts.sk.ca](http://www.taxcuts.sk.ca). And what they'll find there is a tax calculator. You'll be able to plug in the numbers that you earn, that your spouse — if you happen to have one — earns, and the number of your children. And you can click on each of the years over five different years, and you will see the savings that are there, Mr. Speaker.

And one of the things that I heard in Saskatoon, someone from the Saskatoon Regional Economic Development Authority said we have in Saskatchewan the fastest-falling taxes in all of Canada. Now we don't have the lowest taxes, but we have the fastest-falling taxes, and when fully implemented we will have the third-lowest tax rate in all of Canada, Mr. Speaker. Not bad for a province that was nearly bankrupt 10 years ago.

Now the member from Rosthern continues to talk about the debt and the deficit that Allan Blakeney ran up in the 1970s. Now I've looked; I haven't seen any economist make mention to the debt that the Saskatchewan government in the '70s ran up. I haven't heard any of the banks or the people that rate our financial worth. I mean, the credit upgrades that were going up in the '70s that suddenly went down in the '80s. So I'd like to hear a little more about this so-called debt that the member from Rosthern continues to talk about. I think it's the same old thing, that if you say something over and over again, you start to believe it.

And I quote a little bit about the forecast for exports and I'll go on a little bit more about it:

An economist has a rosy forecast for Saskatchewan farmers. The Export Development Corporation in Ottawa predicts that Saskatchewan's exports will grow by 7% this year. That is well ahead of the national (average) . . . Economist Steven Poloz says the province's relatively diversified agri-food sector is the main reason.

Now I quoted from a book last week, or the week before, called *Don't Turn Out The Lights*, Mr. Speaker, from a friend of mine, Al Scholz. And he was giving success stories of the diversification in rural Saskatchewan, in particular in the agri-food business. Here's proof positive, Mr. Speaker, from an economist in Ottawa:

He predicts higher prices for wheat and other cereals. Poloz . . .

Which is bad news for the opposition, Mr. Speaker, because

they thrive, their energy source, what drives their engine is bad news, Mr. Speaker. Bad news. Gloom and doom. When there's good news, it's bad news for the opposition.

But I have a message for the opposition, Mr. Speaker. When this government finishes its mandate this term, they will run into . . . the opposition will run into a brick wall, Mr. Speaker . . . (inaudible interjection) . . . There we go.

Anyway Steven Poloz:

. . . predicts higher prices for wheat and other cereals. (He) . . . says it will be another strong year for Saskatchewan's energy and potash sales.

Another strong year.

Saskatchewan's diverse economy will help it weather the uncertain conditions going on south of the border.

Well the members opposite talk about the direction that we want to go in Saskatchewan and they keep quoting their George Bush, their Stockwell Day, that sentiment of how to implement this.

And yet, when you look . . . When I drove down to Minneapolis last year and drove through the . . . Hardly any people in the states that we travelled through, that is not the recipe for rural revitalization. That's not the recipe for growing this economy. And it proved positive again, Mr. Speaker.

At least that is the word from one economist, Steven Poloz, with the Export Development Corporation in Ottawa, quote:

Saskatchewan happens to be one of those provinces that doesn't really get hit as badly as the others. They actually end up with 7% growth in exports, which is more than double the national average. Poloz says oil, potash, and agriculture will lead the way for Saskatchewan.

Mr. Speaker, incredible good news for the members on this side of the House and for the people of Saskatchewan. Unfortunately not as good news for members opposite.

Now a couple more points I wanted to touch on, some of the headlines that have been in the paper in the last month. "Opposition's rash pledges trap for future." That's an editorial for *The Star Phoenix*, Thursday, April 5. I won't go in about it, but it goes on and talks a little . . . talks about how the members opposite are planning to be in government but it's not going to happen, Mr. Speaker.

Now here's an interesting article that was just from within the last week and it's from the Yorkton paper. And the headline says, "Sask Party searching for city candidates". And I thought this was quite interesting the way that they approach it. The guest speaker is one Tom Lukiwski. And this is what he says:

Top-notch, credible candidates are what will turn the trick (turn the trick, Mr. Speaker) for the Sask Party in the next provincial election, says that party's executive director.

Tom Lukiwski in an interview from Regina, says many

voters still perceive the Sask Party as mainly a rural movement and that attracting quality candidates will do much to dispel that myth.

