

**LEGISLATIVE ASSEMBLY OF SASKATCHEWAN**  
**First Session — Twentieth Legislature**

**Friday, November 26, 1982.**

The Assembly met at 10 a.m.

Prayers

**ROUTINE PROCEEDINGS**

**NOTICES OF MOTION**

**HON. MR. BERNTSON:** – I give notice that on Tuesday, November 30, 1982 I will move first reading of a bill, An Act to amend The Department of Finance Act.

I further give notice, Mr. Speaker, that on Tuesday, November 30, 1982 I shall moved first reading of a bill, An Act to repeal The Land Bank Act and to make Certain Temporary Provisions for Lessees.

And further, Mr. Speaker, I give notice that I shall on Tuesday, November 30, 1982 move first reading of a bill, An Act to establish a Program to Facilitate Financing of the Purchasing of Farm Land.

**SOME HON. MEMBERS:** – Hear, hear!

**WELCOME TO STUDENTS**

**MR. YEWE:** – Mr. Speaker, it is with a great deal of pleasure that I rise in this House to introduce to you and through you to this House, 11 grade 12 social studies students from the Churchill High School in La Ronge. They are accompanied, Mr. Speaker, by their teachers, Alfred Wies and Miss Nancy Thornton. Mr. Speaker, Mr. Wies and Miss Thornton and these students are to be commended for the interest they are showing in the legislative process. It is an interest that required a very long journey from La Ronge, and I hope that our deliberations here today will prove to be very worthwhile for them.

Mr. Speaker, the Leader of the Opposition and I had an opportunity yesterday to meet with this group, and I know that today all members of the House will want to join with me in extending a warm and hearty welcome to each and everyone of them.

**SOME HON. MEMBERS:** – Hear, hear!

**QUESTIONS**

**Development of Heavy Oil Upgrader**

**HON. MR. BLAKENEY:** – Mr. Speaker, I would like to address a question to the Minister of Energy. This has to do with the oil upgrader. The minister has, on many occasions, indicated that his government was committed to proceeding with the development of an upgrader and was critical of the activities of the previous government in not attaining it. I refer the minister to a speech, which he delivered to the Coal Association of Canada on September 20, indicating on page 6 of the notes for address circulated by his office that his government was giving a higher priority to the upgrader. I note also a provision in a portion of the speech which read as follows:

The province of Saskatchewan has made a first commitment to proceed with the development and construction of a heavy oil upgrader.

Would the minister give us a report on the progress which he has made with respect to the development and construction of a heavy oil upgrader and when an announcement with respect to the commencement of construction might be expected?

**HON. MR. THATCHER:** – Mr. Speaker, the primary comment that I can make to the Leader of the Opposition is that we do not intend to handle the upgrader matter in a fashion similar to the previous government. It is not the intention of this government to dangle the upgrader as a carrot to a variety of communities in this province. It is not our intention to unfairly raise expectations of any communities the way your government did to the community of Moose Jaw – and you did so very unfairly. It is not our intention to announce a site without a viable project.

Very concisely, my answer to the Leader of the Opposition is that, yes, it is a very high priority with this government. When we have a project, when we have something that is financially viable, when we have something to announce, we will announce it. But we do not intend to carry on the negotiations in public as were the tactics of the previous government.

**SOME HON. MEMBERS:** – Hear, hear!

**HON. MR. BLAKENEY:** – Mr. Speaker, for the sake of definition and so as to not to cast any aspersion. I will refer to the two sites previously discussed as the North Battleford site and the Moose Jaw site. I will not get any closer to the location of the Moose Jaw site than that.

What I am asking is: have the environmental impact studies with respect to those two sites, the North Battleford site and the Moose Jaw site, been proceeded with as was the expectation seven or eight months ago and as was announced seven or eight months ago?

**HON. MR. THATCHER:** – Mr. Speaker, in answer to the Leader of the Opposition, he is fully aware that the consortium that was involved in this project has altered. It still exists but in a different form. The Leader of the Opposition is aware that Husky Oil is no longer a member of that consortium and has made a proposal in a different section of the province. And I might point out that one of the members of that board that participated in the withdrawal of Husky from that consortium is one individuals that may have some familiarity to members opposite; one T.C. Douglas happens to sit on the board of directors of Husky Oil. I don' know what input Mr. Douglas has in persuading Husky Oil to leave and it's interesting to speculate.

None the less, the Leader of the Opposition is aware that consortium has changed. He is aware that Shell has also withdrawn their 15 per cent participation. The consortium is still operative; the consortium is still developing a project. I think it is fair to say that the site selected at Archydal is probably not viable. It is my understanding that the leases were allowed to lapse, pardon me, the options on the site leases were allowed to lapse. That consortium is still viable; that consortium may very well still present something which could be a viable proposal.

**HON. MR. BLAKENEY:** – Supplementary, Mr. Speaker. In the pursuit of the firm commitment of the province of Saskatchewan to proceed with the development and

construction of the upgrader, which firm commitment was renewed, as I indicated, by the Minister of Energy, on September 20, will he advise the House whether or not Saskoil will proceed with the upgrader even if the consortium does not decided on a specific location in Saskatchewan?

**HON. MR. THATCHER:** – Again, Mr. Speaker, I will repeat to the Leader of the Opposition that it is not the intention of this government to carry on negotiations on what could be the biggest project in the history of this province in public. I don't think it is in the interest of the taxpayers, or in the interest of anyone, for me to attempt to do so. I am prepared to give the Leader of the Opposition assurances that all avenues with all potential participants are being explored fully by this government. We are leaving no stone unturned to bring in an upgrader, which certainly would be of great economic benefit to this province, not only during the construction stage, but in the production stage.

All I can do today, Mr. Speaker, is reaffirm that we are not making any public statements until we have a deal. But when we have a deal we will announce it. I assure the Leader of the Opposition we are pursuing all options to the fullest extent.

### NGO Funds

**MR. ENGEL:** – Mr. Speaker, I have a question for the Attorney General.

I note with interest that the budgeted estimates provided for an authorized matching grant for international aid upon such terms and conditions as may be authorized by the Lieutenant-Governor in Council. You have printed a \$2,085,000 grant. Does that mean, Mr. Speaker, that you are now prepared to release the funds to the NGOs that will be handled through SCC at this time right now?

**HON. MR. LANE:** – I have met with the representative of the SCIC, and I will be meeting in the course of the next couple of weeks with the heads of member agencies. We have indicated to them that we have no present intention of reducing the amount of capital of matching grants. However, we have serious reservations as to the allocation of those grants.

I could get into a lengthy dissertation as to some of the present grant recipients, and I question the benefit either to the individuals in that country or to those making the grants. I can give you one, for example – the printing and distribution of a syndicalist manual for the benefit of the peasant workers in the particular community – the syndicalism of course being an anarchical organization to overthrow the capitalist system. That is the type of recipient that we want to change and we intend to change; we have indicated to SCIC (Saskatchewan Council for International Co-operation) that we're more inclined to go with direct aid to those projects which have a direct benefit in terms of food or community improvement in terms of their environment, such as water, or training them how to produce their own food. More direct aid – that is the direction in which we would like to see it go and that has been the tenor of the meetings to date.

**MR. ENGEL:** – Supplementary, Mr. Speaker, SCIC claims in their special newsletter dated November 19 that:

Mr. Lane suggested 74 per cent of our projects are political and social action. This figure confuses us since the allocations are: health and rehabilitation, 34.6 per cent; food, 22 per cent; community and co-operative

development, 15 per cent; education, 13 per cent; and human settlements improvements (and that's likely the one you're referring to), 9.8 per cent.

My question is can you tell me what country and where 74 per cent of their funding was going to political and social action?

**HON. MR. LANE:** – I believe that's an estimate question but I'll certainly be prepared to supply you with the information about the areas of the programming that concern us. It's approximately 74 per cent as I have indicated. Many of those projects are for training – conscientizing is the word I'm trying to get a definition of. But it seems to permeate. We have indicated that we believe there should be a fundamental shift in the type of beneficiaries under the matching grants program. We have made that clear. We have also made it clear that this government believes and reiterates that it has a moral obligation to help those countries that are less fortunate than ourselves and we intend to carry out that obligation.

**MR. ENGEL:** – I appreciate receiving a list of those countries, or those projects where you are not favorably disposed to giving funding. My supplementary question is: SCIC since its formation back in '73-74, maybe earlier than that . . . We were in the House at the time, you and I both. I think there are only three of us left that were here at that time . . . (inaudible interjection) . . . No, only three: only the Attorney General and the premier and myself.

**AN HON. MEMBER:** – Which premier?

**MR. ENGEL:** – I'm sorry, the Leader of the Opposition.

Are you now saying – this is very serious – are you now saying that you are going to tell SCIC which grant you'll fund, or are you going to leave the non-government organization the 27 member organizations, to decide and make a priority list of the funding according to a budgetary process like we've had established over the years? Or are you going to take into your office the decision-making process as to which projects you will fund? Can you answer that question for me?

**HON. MR. LANE:** – If this government is satisfied with the direction that's being taken, we are prepared to delegate that ability. If we're not, then we will undertake the responsibility ourselves. We made that clear. I might say to the hon. member, of the three members that you referred to, there are only two of us that have had continuous presence in that session since that time.

### **Changes in Beef Stabilization Plan**

**MR. ENGEL:** – I'll leave that question until he provides me with the list, Mr. Speaker.

I have a question for the Minister of Agriculture. It concerns me. My question is related to changes that were announced in the beef stabilization plan. All feeder purchases were removed from the plan effective June 30, 1982. Can the minister assure the House that farmers with signed contracts prior to that date will be allowed to include the feeders in this fund?

**HON. MR. BERNTSON:** – I'll give you a definite maybe. Once I understand the question. I will give you a firm answer. Are you asking: those were the signed contracts under the

old (what I call) MacMurphy plan – can they roll that contract into the new plan? Is that the question?

**MR. ENGEL:** – My question was: can farmers with signed contracts prior to the date June 30 be allowed to include their feeders under the plan? A farmer signed his contract, say, on January 1 or December 1, 1981. Is he allowed to feed his feeders – the 50 feeders?

**HON. MR. BERNTSON:** – Let's be clear. If you are talking about the 50-feeder option, we scrapped it. No one under the old plan has that option available to him. Those who want to belong to the old plan and, in addition, want to join this new, fine-tuned, lovely plan – that's open to them to do.

**MR. ENGEL:** – A clarification question, Mr. Speaker. Can a farmer buy 50 feeders and feed them under your present plan?

**HON. MR. BERNTSON:** – Well, I don't have all the precise data in front of me, but I think you can buy up to 5,000 as an individual.

**MR. ENGEL:** – These cattle will be included, so that he can feed them under the beef stabilization plan?

**HON. MR. BERNTSON:** – One thing that I've worked very hard at, since it's well known that I'm no fan of stabilization, is staying at arm's length from the board – allowing the board to develop the plan and put the regulations together. I will provide you with this information in precise detail, but I will have to go to the board to get it for you.

### **Nipawin Hydro-Electric Site**

**MR. KOSKIE:** – The Attorney General is in receipt of a letter from a security firm, Base-Fort Petroleum Ltd. . . .

**AN HON. MEMBER:** – Patrol.

**MR. KOSKIE:** – . . . dated October 26, 1982, wherein the company raises a number of concerns in respect to the irregularities in the awarding of a contract by SPC at the Nipawin hydro-electric site. It is my understanding, in respect to the awarding of the contract (the security site contract at Nipawin) that that was a contract in the neighborhood of \$36,000; that it was awarded to Fort Security Services Ltd.; and that the tenders closed on that particular job on August 17, 1982 and the contract was awarded on October 4, 1982.

I want to indicate that in respect to the company that received the contract, while the tenders closed on August 17, 1982, my understanding is that the company itself was not incorporated at the time that the tenders for the contract were closed. So I want to ask the minister: can he advise the House whether in fact, to his knowledge, Fort Security Services Ltd. was incorporated at the time that the tenders closed, and secondly, whether or not at the time that the contract was awarded they had received a licence, an appropriate licence, under The Private Investigators and Security Guards Act?

**HON. MR. LANE:** – Well, I suppose we're going to have to put the hon. member on our mailing list because we sent out a press release a week ago responding to that very

matter. The contract was awarded to the lowest bidder and also to a local Saskatchewan company from the area – individuals. They, I gather, made the commitment to SPC that they would be registered to get the contract. My officials, in their legal opinion, indicated that all procedures were properly handled and that, in fact, the contract was properly awarded, and the company registered, licensed, prior to operating after it was awarded the contract.

**MR. KOSKIE:** – Supplemental, Mr. Speaker. Mr. Minister, is it in the future to be the adopted policy of SPC and your government in awarding contracts to, first of all, allow anyone to submit a contract and only after the tender closes become incorporated, then award the contract to a company that wasn't even in existence at the time the tendering closed and which, after receiving the award, was able to go and apply for licence. Is that going to be the established policy of this government?

**HON. MR. LANE:** – It is the policy, where possible, to award contracts to the lowest bidder, to the local people that live in the area, are committed to the area, intend to carry on business in the area, and intend to do a good job for SPC in this particular case. That is our intention as per policy.

**SOME HON. MEMBERS:** – Hear, hear!

**MR. KOSKIE:** – Supplementary, Mr. Minister. I would like to ask you whether you believe that this policy is fair to the established security companies which tendered on that particular contract, companies which in fact had to be registered, companies which had to be incorporated, companies which had to be licensed and bonded? In no instance did this company that received the contract comply with those requests, which the other companies that tendered a bid were required to have a prior to tendering.

**HON. MR. LANE:** – I don't believe that the fact of incorporation is particularly relevant, other than the statutory requirements. But, secondly to the question: an individual happens to be a legal entity, if I may advise the hon. member.

I would suggest to the hon. member that the reason that the successful bidders were low bids was not because of the fact of a lack of incorporation or lack of registration. So I suggest to you that the real reason for the low bid was the pricing, for whatever reasons, and that was the fundamental difference. On that basis everyone had the capability to be low tenderer . . . (inaudible interjection) . . . Certainly they did.

### **Cutbacks in Social Programs**

**MR. LINGENFELTER:** – Mr. Speaker, a question to the Minister of Social Services. In Wednesday's budget speech the Minister of Finance commented that there would be no cuts in social programs. I wonder if the Minister of Social Services is about to confirm that statement which was included in the budget speech.

**HON. MRS. SMITH:** – Mr. Speaker, I would like to confirm that statement for you. Yes, there will be no cutbacks in social services. I think if you take a look at the track record over the last six months, you'll see some additions. And if you're not clear what they are perhaps I . . .

**AN HON. MEMBER:** – Staff increases don't interest me.

**HON. MRS. SMITH:** – I won't talk about staff increases, and the 50 million right now.

On the matter of social programs, let's take a look at some additions that were put into the early intervention program and the support of living that were never included in the proposed March budget.

**SOME HON. MEMBERS:** – Hear, hear!

**HON. MRS. SMITH:** – Let's take a look at the sheltered workshop in Yorkton. That was \$50,000 approved which was never approved or included in the '82 budget proposed in March. You want to talk about a couple more SHIP — \$48,000 was given a "no" by the previous government and was given a "yes" by this government. If you want an additional . . .

**SOME HON. MEMBERS:** – Hear, hear!

**HON. MRS. SMITH:** – An additional social program, youth diversion — \$12,500, was never included in the '82-83 budget, but was given approval. I don't consider that a cutback; I consider that an addition.

**SOME HON. MEMBERS:** – Hear, hear!

**MR. LINGENFELTER:** – Mr. Speaker, a supplementary to the Minister of Social Services. In the gallery today is a group of people who call themselves the Fair Deal Tax Service, who help people on low incomes prepare their income tax and get returns back from the federal government, and who, I believe, on November 8, 1982, received a letter from you terminating their funding. I'm wondering if you do not include them as part of the cutbacks which have occurred in social programming, and how this balances with the statement you have just made?

**HON. MRS. SMITH:** – Mr. Speaker, that's correct. They did receive a letter on that. I don't think it was a surprise. In previous discussions with the NGO sector, we had talked about the need for us as a government to identify some priorities. Those priorities included the matter of duplication between various governmental departments.

Along with the letter to them, I had also indicated that Consumer Affairs . . . I'm assuming that when consumer affairs was first set up, under whatever government, there were some duties to be performed to taxpayers for services. Tax services is one of them. Consumer Affairs will be looking at that.

**SOME HON. MEMBERS:** – Hear, hear!

### **Premier's Meeting with Psychic and Deficit Budget**

**MR. LINGENFELTER:** – Mr. Speaker, a question to the Premier. In light of the fact that we have, over the past couple of days, had a budget speech which has a \$220 million deficit, and that the Premier has met with one psychic, Mr. Curley, I was wondering whether or not there's any relationship between the two occurring simultaneously, or whether it's just another unfortunate coincidence. Could he inform us whether there is any relationship between the meeting with his psychic and the deficit budget?

**HON. MR. DEVINE:** – Mr. Speaker, my comments with respect to the meeting with one

Mr. Curley – I believe yesterday or the day before yesterday – cleared up the meeting and what it was about. With respect to the deficit, if the members opposite had saved any money, or kept any in the heritage fund, or provided some sort of protection for times of recession, difficult times or rainy days, then we wouldn't be in this situation.

**SOME HON. MEMBERS:** – Hear, hear!

### **Minister of Health's Visit to Northern Saskatchewan**

**MR. YEW:** – My question, Mr. Speaker, is directed to the Minister of Health. On November 1 and 2 of this year, the Minister of Health toured northern Saskatchewan. In that visit, the minister was to inspect health issues. Did you, or did you not, meet any city officials, town officials or community officials? Did you or did you not inspect any hospitals or nursing homes?

**HON. MR. TAYLOR:** – Yes, Mr. Speaker, I'm glad to report that, after taking over the department as of October 1, we went up and had a visit (A well-received visit, I should say) to the people in northern Saskatchewan. They were rather pleased to see a minister of health up there; the reception was very good. We visited the people who were responsible for the delivery of the health service. It was mainly a visit to get to know the staff – the staff that would be working for my department. I think it's very important that the staff do get to know the minister and the minister gets to know the staff. That is the co-operative way in which we can better deliver the health services that are needed in northern Saskatchewan.

**SOME HON. MEMBERS:** – Hear, hear!

**HON. MR. TAYLOR:** – Mr. Minister, we did and we visited these groups. We didn't visit with the LCAs. We visited the hospital in Ile-a-la-Crosse, we visited the nursing stations in Buffalo Narrows, we visited the nursing station in La Loche, we visited the department in La Ronge, we visited the nursing station in Sandy Bay and we visited the nursing station in Creighton. I felt it was a very worthwhile visit.