So, Mr. Speaker, what I hear from this story is that right now the opposition is perceived only as a rural movement and to dispel that they'll have to get the quality candidates.

Well, Mr. Speaker, I was able to campaign in Regina . . . in Saskatoon Riversdale, and we came up against some of the tactics of the quality candidates that they had. And, Mr. Speaker, I'm feeling much more secure facing the next election if that's the best that the members opposite can throw at us.

Some other points. "High marks for Sask. budget", "Bank bullish on Sask. GDP", "Royal bullish on Sask.", "Some rural towns diversifying well". And this is from the . . . about a month ago, Thursday, March 24, *The Leader-Post*, and it dispels some of the myths that the oppositions like to propagate. And the quote goes something like this:

There are a couple of myths about small-town Saskatchewan that Doug Elliott would like to erase: Not everyone who lives in rural Saskatchewan is a farmer and not all rural communities are dying.

Further on in the article it says:

He said that medium-sized towns of 750 to . . . (1,500) are growing more than smaller towns and larger towns.

So the diversification that we have embarked on in the last 10 years is beginning to work. Is it perfect? Of course not, Mr. Speaker. There's much work to be done. There's much work that needs to be done in the health care system which is why Mr. Fyke was asked to go and study the issue, which is why the members opposite were invited to participate.

I have to say, and this is in all sincerity, the time I spent on the Special Committee on Tobacco Control, the member from Weyburn-Big Muddy I actually learned something from. And the member from Estevan I learned not quite as much but . . . And the member from Saltcoats as well. But no, in all sincerity and I mean this genuinely — but the member from Estevan likes to give me the gears so every chance I have a chance I like to give her the gears — but I actually did learn something. And I'd like to think that they also learned something from us.

And I think we came up generally with a much better report than if they had not participated. And I think more people will be alive when this report is actually translated into legislation. So I encourage the members opposite to be involved.

Another quote:

Saskatchewan growth to outdo national average.

The Toronto Dominion says:

Saskatchewan's energy sector will fuel GDP growth of 2.5 per cent this year, outpacing the national average of 2.2 per cent.

Another quote from the *Ituna News* from Monday, April 16. "Sask. Party Prepares" is the headline. Quote:

The Melville Sask. Party held it's (sic) annual meeting and dinner in Melville on April 5th . . . (the) Ex. Director of the Sask. Party addressed the sold out dinner.

Lukiwski was pleased with the capacity crowd of 76 (souls).

Seventy-six souls, Mr. Speaker. I've had, I've had executive meetings that . . . I've had executive meetings that were almost that large, Mr. Speaker. And that was in the summer. As well, when I was in Hafford on the weekend, Mr. Speaker, we had almost . . . we had 200 people at the event and that was in the middle of April.

It goes on to say, Mr. Speaker, quote:

A new Executive was elected with Grant Schmidt (sorry . . . Grant Schmidt) moving (from Chairman) to Membership Chairman . . .

But there's no connection, Mr. Speaker. I'll leave that, leave that unsaid.

Now some of the quotes that we've heard in the past and in the far past, it just seems like it's déjà vu all over again. We could mismanage this province and still break even — I remember hearing that, Mr. Deputy Speaker, and I was quite concerned. And unfortunately it turned out that, that we could mismanage . . . the province could be mismanaged and we wouldn't break-even. And we saw that experiment in the 1980s.

(16:30)

In fact, right now we hear day in and day out about the \$2 million that were spent here or lost there. Mr. Deputy Speaker, \$2 million is only about what we spend each day on interest on the debt — every day. In fact, it's probably about 30 cents in the time that I've been speaking, it seems like. So that debt, Mr. Speaker, we have to remember that that 6 or \$700 million that we pay on interest is just gone; it's sent outside.

Now I talked a little bit about the credit union that I was able to be a member of and serve as president and serve on the board. And one of the things that I learned with the credit union, why credit unions are so important, also covers why Crown corporations are so important.

What a credit union does is provides a service, provides access to credit, that otherwise wouldn't be available to the member. Now what it does is it provides competitive rates, good service, employs individuals at a high rate of pay, generally higher than what would be found in the . . . in often cases members of the union, in which case Saskatoon Credit Union was. And what it does, is it takes that profit, or the savings as they call it, and it reinvests it into the community. It reinvests it in putting money into higher wages. It reinvests it into taking higher risks on some loans because of some of the benefits.