Furthermore, Mr. Minister, I would like to indicate that I told the employees in the North that I will be back in January to visit again, and there will be a general tour by the Minister of Health in the spring. I think that's in keeping in touch with the people and that will bring about better delivery of service in this province.

**SOME HON. MEMBERS:** – Hear, hear!

**MR. YEW:** – Supplementary, Mr. Speaker. You knew that the hospital in La Ronge was under review. Did you or didn't you meet with the hospital board? Did you or didn't you inspect the hospital to see if it met the standards that were required for that region in terms of health needs?

**HON. MR. TAYLOR:** – In answer to that, I think I'll relate to the answer I gave the other day to the member. If you recall, I said that my fellow minister in social services and health are working very closely together for efficiency for the people of Saskatchewan, which I should include. Therefore, on this visit I did not visit two hospitals. I did not visit the hospital in La Loche and I did not visit the hospital in La Ronge. I indicated to the people that I will be back and I will indicate to this Assembly that I will be back to visit that hospital, but, as I said earlier, that will be after consultation between the Minister of Social Services and the Minister of Health for the better delivery of health and senior

services in La Ronge. That only makes sense of efficient use of government finances, to me.

**SOME HON. MEMBERS:** – Hear, hear!

**MR. YEW:** – Final supplementary, Mr. Speaker. You knew full well that that hospital was under review, and that hospital services the entire region. You knew full well that that community needs a new hospital. Why did you avoid it? Health is their number one priority?

**HON. MR. TAYLOR:** – Well certainly, Mr. Minister, I was not avoiding anything. I will go and see that hospital, but it seems strange to me: if it services the entire region, what does the hospital in Ile-a-la-Crosse service then? Maybe we will be looking at the whole subject of health services in the North under this government, and maybe we will be redirecting some of the services to supply a better service to the people, and my friend, that is the bottom line and that is the one that should be addressed.

**SOME HON. MEMBERS:** – Hear, hear!

### **Nipawin Hydro Project**

**MR. YEW:** – One further question. This is a question to the minister of SPC. The minister in charge of SPC indicated to me in this House Last June 30 that 95 to 98 per cent of the jobs created by the results of the Nipawin hydro project would be for local people. Can the minister of SOC tell this House how many people have been employed from that immediate area – Cumberland House and Sturgeon Landing, the communities that are going to be entirely affected by that project?

**HON. MR. McLAREN:** – Mr. Speaker, in answer to the hon. member, the number of people at the Nipawin site over the past summer has been in the range of 300 or 400. We have been guaranteed and assured, and I have the figures in my office, that they are staying within the guidelines of the local Saskatchewan and the local area employment for that site.

### **INTRODUCTION OF BILLS**

#### **Bill No. 4 – An Act to amend The Members of the Legislative Assembly Conflict of Interests Act**

**HON. MR. LANE:** – I move first reading of a bill to amend The Members of the Legislative Assembly Conflict of Interests Act.

Motion agreed to and the bill ordered to be read a second time at the next sitting.

#### **Bill No. 41 – An act to amend The Statutes Act**

**HON. MR. LANE:** – Mr. Speaker, I move first reading of a bill to amend The Statutes Act.

Motion agreed to and the bill ordered to be read a second time at the next sitting.

### **MOTION**

#### **Standing Committee on Estimates**

**HON. MR. BERNTSON:** – Mr. Speaker, before orders of the day, by leave of the Assembly, I would like to move, seconded by the Minister of Health:

That the estimates and supplementary estimates for the Legislative Assembly, subvotes 1 to 3, 6, 7, 17 and 20 to 23 of vote 21 be withdrawn from the committee of finance and referred to the standing committee on estimates.

The reason for this, if I could just briefly touch on it, is that as a result of the recommendation out of the last rules committee (and I think it is incorporated in this little red rule book now) the Legislative Assembly estimates go to this committee as opposed to . . . (inaudible) . . . I understand the logic behind it is that the Clerk is, in effect, the deputy minister of the Legislative Assembly, and he is unable to properly maintain his independence while sitting here defending his estimates.

**HON. MR. BLAKENEY:** – Mr. Speaker, may I ask that you read the motion again?

Mr. Speaker, I believe that the proposal is in line. I am surprised that the ombudsman is included but I don't object to that. I simply don't know. I will need to check the record. We'll settle it when we've had a look. If I may, I beg leave to adjourn the debate.

Debate adjourned.

### **SPECIAL ORDER**

### **ADJOURNED DEBATE**

### **MOITON FOR COMMITTEE OF FINANCE (BUDGET DEBATE)**

The Assembly resumed the adjourned debate on the proposed motion of the Hon. Mr. Andrew that the Assembly resolve itself into the committee of finance.

**HON. MR. BLAKENEY:** – Mr. Speaker, when I took my seat on Wednesday evening I said I would have some further comments today. My first comments are by way of congratulation to the Minister of Finance. I am sorry he is unable to be here today and I commend to him my remarks. I have had an opportunity perform this function on a number of occasions before – six or seven budgets, I think. I have always had the opportunity of having the Minister of Finance sitting opposite me so as to encourage me to be more incisive and precise in my remarks. He is unable to be with us today, and . . . Fine, the Minister of Agriculture, the Deputy Premier, has now taken the seat of the Minister of Finance, and that will indeed encourage me.

I want to congratulate the minister for a budget delivered with vigor, and with some panache, considering the difficult material that he had to deal with, I thought he did very well. After all, his party came to office promising a business-like management. They promised managerial leadership, so it must be a pretty bitter pill for members opposite to bring in such a disastrous budget.

The party promised no deficits. It must have been a crushing disappointment that this first budget would contain the largest deficit in the history of Saskatchewan.

Mr. Speaker, the introduction of this budget on Wednesday last was a watershed event for the people of Saskatchewan. A watershed event in many ways. First of all, this budget changed the relationship between the people of Saskatchewan and the Government of Saskatchewan. The relationship has now moved beyond the rhetoric, beyond the campaign speeches, into the black and white of a budget. The new government has finally had to tell the people of this province how much the April campaign promises cost in dollars and cents. It finally had to tell the people of Saskatchewan who will pay for those promises in dollars and cents. The government has finally had to state its spending priorities, and that's what this budget is all about, and that's what all budgets are all about.

And the question now before the House, and before the people in Saskatchewan, is whether or not these are the right spending priorities for the people for the people of Saskatchewan. This is where Bruce and his snoose and his Open for Business badge come fact to face with hard reality.

So let's look at this new spending plan, Mr. Speaker, and where it might take Saskatchewan. And let's look beyond the rhetoric to the reality of the numbers. Mr. Speaker, this is the first Tory budget that this province has had in close to 50 years, and when you look at that budget, you don't need to ask very many times why it has been 50 years since the people of Saskatchewan have been willing to accord to the Progressive Conservative Party – it wasn't Progressive then – the responsibility of government.

This Tory budget, Mr. Speaker, introduces the largest deficit in the 77-year history of the province — \$220 million. It contains more money for welfare payments to unemployed employables than it does for job creation programs, and it proposed tax breaks for the rich, such as multinational oil companies, and the program cuts for those in need, such as senior citizens.

Mr. Speaker, let's look at each of these spectacular failures of this Tory budget in order. The deficit, its dismal failure with respect to job creation and its cutting of programs for those in need.

First the deficit. For the first time in more than a decade Saskatchewan has a deficit budget, Mr. Speaker, and what a deficit — \$220 million! And, Mr. Speaker, but for a pure windfall this deficit would not be \$220 million but \$330 million.

The Minister of Finance in the House the other day said he didn't have the figures available. He had them all right; he published them earlier. By pure chance, money owed by the federal government, over \$275 million – about \$275 million owed by the federal government – arrived on his desk in April and not in March; it arrived on the desk of the Minister of Finance. And that included an amount of \$110 million which, by that fortuitous circumstance, is added into his revenue this year. The previous minister of finance said his budget on page 43 indicated that this money of \$275 million was expected before the end of March. The new Minister of Finance indicates that it arrived in April. And he indicates that he took this \$273 million, and put \$164 million of it into last years' funds because it was earned last year, but \$109 million, approximately \$110 million, was earned in the previous year and he puts the money that was earned in the '80-81 year into revenue for '82-83. There's nothing wrong with that so long as it's disclosed. There's nothing wrong with that except that it should be understood that without that fortuitous delay in the mail, the deficit which we are facing would not be \$220 million but \$330 million. And without that type of financial arrangement the surplus which you would have inherited would not have been \$140 million but \$250

million.

Members opposite say that the treasury was bare, but by the time they sat at their desks for the first time there was a surplus of the order of \$250 million. Now they're bringing in a budget which, as I say, but for that fortuitous circumstance would have a deficit of \$330 million. They got a one-time-only windfall of \$110 and it still wasn't enough. They still have a huge deficit – the largest in the 77-year history of our province. In fact this one Tory deficit is larger than the accumulated deficits of all the governments that this province has had since 1905. In one year they do worse than the accumulated deficits of 77 years and this is a record. I doubt that any government in Canada will do that this year, Mr. Speaker – not even the Trudeau government and I thought the Trudeau government was about as bad as we could get when it comes to deficits. But this budget has topped the record – topped the record. It has accumulated in one year a greater deficit than all governments in the 77 preceding years and, Mr. Speaker, that makes Saskatchewan number one.

**SOME HON. MEMBERS:** – Hear, hear!

**HON. MR. BLAKENEY:** – Now, Mr. Speaker, why are budget deficits for provincial governments bad? Well, they are bad for the same reason that they are bad for you and me in our personal lives. I'm not talking about a debt that you and I might incur in order to buy a farm or to buy a business. We expect that they will pay for themselves in their earnings. I'm not talking about a debt that you and I might incur in order to buy a house. It'll pay for itself in rent saved. We know we have to live somewhere. I'm talking about going into debt steadily more every year to pay for groceries and clothes and that can't last long, and we all know it. Pretty soon all our money goes to pay for interest and we have no money for groceries and clothes. And it's the same as with the provincial government. If they keep running deficits, then every year more and more of the money goes to pay interest. More and more of the taxes you and I pay goes to pay interest and less and less goes to pay for the hospitals and schools and roads which you and I want and need.

And it can get very bad indeed! In a province like New Brunswick, which has had a Conservative government for many years now, they raise about \$910 million in taxes from their citizens, and of that money about \$130 million each year goes to pay for the interest on old debts. And then with the federal government the figure in interest alone is around \$17 billion a year. Close to \$3,000 a family of four for every family in Canada goes simply to pay the interest on debts run up by the federal government because they run deficits. This is the Trudeau trail. It leads directly to trouble, and that's where the government opposite is leading us – down that Trudeau trail.

Already in this year, in this Tory budget, every family of four in Saskatchewan will owe and extra \$1,000 whether they know it or not. Whether they know it or not! And whether they know it or not they're going to pay an extra \$150 in taxes just to start paying off that debt. And if it keeps going, things are going to get in the mess that they have been in other provinces and are in other provinces which have had Conservative governments for a long time. Sales tax in Ontario is 7 per cent, with huge medicare premiums. In Newfoundland, the sales tax is 13 per cent. And in Trudeau Ottawa, which is not Tory, there's a deficit of \$25 billion; sales tax, 9 per cent. Saskatchewan Tories are leading us down the Trudeau trail.

Have you ever heard these stories about what happens if you borrow \$25,000 on a mortgage and you have to pay 13 per cent for 20 years? And that's a modest interest rate, 13 per cent, and modest term, 20 years. In over 20 years, you don't pay

\$25,000, you pay \$54,000.

Now let's suppose you borrow \$25,000, not for a mortgage, but to pay for clothes and groceries. You still have to pay back that \$25,000. And if you borrow it at 13 per cent for 20 years, you're paying back not \$25,000, but \$54,000. And that's what we're going to do in this province with this deficit. Not \$220 million, not \$1,000 a family, but we're going to have to pay, because this government is going to run us into debt and is going to have to float bonds to pay it back not \$220, but \$472 million.

Buy now and pay later is the slogan. And the trouble is, it's the Tories who are buying now, and it's you and I, the people of Saskatchewan, who will pay back later, pay back every penny, with interest compounded.

But these Tories, Mr. Speaker, came to power promising sound fiscal management and balanced budgets. And so it was rather hard for them to accept and explain why their first budget would fail quite so spectacularly on both counts. And the result, what have they done? Have they tried to explain why they're mounting this huge deficit? They have not. They have tried to shift the blame — a rather agonizing attempt to shift the blame.

I don't propose to spend too much time on this point except to remind the House of a few hard facts. Taking the consolidated fund and the heritage fund together, this province has had a budget surplus every year since 1971 — there hasn't been one miss. Every year, the NDP promised a surplus. Every year we delivered a surplus. In election years, in non-election years, we promised and we delivered. In the year ending March 31, 1982, we promised a surplus and according to the Minister of Finance's own estimates, confirmed in the budget documents, we delivered a surplus of \$140 million and, as I say, if the mails hadn't been late, it would have been \$250 million. For the year that we're now in ending next March we promised another surplus and we would have delivered another surplus.

However, as the Minister of Finance mentioned more than once, we did not win the election last April. The Progressive Conservatives won the election last April . . . (inaudible interjection) . . . That's right. And they promised a balanced budget. Now they're elected and that's their promise. And now it's their turn to deliver. But what do they offer? Do they live up to their promise? Do they deliver a balanced budget? No. They offer an agonized alibi. The Minister of Finance started out bravely. He was going to be a man who brought in balanced budgets. He was going to be Balanced-budget Bob? I predict that after this performance and after the one that's going to come next spring, there will be no more talk about Balanced-budget Bob. He will be known as Alibi Andrew and we are going to hear one alibi after another for the failings of the government offices.

**SOME HON. MEMBERS:** — Hear, hear!

**HON. MR. BLAKENEY:** — Mr. Speaker, I said that this Tory budget introduces the largest deficit in the 77-year history of this province — \$220 million. It contains more money for welfare payments to the unemployed employables than it does for job creation, and proposed tax breaks for the rich, such as multinational oil companies, but the program cuts for those in need, such as senior citizens.

I talked about the deficit; now let's talk about job creation and welfare. The Premier says that Saskatchewan is open for business, that our economy is humming, that we don't have a recession here, that the rest of Canada has a recession but Saskatchewan decided not to participate. The facts do not support that view. The reality is that since the Tory government took office Saskatchewan's economy has been moving deeper and deeper into the grip of a recession. And as our economy contracts, people are losing their jobs. Unemployment has steadily worsened in the last six months. In April, just before this government took office, unemployment stood at 5.6 per cent. That's a seasonally-adjusted figure. In October, it's 6.7 per cent – up a full percentage point on the seasonally-adjusted figure in just six months. Some might call that a sterling record and I refer to Premier Sterling Lyon. That's the sort of record he brought to Manitoba and that's the sort of record and sort of government that the government opposite is bringing to Saskatchewan.

Mr. Speaker, the Tory government has attempted to explain away Saskatchewan's worsening unemployment problem by pointing out that the province has the lowest unemployment in Canada. And it does. But like so many other Conservative stories, it's only half the truth. It ignores the fact that Saskatchewan seemed to have the lowest unemployment in Canada as a direct result of job-creating programs by the previous government, as a direct result of our government's commitment to providing the largest possible number of jobs for those who want to work. And I want to underline that again. It was our government's commitment to provide as great a number of jobs as we could for those who wanted to work.

Mr. Speaker, the Tory government will be able to hide behind the benefits of those policies for a few months, but the day of reckoning will soon arrive. And it is arriving now because each month our unemployment rate is rising faster than that of other provinces. We are closing the gap.

Mr. Speaker, let's examine the current situation. In October there were 28,000 people unemployed – 28,000 people looking for work. In October last year it was 28,000, 18,000. Year after year that's an increase of 10,000 – 10,000 in the ranks of the unemployed – and increase of over 50 per cent, in fact about 56 per cent. Try to put that into some perspective – 28,000 people! The number of people who are looking for work in Saskatchewan is equal to the combined population, man, woman, and child, of the communities of Melville, Melfort, Estevan, and Weyburn. Drive through those communities and picture for yourself every single person you see, man, woman, and child, as an unemployed person. That's what has happened in Saskatchewan.

Even more worrisome is Saskatchewan's growing youth employment problem. New job opportunities for young people who are going to enter the labor market in the next few months are darn scarce. In October more than one-half of the people out of work in this province were under the age of 25. More than one-half of the people out of work were under the age of 25 – 15,000 of the 28,000 were under 25. Just a year ago that figure was 10,000. That was high enough. But it is now 50 per cent higher in one year. The Tories made a lot of promises last April, Mr. Speaker. One of them was that they were going to bring the children home. So far it seems they are only bringing them home from work to sit unemployed in our province – a 50 per cent increase in unemployed young people.

Mr. Speaker, any government that operates with anything less than a full employment policy is operating with a faulty economic policy. People who can't find work end up on unemployment insurance. When the unemployment insurance benefits run out and

there is no work available they end up on social assistance. People are getting paid not to work. When we pay people unemployment insurance, when we pay them with social assistance (and you can look at the figures yourself and see the massive increase), we are paying people not to work. But, Mr. Speaker, that is what this Tory budget proposes. It proposes not to create jobs. It fails to make a commitment to full employment. It fails to make a commitment to any sort of meaningful job creation. Instead it resigns itself to the fact that many people who want to work are going to end up on welfare.

If you doubt what I am saying, look at the budget documents. In 1982-83 the government expects to pay, by way of welfare, more to unemployed employables – and that's bureaucratic language for saying people who are able to work and who want to work, but can't find a job – they're going to pay more to that group who are able and willing to work than they are in job creation. \$30 million in welfare payments will go to people in this category this year and that's an increase of four times over last year – four times the amount of money going out to these employable people who don't have jobs, \$30 million. And what have we got in there for job creation? Far less than that, far less than that.

Mr. Speaker, a government willing to spend more money paying people not to work than it spends to create meaningful jobs is a government with a strange sense of priority, a warped sense of what is good for Saskatchewan, young or old.

Mr. Speaker, I have said that this Tory budget introduces the largest deficit in the 77-year history of the province — \$220 million. It contains more money for welfare payments to unemployed employables than it does for job creation, and proposes tax breaks for the rich – multinational oil companies and others – but program cuts for those in need, such as senior citizens.