Now why am I talking about credit unions, Mr. Speaker? I think there's a parallel with Crown corporations. Do we honestly

expect that a private company other than SaskTel would come in and expand its cellular coverage to the locations that SaskTel has or SaskTel Mobility?

Of course not, Mr. Speaker, because private companies are in it for profit. And there's absolutely nothing wrong with that, because if we did not have private industry in Saskatchewan we would not have a strong Saskatchewan. Which is why in the budget we just introduced this year, why we've lowered the small business tax by 25 per cent and raised the ceiling by \$100,000.

So, however, Crown corporations play a role. When members opposite raise the issue that they want to extend natural gas into areas of the province that are sparsely populated, I'm in support of that. But then don't turn around and knock the Crown corporations for investing in something where there's no money to be made. It is meant to be a service. It's meant to pay their employees larger than in some cases private sector, although we heard in Crown Corporations that that was not the same case for the management. And so what I'm getting at, Mr. Speaker, is the members opposite seem to want to criticize our Crown corporations.

Now there's lots of areas where we can improve. And I welcome their constructive criticism because I have my criticisms of some of the things that some of the Crowns, some of the departments . . . We can always improve. It's always sharpening the saw. If you measure what you want to achieve, you will actually have a greater chance of achieving it. So I welcome some of the questions from many of the members.

However, but when you attack the Crown corporations, they are fulfilling a very important public policy role. And what I would ask is, once we have sold them off, once all of those Crown corporations have been sold on the private sector, have been given away to some of their friends, what would we do the next day? That money is gone.

Do we honestly think that rates would be lower, that the profit amount that is now being made by the Crowns that is being reinvested into the community by way of donations to the community, by the way of higher wages or fair wages, by way of dividends to the government so that we can pave the roads, so we can build the highways, so we can invest in education and health care, do we honestly think that a private company that's providing this kind of service would actually turn and put the money into the government? I don't think so, Mr. Speaker.

So, Mr. Speaker, in conclusion I want to thank the member from Regina South for amending the motion, and I want to support the motion which now reads:

That the words after "Assembly" be deleted and substituted with the following:

encourage the government to continue to provide Saskatchewan people the benefits of prudent management of the province's energy resources, Crown corporations, and finances.

Mr. Speaker, I support that motion and I will oppose the motion that was put forward by the member from Swift Current. Thank

you very much, Mr. Speaker.

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

**Ms. Eagles:** — Thank you, Mr. Speaker. Thank you, Mr. Speaker. I'm very pleased to rise and speak in support of my colleague, the member from Swift Current's motion urging the government to provide greater financial relief to Saskatchewan taxpayers who are facing massive increases in their energy costs. And I'm also very thankful that that social rhetoric is over, from the other side there.

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

**Ms. Eagles:** — Mr. Speaker, while I was attending a grand opening of a new store in Estevan last week I had the opportunity to speak with many people. Many of them have voiced their concern about how they find it extremely ironic that this government can form new positions, new portfolios, hire new people, and even pay someone to retire in British Columbia, all at the expense of the taxpayer.

But when push comes to shove, the government can't be bothered, or refuses to offer a substantial assistance even though they are sitting on a \$500 million surplus which is due to the higher oil and gas revenues.

And for those members opposite, Mr. Speaker, Estevan is a community very involved in the oil and gas industry. The people who work in this field are finding it difficult to understand why they should continue to work for the government and not themselves. And believe me, Mr. Speaker, the exodus of Estevan people leaving to pursue their careers in the oil and gas industry in Alberta is very high and apparently will continue with more regularity.

Mr. Speaker, the people of the Estevan constituency and indeed this province have very grave concerns about their future well-being. The massive increases we have seen in energy rates and no doubt will again be seeing are having a devastating effect on every person in this province, whether it be the senior citizens, people with young families, or self-employed people. I have received a lot of calls from seniors on fixed incomes and also people with young families. They all ask, where will this end?

Mr. Deputy Speaker, these people are saying that while the government is looking after its Crown family, perhaps it should realize that the citizens of this province would like to look after their families too.

Last winter, Mr. Speaker, SaskEnergy had a snuggle up Saskatchewan program, telling citizens how to conserve energy. This program encouraged people to share their mittens and sweaters and scarves and blankets. Unfortunately, Mr. Speaker, this was the only hope some of those people had. The government had massive TV and newspaper campaigns which, I might add, are very costly to the taxpayers of this province.