Let me turn now to those program cuts, those slashes in spending. Let's turn our attention to the people who have been asked to bear the brunt of the spending cuts that this government has already announced or, more often, has introduced and not announced at all. Things are very different now than they were when members opposite were on the campaign trail in April – very different indeed. Do you remember those campaign ads? Remember those ads: "Elect us and we'll cut your taxes. We'll cut everybody's taxes. No strings attached. Everybody will be a winner; nobody will be a loser." That's what the ads said. But as the people of Saskatchewan have discovered, certainly with this government, you can't have winners without losers. You can't cut taxes without slashing programs. You can't afford expensive campaign promises unless somebody pays the price.

Seven months of PC government have made it quite clear just who is going to be asked to pay the price over the next three or four years – who will be the victims of April. For starters there are 8,500 elderly and disabled long-term care patients, people who are in special-care homes and hospitals in Saskatchewan. The PC government has increased monthly charges on them by \$27 a month. They're among the victims of April.

In March, the NDP government introduced a senior citizens' shelter allowance. It was an allowance to help more than 20,000 of our lowest-income senior citizens pay for decent housing. It was a proposal whereby, if a senior citizen paid out more than 25 per

cent of his income for shelter he could get some supplement, but the PC government has scrapped that program to help pay for their promises of April.

The Saskatchewan Dental Plan has covered four-year-olds since 1979 (and I know the Minister of Health knows this), but the new government which claims to want to expand health programs cut the services for four-year-olds. The budget we are discussing cuts the number of dental nurses and others working in the dental plan from 510 – which the March budget predicted – and from 486 who were working last year down to 475. And 12,000 four-year-olds won't have access to the Saskatchewan Dental Plan. They are more victims of April.

Saskatchewan's lowest wage earners have also been forced to sacrifice. About 60,000 workers in our province earn the minimum wage or close to it. Many are women; many are single parents. I know members opposite like to propagate the story that the people on minimum wage are usually kids coming out of school. There is not a shred of truth in that. They great bulk are women, and many, many of them are supporting dependants.

On July 1 the minimum wage was supposed to go up from \$4.25 an hour to \$4.50 an hour, but the PC government stopped that increase.

Mr. Deputy Speaker, it begins to look as if the increase scheduled for January 1, 1983 has been stopped. I would be interested to hear from the Minister of Labor when he takes part in this debate whether or not there will be an increase in the minimum wage. Certainly, it cannot be introduced now with the normal six weeks notice to employers that has become a custom, and a wise custom. Six weeks will take us beyond January 1; it looks like a second freeze. The government has frozen the wages of the lowest paid of our people to pay for their promises of April.

Injured workers, too, are being asked to pay the price. The new government has dropped improvements to the workers' compensation benefits which were introduced in the spring, and which were agreed to by the Conservatives then, but now are now being proceeded with – at least we don't know about it – to pay for the promises of April.

Young people looking for careers in our resource industries are asked to sacrifice. In order to get money for their election promises, the government opposite has stalled construction of the geology building at the University of Saskatchewan. Nothing has moved on the technical institute at Prince Albert. And so in the future when our young people are out there trying to get a job they will be competing with people from provinces which have provided training facilities when our province has not, and they will be victims of April.

The people of northern Saskatchewan will help to pay. The PC government has been cutting millions of dollars from the programs in northern Saskatchewan, and they have axed hundreds of jobs. There can be no question of that, but to disguise all this they have entered into a crash program to dismantle the Department of Northern Saskatchewan so as to disguise their program cuts. But the people of the North know. You don't have to put it in the books. Up North they know, because the unemployment rolls have expanded vastly, the welfare rolls have expanded vastly, and that tells its own story.

All these people – the elderly, the disabled, the low-income senior citizens, the

children, the workers on minimum wage, the injured workers, the young people planning their careers, and the people of the North – all these people will pay the price for the Tory election promises. All have become victims of April.

As I mentioned earlier, no one has been forced to pay a higher price than the unemployed. To save money the Devine government has cancelled or postponed hundreds of construction projects, and I'll list a few of them later. But all are things which we're going to need anyway. Why in heaven's name would we not proceed with needed projects at a time when we have hundreds of people out of work and who wants to work? But no, the deficit is arrived at because of actions by your government. The Devine government has decided that it will cut taxes and withdraw from the economy. Virtually the entire capital construction program for this year has been put on hold.

Your government has studied; your government has reviewed; and your government has had task forces. With all that study and review and task forces you still have a massive deficit. Week after week we were treated to almost daily announcements of capital programs which were cut back.

This week, Mr. Deputy Speaker, they have decided that they're going to launch a program to create jobs this winter. It's minus 20 degrees outside and they say, "Wait, winter has come; it's time we did something, creating jobs for winter." We're going to get jobs which are mere make-work jobs. We're going to get jobs shovelling snow by people who would sooner build houses.

There's no question, Mr. Deputy Speaker, that most of the people who are out of work would like to do something to create a valuable asset for their neighbors. They don't want a make-work job shovelling snow or picking up paper or clipping limbs. They want something that creates a solid asset. That they could have had, had your government mounted an employment program. But surely this latest program which has been mounted to create jobs this winter is an admission in itself that their policy of cancelling or delaying almost every project that might have created jobs this winter was disastrously wrong. Thousands of Saskatchewan people will pay for that glaring error.

No doubt mayors in this province, because they are public-spirited men, will say, "yes, we would like a job clipping limbs," but how much more would they have liked the job building the new geology building at the University of Saskatchewan campus which you people cancelled?

**SOME HON. MEMBERS:** – Hear, hear!

**HON. MR. BLAKENEY:** – People who want jobs but can't find them, they too are the victims of April. So, don't let anyone tell you that the promises of April came cheap. Thousands of Saskatchewan people are now paying the heavy price in lost jobs, lost benefits and lost opportunities.

Mr. Speaker, I've had an opportunity to look at this budget in some detail. There are still more who are being asked to bear the burden of the government opposite and its promises. I said that senior citizens were losers, were the victims of April, and that they had to pay more for nursing home care and the senior citizen shelter program is gone. But we had another Tory correction.

I underline to members opposite that that's not my language but the language of the Minister of Finance. He says that this budget is a correction. It corrects what was wrong

with the NDP budget and it corrects what was wrong with the budget before it.

Mr. Speaker, we will check on some of these corrections. This budget, first comparing it for this year with last year's budget, involves an increase in spending of \$400 million or 16 per cent. I am not now talking about the March budget which wasn't acted on, but the one from the previous year. That's not a large increase, but it's not a small one either. So we can measure the corrections introduced by the government opposite as to whether or not a program got less than the average 16 per cent or more than the average 16 percent.

Let's take senior citizens' services. Did that increase 16 per cent? No, indeed. It increased 4 per cent.

As for the provincial supplement for senior citizens' pensions (we know that plan as the Saskatchewan Income Plan, the plan which pays money to people who get the old age security and the guaranteed income supplement of \$25 a month, single; \$45, double), how much increase did they get? Well, they got a cut, not from the March budget, but from the year before, of \$800,000 or 11 per cent. So senior citizens' pensions, while everyone else is getting the 16 per cent plus, get cut 11 per cent. This is a correction?

The money for senior citizens home repair program slashed – a decrease of close to \$100,000. The grants to help people rehabilitate existing building, often senior citizens, have been cut back. The list goes on. It is clear that senior citizens are prime targets when Tories start correcting a budget.

**SOME HON. MEMBERS:** – Hear, hear!

**HON. MR. BLAKENEY:** – Or take women. I'm glad the Minister of Labor is here. Programs of special interest to women have been slashed by this correction, In the Department of Labour the women's division has the special job of helping working women, some of the most exploited people in the labor force. I would like any member on either side of the House to deny that. Funds for the women's division have been cut \$75,000 or 10 per cent. The pensions benefit branch, of special interest to women because women so often get the short end of the stick on pensions, also has been cut back. In the Department of Social Services, the money for day care, a growing need in our society, has been slashed.

Mr. Speaker, when I say these benefits have been cut, I am not talking about them failing to meet the average 16 per cent increase, I'm not talking about money that would keep them up with inflation, say 12 per cent, I'm not talking about any cut in amounts from the March budget, I'm talking about a cut in the amount of dollars actually budgeted a year ago. That's what's happened. In the amount of dollars actually budgeted a year ago, comparing it with this year's budget, there are cuts for the women's division, cuts for the pension division, and cuts for day care – cut, cut, cut. Fewer dollars for these in a budget which, on the average, is spending 16 per cent more dollars. That, Mr. Deputy Speaker, is a Tory correction. Few have missed the sharp eye of the Tory correction crew. Even the grant to credit unions to allow them to help low-income borrowers, even this small grant was slashed.

And take environment. There has been a systematic chopping of the programs to protect the environment. Perhaps that was to be expected. In September the member for Saskatoon University, the Legislative Secretary to the Ministry of Industry and Commerce, gave a speech in which he was very forthright . . . (inaudible interjection)

... That's right. And I want to quote a little bit from that speech because it certainly gives the policies of the government opposite.

The former NDP government's philosophy created adverse conditions for business people to make a dollar.

These conditions created a favorable climate for consumer groups, environmental groups and labor organizations to propel themselves into powerful positions.

The former government inhibited a group of business people that, excluding agriculture, employees 40 per cent of the provincial workforce.

Please be assured, the business community will not be neglected in the future.

Mr. Speaker, our government was proud to say that we tried to create a favorable climate for consumer groups, and environmental groups, and labor groups. And I'm somewhat surprised that members opposite would regard that as a criticism of our government. We did not believe and we do not believe that favorable climates for those groups harm business. But the present government obviously feels otherwise. To them very clearly you can't both protect the environment and be open for business.

And just as clearly, because they don't believe you can protect the environment and be open for business, they have acted on that belief. And it's all over this budget. Look at it; compare it, not with the March budget, but with what was actually voted a year ago when members opposite were in this House.

And let's look at them. Look at the money for environmental policy and planning slashed down 13 per cent. The money for mines pollution control slashed down 35 per cent. The money for mine waste research slashed down 76 per cent. The money for environmental assessment slashed down 20 per cent. And research on the hazards of low-level radiation, the money for that eliminated entirely. A concerted attack on the whole range of programs to protect the environment, Saskatchewan, a Tory correction, a Tory correction. Cut! Cut! Cut! Nobody has been cut more severely than those people in Saskatchewan who believe that the obligation of any government is to protect the environment as well as to stimulate the business climate.

I say again, Mr. Speaker, I am talking about actual dollar cuts from last year's budget. When inflation is considered these cuts would be very deep indeed. And there's more, Mr. Speaker. The health promotion budget was cut by \$250,000 or over 20 per cent from the last year's figure. I suspect that this does make Saskatchewan number one in health — the biggest cut in spending on preventive health in any province in Canada. Number one indeed. Number one indeed.

Mr. Speaker, the story is the same in department after department. Take the energy department. There are seven subvotes there. Six are increased and one is cut, and the cut was the office of energy conservation. That one was cut.

Continuing education, 28 subvotes — 24 are increased, one is the same, and three are cut. What's the one that is the same? Well, it's student loans and bursaries. Never mind inflation; there's going to be no more money for student loans and bursaries in the new

Saskatchewan, and it says so in the budget. What are the cuts? Well, there's the cut in community collage administration; there's the cut in occupational training programs; and there's the cut in training of the disadvantaged. Those are the three cuts: three out of 28.

This budget tells its story, the story of a government and its priorities, its vision for the people of Saskatchewan – and this budget adds tens of thousands of people to the victims of April.

**SOME HON. MEMBERS:** – Hear, hear!

**HON. MR. BLAKENEY:** – But, Mr. Speaker, there are many more who lose, and some of them didn't expect to lose. Many in the construction industry thought that in the new Saskatchewan there would be some opportunities for them. They have noted that according to the Premier in his speech to the Canadian Construction Association, the construction industry could look forward to a bright future. Well it may be that according to the speeches of members opposite the construction industry can look forward to a bright future, but if they look forward to it in this budget, they're going to be sadly mistaken.

I'm going to attempt to list very, very quickly, some of the major construction projects which have been cut back. There have been construction cutbacks in hospitals and health centres; geology building, Saskatoon; provincial lab, Regina; archives building, Regina; technical institute, Prince Albert; technical facility, La Ronge; University Hospital renovation, Saskatoon; Pasqua Hospital regeneration, Regina; General Hospital regeneration, Regina; provincial rehab centre, Regina provincial park development, generally; highways – a deep cut – an actual cut of \$12 million over last year in northern highways alone. This from a government that talks about stimulating the tourist industry. Stimulating the tourist industry and cutting all highways in northern Saskatchewan, that is the government.

Mr. Deputy Speaker, this government talks about getting stimulation from the construction industry, from the private sector, and how private companies are going to move in and are going to create jobs. And may I say that we wish them well, we wish them well! We want to see the private industry come back to this province as well, as they were two years ago. We would like to see the mining industry be at the level – or construction – indeed the private construction industry, or almost every private industry be at the level it was a couple of years ago. But while you're waiting, and while we're waiting, I ask them to answer a couple of questions for the people of Saskatchewan. I'm going to ask this question: which of the projects does the government say are not necessary? Which of the projects, of those I have listed and many others I could have listed, do they say are not necessary? That's question number one, and question number two is: which do they think are going to be done by the private sector? Is the geology building going to be built by the private sector? Or perhaps the P.A. technical institute – is that one going to be built by the private sector?

The government may well believe that private sector projects will create thousands of jobs in the construction industry. But while they are waiting, they have no licence and no mandate to cancel or slow-walk dozens of necessary government construction projects as this budget does again, and in the process condemn thousands of Saskatchewan people to unnecessary unemployment. No mandate whatever, Mr. Deputy Speaker.

**SOME HON. MEMBERS:** – Hear, hear!

**HON. MR. BLAKENEY:** – But, Mr. Deputy Speaker, not everyone can be a loser. Not everyone can be a loser. When Tories correct a budget to crack down on spending on senior citizens and environmental programs, when they want to crack down on training and creating construction jobs, you've got to create some winners. And there are, Mr. Speaker. There are big increases in spending — \$400 million, 16 per cent. Someone has got to get the benefit of that spending.

**AN HON. MEMBER:** – Where did it go?

**HON. MR. BLAKENEY:** – Well, take the Department of Finance — that's a place to start. They undoubtedly are setting the tone. When you look at the amount toward administration in that department (for those who want to look, it's on page 40 of the estimates) you will see that the increase for administration for the Department of Finance is from \$400,000 to \$1,600,000 — an increase of over \$1 million, an increase of 400 per cent. The staff has almost doubled. Certainly there are winners there among the staff of the Minister of Finance, big winners. But somehow I don't think that's going to be a comfort for the senior citizens who see the home repair branch cut, who see their pension money cut.

And then there are the bankers and the bondholders. They're big winners. And their winnings are only starting. They're only starting. When we go down this Trudeau trail the amount of money we're spending on interest is going to go up and up and up. Interest expense last year, in last year's budget, was \$22 million; interest expense last year, in last year's budget, was \$22 million; interest expense this year is \$44 million, a 100 per cent increase. Certainly that's nice for the bankers. Certainly that's nice for the insurance companies who are getting that money. But somehow I don't think that will comfort the working mothers whose day care bills are going up because of the Tory correction. This budget has now been corrected. We are paying a lot more money to the bankers and a lot less to the women who have children in day care. That's a Tory correction.

And then take the oil companies. They got a cut in royalties, compliments of the Minister of Energy. Just how large a cut it was I don't know. We do know that the Minister of Finance's figures for oil revenues include \$109 million that was earned, not this year, but in previous years, a \$109 million windfall which we won't have next year. No, indeed. Well, Mr. Speaker, the Minister of Agriculture apparently doubts that. I refer him to a document published by the Hon. Bob Andrew — that's the, at that time, the Balanced budget Bob Andrew — in July of 1982. Look at page four and you will see the story set out. You will see that you are including in this year's budget \$109 million which was earned two years ago. When we allow for this windfall profit of \$109 million, and the fact oil companies in western Canada generally is recovering from the battle surrounding the national energy program and is back to the levels of a couple of years ago, and the fact that higher prices for crude oil are now in effect — when you count all those things it seems that the province's share of the wellhead price for oil is down and down fairly sharply. So that's nice for the oil companies. They're certainly winners in this budget. But somehow I don't think that will be a comfort to the people of the North whose programs have been savaged and whose lives have been blighted by the Tory correction crew.

Or take the health profession. Take the doctors. The budget increase in spending for the medical care insurance commission is up \$40 million — 30 per cent, well over 30 per cent. This may not reflect the true picture but certainly the budget of \$146 million for

medical care means a big increase to the providers of medical, any way you slice it – any way you slice it. It may well be that in a previous year they were underfunded and now they're properly funded. That's his story. But any way you slice it, there's a lot of money in there for the providers of medical care. They're clear winners, but somehow I don't think that's going to be a comfort. I don't think that's going to be a comfort to the young people who don't have jobs. 30 per cent increase for the provider of medical care. Cuts for people on minimum wage, at least no increase. These young people would like to have some of that money that is going to the bankers, the bond dealers, the oil companies, because some of them are on unemployment insurance if they're lucky, and on welfare if they're not.

So, Mr. Speaker, there are winners. Corrections have taken place. We have a clear blueprint of the priorities of this Conservative government and to whom they want to assign the label of "losers" and to whom they want to assign the label of "winner." It's all there in the budget. It's all there. The Tory corrections have been clearly identified. We have winners and we have losers.

Mr. Speaker, much more could be said in detailed analysis of this budget. I have hardly touched on the program changes for northern Saskatchewan, for Indian and Metis people or for non-government social service groups. I have refrained from commenting on the actions of a government which praises the activities of non-government social service groups (rightly) and then starves them of the minimum funds they need to do their job (wrongly). I have not remarked on a government, which prefers to see its Minister of Highways erect highways signs rather than build highways, because it's so much cheaper. My colleagues will touch on many of these points as they join the debate.

I conclude on this general note, Mr. Speaker, in April the Tories told the people of Saskatchewan: "There's so much more we can be." And with this budget we're finding out some of the things that we can be. We can be so much more unemployed; we can be so much more in debt; we can have so much more economic stagnation. I ask anyone to measure any one of those from six months ago. There's so much more we can be. This budget confirms all these things and more and not only confirms them, but confirms them as official government policy: a record deficit of \$220 million; a decision to spend more on welfare payments than on job creation; a decision to cut and cut ruthlessly programs, services and benefits to help pay for the promises of April, at the expense of the needy.

Needless to say, Mr. Speaker, our party finds this kind of a budget plan both bad economic policy and bad social policy. That's why, later in this debate, one of my colleagues will move an amendment to the motion before us, along the following lines. That this Assembly expresses its shock and dismay with the budget because, among other things, it contains the largest deficit in the 77-year history of the province. It offers totally inadequate expenditures on job creation at a time when unemployment is at its highest level in this province in more than 20 years. It contains dozens of destructive cuts in programs and services to those most in need and it fails to recognize the need for prudent financial management of Saskatchewan government enterprises.