While we have members on the government side bragging about an historical tax cut, taxes have actually increased by the raising of utility rates. SaskPower and SaskEnergy have increased their rates at least a dozen times since 1991. Profits

from the major Crown corps jumped to nearly \$300 million last year.

Mr. Deputy Speaker, this is devastating to the citizens of this province. Not only do people have increased power and energy rates, they also have to contend with increased SaskTel and SGI rates. Record profits, Mr. Speaker. And while the people of this province struggle to pay these huge bills, the profits are saved for an election slush fund.

Mr. Speaker, a gentleman contacted one of my colleagues about his last SaskPower bill. Now this meter is situated on a farm and it's a vacant farm. His last bill stated that he used 57,131 kilowatt hours on his vacant farm. His bill was 3,246.89 — no arrears — 3,246.89. When he phoned SaskPower he was told — and I'm paraphrasing this, Mr. Speaker — he was told if the meter says that's what it is, that's what you pay. Now isn't that an attitude?

Attitudes like this really show how serious this NDP government is about revitalizing rural Saskatchewan. Rural Saskatchewan is not being revitalized, Mr. Speaker. The only thing that is being revitalized is the NDP piggy bank.

Mr. Speaker, energy and power hikes have made it extremely difficult for businesses. Many of them barely managing to keep their doors open now. School divisions and municipalities are also feeling the increases. The costs have to be recovered and that's done through higher property taxes. We've already seen communities raise their mill rates, Mr. Speaker. And the list goes on and on — curling rinks, town halls, and other facilities cannot cope.

This morning I spoke to the treasurer of a small church in my constituency, Mr. Speaker. He said the energy costs could lead to the church closing its doors. Their energy bill in February this year was over \$600. Last year, Mr. Speaker, their highest bill was just over 300. Churches, Mr. Speaker, thinking about closing their doors. This is absolutely appalling.

Mr. Speaker, I've had phone calls and visits from several of the business owners in my constituency. They have confirmed that due to the increase of utility rates, some, and I might add quite a few of them, are contemplating closing up and moving out of Saskatchewan. Not all are going to Alberta. Some will be going over to Manitoba.

If you can, please tell me again your plan of rural revitalization. If even one of these businesses close up and leave, that is a huge loss to my constituency. Small towns are like families, Mr. Speaker — hurt one, you hurt us all.

Many of my constituents have asked with more regularity, just what is the future vision for Saskatchewan under this current government? It would appear that rather than progressing, we are regressing. And that is a very, very sad state of affairs, Mr. Deputy Speaker.

And while I'm on my feet, Mr. Deputy Speaker, there are some myths that have come across the floor and I'd just like to clarify some of them. And I will do this in point form if I may.

Mr. Speaker, the member from Regina South talks about myths

and realities. The myth is that the government cares about taxpayers. Reality is the figure that jumps out at the bottom of their energy bill.

And a news flash for the member from Saskatoon Sutherland. He directs comments at my colleague, the member from Rosthern, about the mill rate going down. Well a hot tip for you, sir, is that the mill rate can go down and taxes can still increase. So that's just a little bit of information for you.

That same member goes on to talk about quality candidates. Well if your candidates in rural Saskatchewan were quality candidates, we must have been superior because we sure whipped them.

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

**Ms. Eagles:** — And in my own defence, he goes on to talk about the Special Committee on Tobacco Control we had, saying about how he didn't learn too much from me. Well I did learn something from him, Mr. Deputy Speaker, and that's never ever, ever do I want to be a socialist.

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

**Ms. Eagles:** — And then the same member goes on to talk about the low turnout at our meetings in Melville. Well, Mr. Deputy Speaker, at the post-budget meeting held in Estevan which was addressed by the Minister of Post-Secondary Education, nine people attended. Nine people attended the post-budgetary meeting and they could hardly get anyone to even sponsor it.

And they went, the members over there, and there was a few of them, went on to talk about the debt. And I mean we know, like Grant Devine gets the blame for everything. I think he signed Confederation with John A. Macdonald because it goes back that far.

Well I'd like to tell you, Mr. Deputy Speaker, that big Al Blakeney, the debt was \$6.86 billion. Interest rates in 1982 were 23 per cent, and at that rate, a debt doubles every three and one-half years.