It's because of what this budget contains, and what it does not contain, that not only I and not only my colleagues, but the people of Saskatchewan are so bitterly disappointed to this first budget. If you have any doubts, check the press – check the press. The overwhelming mood is disappointment. The people are bitterly disappointed in this first budget from a Tory government which promised so much and in

whom so much trust was placed, and who have so massively betrayed that trust.

Mr. Speaker, this budget is a bad budget. It does not deserve the support of this House and will not have my support.

**SOME HON. MEMBERS:** – Hear, hear!

**MR. DIRKS:** – Mr. Deputy Speaker, I welcome the opportunity to engage myself in this important budget debate. At the outset I would like to commend the Minister of Finance, who is not here with us today, for his very finely crafted speech, for his persuasive delivery, and above all for communicating to the people of this province the message that the finances and the financial affairs of this province are in good hands.

**SOME HON. MEMBERS:** – Hear, hear!

**MR. DIRKS:** – When I heard the Finance minister speak there was one phrase which stood out quite clearly and forcefully. That was the phrase “mid-course correction.” I want to submit to this House and to the people of this province that if ever a mid-course correction was necessary in the history of this province, then now is the time.

**SOME HON. MEMBERS:** – Hear, hear!

**MR. DIRKS:** – That mid-course correction started on April 26 of this year. The mid-course correction has been continuing ever since, and we are going to continue to see corrections in the future.

The mortgage assistance plan was a mid-course correction. The gas tax reduction was a mid-course correction. The public utilities review commission was a mid-course correction. A leaner civil service was a mid-course correction. A review of the Crown corporations was a mid-course correction. Changes in oil revenues, a mid-course correction, and a necessary one.

May I say to you that when I listen to the comments that come from the opposition benches, when I read through the resolutions they debate at their party convention, I want to tell the people of this province that this mid-course correction has come none too soon.

**SOME HON. MEMBERS:** – Hear, hear!

**MR. DIRKS:** – When I see the NDP debating resolutions to nationalize banks, when I see in their budget that \$50 million was allocated by the state to buy more farmland, when I see a party and I hear a leader talking about buying into a CPR and getting into the life insurance business, then, my friends, I know the provincial ship of state has changed crew and has changed direction none too soon.

**SOME HON. MEMBERS:** – Hear, hear!

**MR. DIRKS:** – Now I can quite understand that the Leader of the Opposition is emotionally distraught over this mid-course correction, for a good deal of the programs that were advanced by his government have been exorcised. They have been brought under close scrutiny. SGI has been reviewed and rightly so. The Crown corporations are under review and rightly so. DNS has been dismantled. The land bank,

the greatest scam in the history of this province, is going. And so his response to this mid-course correction is understandably one of much emotion. But, unfortunately, it exhibits little realism.

Who would have expected that after such a disastrous defeat at the polls, after six months of soul-searching on the part of the opposition members, they would still be heard to say, and their party would still be heard to say, "Our policies were correct; our programs were sure; our direction was sound. The only difference was that the Tories had a smarter ad man for their television campaign than we did. On April 26, the Tories simply sold the public a bill of goods; the public was hoodwinked, that's all."

Well my friends, if that is your attitude, there never was a more damning indictment of a former government than is displayed by that attitude. If ever there was a cause for a mid-course correction, it's to say simply, "We failed to educate the public with our programs. We didn't sell ourselves correctly." Can you believe it? Do you honestly believe that the public is that gullible? Let's look at the sure direction, the sound policies and programs, and see how sound and sure they really were.

Consider the land bank, that bright jewel in the socialist crown. Never has a program been so maligned and attacked with justification as this socialist experiment on the Prairies. The tirade of abuse that is heaped upon this idea is more than justified.

Let's talk about the land bank because our budget talks about the land bank . . . (inaudible interjection) . . . We're going to get to it: listen. In 1972, when Premier Blakeney – and you will want to listen to his words: he was your premier – introduced this mad hatter of an idea, here is what he said: "To promote and sustain family farms we propose to inaugurate a land bank program." Then he went on to say, "Let me say that the land bank program is not a panacea for all your agricultural problems." Well, you ain't kidding. It never was a panacea. It never will be; it's going to be gone. The land bank is nothing but a bitter reminder of how governments can be part of the problem and not part of the solution.

Finally, the premier went on to say . . . (inaudible interjection) . . . Oh, I have farmers in my constituency and they talk to me about the land bank and they reflect exactly the same words that I am reflecting right now. The premier then went on to say, "The establishment of a land bank commission will, however encourage the retention and development of family farms."

Well the less said about the land bank the better. In its 10 years of existence it helped only around 130 farmers to own their own farms. But during this period, over 1,400 family farms disappeared. The land bank was not the new deal that the premier talked about in 1972. It turned out to be a raw deal, a rotten deal. And how anyone on the opposite benches can continue to say anything good about the land bank is beyond me, and beyond the 55 members on this side, and beyond the majority of the people in this province.

**SOME HON. MEMBERS:** – Hear, hear!

**MR. DIRKS:** – The sooner the land bank fiasco is put behind us the better, and for that reason I am very encouraged to see, in this budget, that a real family farm purchase program is being introduced to the people of this province – a program that will likely help more farmers own their own farms in one month than your fiasco of a program helped in all its 10 years.

**SOME HON. MEMBERS:** – Hear, hear!

**MR. DIRKS:** – Now, one of the most significant mid-course corrections in this budget is, in dollars and cents terms, not on a par with the family farm purchase program, or the mortgage assistance program, or the gas tax reduction. But in my estimation, this mid-course correction ranks as a prime example of why the former government was rotten to the core, and why the April 26 mid-course correction was necessary.

Listen to this: the NDP government, through the Department of Health, was planning a promotional campaign to advertise the 35<sup>th</sup> anniversary of Saskatchewan's Hospital Services Plan, and a promotional campaign to advertise the 30<sup>th</sup> anniversary of medicare. Here I submit to you is a glaring example of what was wrong with the former administration – to spend taxpayers' dollars to celebrate the inauguration of medicare. What foolishness. Never mind the fact that there aren't enough level 4 beds, never mind the fact that our ambulance service is woefully lacking, never mind that our diagnostic equipment is outdated, let's celebrate our past successes with a little more ideological propaganda.

No wonder the people said, "Get rid of the captain; get rid of his right-hand man; get rid of the crew; and get rid of some of the deckhands while you are at it; let's have a change of course."

**SOME HON. MEMBERS:** – Hear, hear!

**MR. DIRKS:** – I might hasten to add that in this budget, instead of spending money to advertise the anniversary of medicare, we have allocated an additional \$500,000 for ambulance operations – a more sensible expenditure of our funds.

Now, what about the deficit? A great hue and cry has sounded forth from the opposition benches concerning the budget deficit. The opposition leader has repeatedly said the following. "There was and is no need for a deficit." We heard him this morning. Secondly, he has attempted to lay the blame for the deficit at the feet of the new administration. "It's your deficit," he has said. "You're responsible for it. Your mortgage plan, your gas tax, your farm purchase program, they are the culprits for this budget."

So how do we respond to these two arguments? In the first place, the revenue figures clearly indicate that had there been in no mid-course correction on April 26 there would still have been a deficit with your former budget of at least \$200 million. I'll agree that revenue forecasting can be a tenuous enterprise. But I find it hard to swallow that you wouldn't have had a deficit as well. You would have had to cut \$200 million from your own deficit to balance the books. And even after you had cut \$200 million to balance the books, you wouldn't have supplied 30,000 people in this province with mortgage assistance. You wouldn't have lowered the gas tax, which touches the average guy in the street right across this province. You wouldn't have had money for a winter works program either.

Of course, the deficit is necessary. You know. I know it. The people of this province know it. And the editor of the *Leader-Post* knows it. Listen to what he says, in bold headlines: "Budget deficit makes sense." Did you read that? Listen carefully.

A province which, unlike our federal government, has not made a habit of deficit financing, need not apologize for going into the red during the difficult times.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. DIRKS:** — The fact of the matter is that this deficit has translated directly into considerable financial assistance for the people of this province. The very fact that the opposition benches harangue the deficit, shows just how far out of touch with reality they really are.

Now, what about the claim that the Tory campaign promises are the cause of the deficit? The facts are that the elimination of the gas tax and the mortgage plan have cost this government only approximately \$157 million, but over \$170 million was judiciously and prudently cut from the former budget. This clearly offsets our campaign promises.

What I find rather disturbing is that the opposition members, while they harangue the deficit and say that it is our problem and lay it at our feet, were the ones who voted for the gas tax reduction, were the ones who also voted for the mortgage assistance plan.

**AN HON. MEMBER:** — They didn't mean it.

**MR. DIRKS:** — You can't condemn the deficit and vote for the programs that you say caused the deficit at the same time. You don't spank your child and give him candy at the same time.

I wonder what they'll do with the farm purchase program. I can just imagine:

“All right, guys, what's on the line for the farm purchase program?”

“What do you mean, what's on the line? We can't support that vote-grabbing handout. It's going to replace land bank.”

“Listen, if we don't support that bill, we're dead in rural Saskatchewan.”

Jerry Hammersmith mutters, “We're dead already.”