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

**Ms. Eagles:** — And, Mr. Deputy Speaker, it may sound like I'm really picking on the member from Saskatoon Sutherland, but I felt that he was picking on us, so I'm just making a few clarifications here.

He claims he was born in rural Saskatchewan. Obviously he was born in the dark because he hasn't seen the light yet. And he says he probably knows more about rural Saskatchewan than we over here.

Then I would like to know what his excuse is for defending the policies that his government is initiating. There is an excuse for the rest of them over there because most of them have only been on a farm once during a visit.

(16:45)

And, Mr. Speaker, the member from Regina South talks about the SaskPower employees at Boundary dam which is in my constituency. He was warning me about where their support lies.

Mr. Speaker, these employees at Boundary dam and the Shand power station in Estevan did support me in the last election, despite the fact that a union steward was one of my main competitors and remember, members on that side, that is when they were locked out.

So now that I've got that out of the way, Mr. Speaker, I'll take this back on track a little bit.

I've got some news here from people that have had their businesses assessed in hotels and motels. And Clairand Spalding, the biggest factor there is the gas bill. In Spalding alone it doubled to \$1,692 a month. Add to that the 13 per cent PST and GST (goods and services tax) as well as the liquor consumption tax, and the government is forcing them out of business. Pleasantdale is much the same. Gas prices driving people out of business. They have the place up for sale. They don't have table drinkers that make the business viable any more. If we have another gas price increase, they will have to shut their doors.

In Weekes it's much the same. Natural gas has doubled this year. Restricted on raising the price of drinks, so where do you get extra money to make ends meet?

And the Blue Willow in Wadena. CTV (Canadian Television Network Limited) was in yesterday and they were asking a few questions. An assessor was out last week so they haven't received their assessment, but their biggest concern is the natural gas. They are also very concerned about health care.

Muenster as well is very frustrated. The assessment didn't make a difference but the natural gas has doubled. For the past year they have been working alone, 18 hours a day, because they can't afford staff. The hotel is paid for and is a busy place but they are not sure what they will do.

They have worked in the industry for 25 years. This person is 47 years old and the hotel was to be his retirement. He has \$300,000 invested in this, and just before Christmas his VLTs (video lottery terminal) were removed. If he had that revenue, it would cover the cost of the current increase in SaskEnergy.

So, Mr. Speaker, those things are all having a devastating effect on the price and just absolutely driving the people out of rural Saskatchewan.

**The Deputy Speaker:** — Order. I realize it's a nice day and everybody would like to be outside and are a little rambunctious. But I'd just like to remind the House that the hon. member from Estevan has the floor. Everybody will have a chance to get into the debate. It's a little difficult to hear the hon. member and her comments, and I'd like to do so.

**Ms. Eagles:** — Thank you, Mr. Deputy Speaker. And I realize they do get a little bit vociferous when you strike a nerve, so that's okay.

But, Mr. Speaker, my constituents are very concerned regarding this latest tax hit by the government. And for that reason I strongly support my colleague's motion and ask that the government take a long, hard look at the taxpayers' request and provide more substantial relief to the people of Saskatchewan.

Thank you, Mr. Deputy Speaker.

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

**Mr. Yates:** — Thank you, Mr. Deputy Speaker. I'm extremely happy to get up this afternoon to share a few comments about the motion before us in the Assembly.

Now, Mr. Speaker, I have to start by talking about some of the comments made by members opposite. I have heard comment after comment about how this opposition party on one hand wants to spend more money on this, and then they don't want to spend money on the same thing the next day. And then they want to give energy rebates, but yet, Mr. Speaker, Mr. Speaker, in this province right now, today, in this province we have the lowest . . . I should repeat that — the lowest — natural gas rate in the country.

Now, Mr. Speaker, I have difficulty that they just can't understand that. We have the lowest natural gas rate. And, Mr. Speaker, that rate right now is \$4.52 a gigajoule, Mr. Speaker.

Now I just want to give you a few comparisons so the members opposite, the members opposite may learn something.

In Vancouver today, in sunny, warm Vancouver, they're paying \$8.82 — just about 50 per cent more, Mr. Speaker. In Edmonton, Edmonton they're paying \$8.77. In the opposition's land of opportunity, where they all strive they want to be, and I hope they go soon, it is nearly double, Mr. Speaker. I don't understand.

And listen to this. Their city — the city which they envy so much — Calgary, Mr. Speaker, in Calgary it is a shameful \$9.81; more than 100 per cent more than in the province of Saskatchewan.

Now, Mr. Speaker, they can envy Alberta. They can envy Alberta every day of the week if they want, Mr. Speaker, but when it's twice as much as it is in Saskatchewan, I don't know why.

And then, Mr. Speaker, they go ahead and they make a motion about what might happen in the future — talking about power rates may go up, energy rates may go up. Mr. Speaker, we like to deal with facts over on this side of the House, Mr. Speaker, not on speculation.

Mr. Speaker, if and when we have rate increases, Mr. Speaker, they will go through normal processes. They'll go through an independent rate review panel, Mr. Speaker. The independent rate review panel would make a recommendation. The member from Estevan is what?

**An Hon. Member:** — Yelling.

**Mr. Yates:** — Yelling. Oh, the member from Estevan is having

to hear some things she doesn't like to hear.

Now, Mr. Speaker, we can talk all we want about what might happen, but on this side we deal with facts. And I have not seen, as a member of the government, any proposal for any rate increase from SaskPower, nor have I seen any proposal for any rate increase from SaskEnergy.

And, Mr. Speaker, when those things go before an independent rate review panel, they will evaluate whether or not those increases are justified. And then at that point, Mr. Speaker, we may have something to discuss. But at this point all they're doing is speculating and talking about something that has never occurred. They're fearmongering, Mr. Speaker.

And then they bring out every small community talking about how much their natural gas has gone up, Mr. Speaker. But never once did they indicate that we have the lowest rates in Canada, Mr. Speaker.

So natural gas going up isn't a phenomenon in this province only, Mr. Speaker. It's right across this country. But yet they want to talk about how bad off everybody is in the province of Saskatchewan when they have absolutely the lowest rates, Mr. Speaker.

Now, Mr. Speaker, I think that there's a number of things that members opposite just totally want to ignore in this issue about rates. First off, Mr. Speaker, they need to understand that our Crown corporations are owned by the people, and the dividends and earnings of those Crown corporations go to sustain essential services in this province, Mr. Speaker — health care, education, highways. Mr. Speaker, programs for children — all things that we all should support.

And, Mr. Speaker, just one month ago we were talking about the budget, and lo and behold, the members of the opposition say we're spending too much money. It's not sustainable — not sustainable, Mr. Speaker.

And then when the government puts away, then when the government puts away some money to make sure that the programs they implemented are sustainable, they complain, Mr. Speaker. So, Mr. Speaker, they want to spend on one hand; then they say they want to save on this hand; then they want more money back in this hand.

Mr. Speaker, they have one platform they've ever put forward — cut taxes. Mr. Speaker, I don't know how the one platform they've ever put forward of any substance, Mr. Speaker, is going to save the province. So they're going to cut taxes, yet they're going to have money to spend on education and health care and social services. No, they're not, Mr. Speaker.

Now I think the people of Saskatchewan have seen economic plans like the members opposite have put forward in the past. In fact, we suffered through 10 years of those types of economic plans, Mr. Speaker, and those types of economic plans have put us in debt \$15 billion, Mr. Speaker.

And the members opposite continue to make noise. You know there's an old saying: if you throw a stone in the dark and it hits something, if it makes a noise, you've hit something. And, Mr.

Speaker, they know — they know — they know that their type of economics has put us in debt for more than 10 years.

Today, Mr. Speaker, today they continue to talk about a set of economic plans that they don't have. In the election last year, just over a year ago, Mr. Speaker, they talked about their plans for education — five-year freeze; five-year freeze for health care, Mr. Speaker. They didn't talk about increasing investments in health care, education, or social programs at all, Mr. Speaker. In fact, they didn't talk about anything but tax cuts.

Mr. Speaker, there are many, many more things I could talk about this afternoon, Mr. Speaker, but the members opposite continue to get upset. They don't want to hear the truth, Mr. Speaker. They don't want to hear that we have the lowest rates in Canada. And I want to stress just one more time, Mr. Speaker, we have the lowest natural gas rates in the country, Mr. Speaker.

So Mr. Speaker, with that, I'd like to adjourn debate, Mr. Speaker. Thank you.

Debate adjourned on division.

The Assembly adjourned at 16:59.