**SOME HON. MEMBERS:** — Hear, hear!

**MR. DIRKS:** — Then the leader interjects. He says, “Well, here's our plan. Ned, you praise the bill because it will help the farmers, and Dwain, you curse the bill because it will replace land bank and swell the deficit. I'll make sure I'm not in the House when the vote is taken.”

**SOME HON. MEMBERS:** — Hear, hear!

**MR. DIRKS:** — I want to turn my attention away from the black and white ink of the budget statement and estimates and focus on what I consider to be the three

fundamental messages which this budget is conveying to the people of the province. Listen to the three fundamental messages this budget is conveying.

Some few people are still wondering if this new government is trustable. Can we believe in this new administration? During the election campaign people would stop me and say, "Sure would be great to have that gas tax knocked down; sure would be great to have some mortgage assistance. Do you think you guys will really do it?" Well, this budget address, with its promise for a family farm purchase program (the last of our major campaign promises), is black and white proof of this administration is decisive and trustable and means what it says. He who has ears to hear, let him hear. This message is loud and clear: we say what we mean.

A second message conveyed by this document is the message that allays the fears of those few people who might wonder if the government is spending the tax dollar wisely. Are we running off on some wide-eyed speculative tangent? Is there common sense in the House? Government is big business. Do these guys really know how to run the store? Are they good managers of the public trust?

What does the record say after seven months? A leaner, more productive civil service – the fat has been trimmed; budget cuts of non-feasible programs; reduction expenditures for travel, contractual services and advertising; public sector wage guidelines at 1 per cent below inflation; a review of Crown corporations and the heritage fund. Does that sound like an unbusinesslike manager? Does that sound like a profligate manager? Does that sound like someone who doesn't know how to tend the store?

Listen to me: the past seven months and the message of this budget is that the keys to the store are in good hands in this province.

The third message that jumps out from the page of this budget document is perhaps the most difficult for the opposition to accept because it puts the lie to the assertion that Tory governments have no heart. Does this government care about the little guy, the man on the street? Does it care about the sick, the elderly, the unemployed, the young farmer? Do the Conservatives really have a social conscience? Do they really care about people? Is it possible, is it really possible that someone other than a socialist could have a social conscience? Well, you bet it is. The gas tax is removed, the single largest tax cut in the history of this province, and it touches just about everyone in this province. I challenge you to find 100, I challenge you to find 10, I challenge you to find one reasonable, thinking person in this province who is not in favor of the gas tax reduction.

The mortgage plans helps 30,000 families with mortgage assistance. If that's not caring about people, what is? The family farm purchase program helps the young family farmer own his farm. Renter rebates are increased, not decreased. Have you got the message? A winter works employment program in place before any other province in Canada. Did you notice there are no deterrent fees for health care? Health care is not crumbling in the province. We have more money in the Tory budget for health care than in the NDP budget — \$26 million more. I would remind you that only \$2 million of that is transferred from the Department of Northern Saskatchewan — \$24 million more in the Tory budget for health care. Of course the Tories have a social conscience.

More money for the care of the elderly? Nursing home care goes from \$109 million in the socialist budget to \$123 million in the Tory budget, an increase of \$14 million for the care of the elderly. Did you notice that rent control is not abolished? Did you notice

that a student summer employment program is being conceptualized? Have you got the message? The Tory government does not care about people.

Tell the few sceptics who are left in this province, sound the message far and wide. We deliver; we mean what we say. The store is in good hands. The budget demonstrates that this government does care about people. My friends, this budget is a clear and compelling assurance that on April 26 the people of this province did not make a mistake, they corrected a mistake.

**SOME HON. MEMBERS:** – Hear, hear!

**MR. DIRKS:** – The people of this province did not sell their birthrights to some Tory charlatan, they placed their trust in the hands of a group of men and women who are bound together by compassion and common sense. I believe the trust of the people of this province has been maintained with integrity in this budget speech. I shall, therefore, be voting in favor of the motion.

**SOME HON. MEMBERS:** – Hear, hear!

**MR. EMBURY:** – Thank you, Mr. Deputy Speaker. I have come in to watch many budget speeches in this House. This morning's speech by the Leader of the Opposition was quite extraordinary. I think that if nonsense was water, we would all have drowned in this House by the end of it.

From watching budget speeches over the years, I think that the more someone gets up and complains about a budget speech, especially in this case. It is usually a sign that someone has more to hide. There is no hiding the facts about the revenue figures contained in this book, and the revenue figures contained in this book. The one was vastly overestimated, and the other is true.

We now find this morning that in actual fact the estimate figure for revenue in the March 1982 budget was a further \$100 million out, which will change our figures some more when we talk about estimates that the NDP left us.

Mr. Speaker, I rise today with pleasure to congratulate the Minister of Finance, who couldn't be with us, on his first budget. As the minister indicated, because of the timing of the last provincial election, he has been unable to introduce a completely new budget for this year. However, I would like to go on record as stating that within the constraints that he has faced, he has done a magnificent job of redirecting government expenditures for the people of this province . . .

**SOME HON. MEMBERS:** – Hear, hear!

**MR. EMBURY:** – . . . and making the best use of the revenues available to this government.

Mr. Speaker, it is difficult, at any time, for a minister to prepare a budget when provincial revenues are falling. It is twice as difficult, Mr. Speaker, to prepare a budget based on misleading estimates as was the case in this instance. The task of putting the brakes on unrestricted expenditure growth, which was the trademark of the NDP government, has been difficult. These expenditures, Mr. Speaker, were tied to peaking resource revenue without any thought for the future. Expenditure growth many times was ill-conceived and misdirected. Expenditure growth did nothing more than bloat

government and deliver very little to the people of the province. Expenditure growth was built on the backs of people for the benefit of the government and Crown corporations.

The government should be congratulated for cutting over \$170 million in fat from the operating budget of the government while not disturbing existing services.

**SOME HON. MEMBERS:** – Hear, hear!

**MR. EMBURY:** – Mr. Speaker, the minister should be congratulated on successfully grappling with what historically could be called a bogus budget. The members of the opposition should know all about bogus budgets.

Mr. Speaker, in 1972, the then premier, now leader of a diminishing opposition, stated in his budget address that the previous administration had brought down a bogus budget. His complaint, Mr. Speaker, at that time, was that expenditures were overstated while revenues were understated. For example, Mr. Speaker, the then premier complained that operating grants for education, the cost of operating the department that year, came to only \$78 million while the previous administration had set aside \$81 million. At the same time, he complained that budgetary revenues would exceed estimated revenues by over \$18 million. He was bitter because instead of having a \$500,000 surplus at the end of the year he in fact had a \$2 million surplus at the end of the year. I am sure that the present Minister of Finance would welcome that type of bogus budget from the old NDP government.

The NDP learned a lesson from that bogus budget of 1971. Never again would they be caught overestimating expenditures and underestimating revenues.

The Minister of Finance found, in May of this year, when he took over the books, that the NDP had learned their lesson well. The last government, in a last-ditch attempt to retain office, had overestimated their revenues by some \$300 million while underestimating expenditures by some \$100 million.

Now, Mr. Speaker, if the 1971 budget was a bogus budget it is difficult to find a superlative to describe the March '82 budget of the NDP.

**SOME HON. MEMBERS:** – Hear, hear!

**MR. EMBURY:** – Mr. Speaker, I earlier congratulated the Minister of Finance on curbing expenditure growth, and redirecting existing expenditures for new programs. It should be noted that this budget cuts \$170 million of fat from present government operations while not affecting existing services and introduced \$170 million of new programs which indeed benefit the people of Saskatchewan: \$35 million for the mortgage assistance program, a program that will protect over 45,000 home-owners in this year; \$122 million in gas tax cuts – that's \$122 million put back into the pockets of Saskatchewan residents; \$15 million in job creation this winter. In addition, increased renters' rebates and increased seniors' rebates.

Promises made last April, Mr. Speaker, and promises kept in the first seven months of office. And done, Mr. Speaker, without spending any more money than what was budgeted in March of this year.

The NDP said the programs couldn't be delivered. Mr. Speaker, the facts speak for

themselves. They have been delivered.

In addition, Mr. Speaker, this budget reflects increased spending in health, in education, and in social services. Mr. Speaker, a breath of fresh air has come to Saskatchewan. A new optimism is alive in this province. We see it every day in the number of inquiries we receive from people interested in coming to Saskatchewan. The new optimism is best exemplified by the recent Open for Business conference held here in Regina last month, one of the largest *Financial Post* conferences ever held, which attracted people from all walks of life and all parts of the country. In fact, Mr. Speaker, the only people who didn't show up – who obviously didn't care about the future of the province, who didn't share the enthusiasm and optimism was prevalent at that conference – were the members of the opposition. They referred to stay away. They preferred to criticize all attempts at encouraging developing in the province.

Mr. Speaker, the NDP are content in passing resolutions that condemn development and in fact warn development to stay away on the penalty of expropriation. And I submit, Mr. Speaker, that this is not the role of an official opposition. This is role of an aimless negative group of individuals who do not have the best interests of Saskatchewan at heart.

The NDP legacy will take some time to overcome. The results of their term in office are not encouraging. A term in office that began with unemployment at 6 per cent and ended at 6 per cent. A term in office that began with unemployment inflation at a little over 2 per cent and ended with inflation of over 7 per cent. A term in office that ended with 1,4000 fewer farms, fewer rural communities, a weakened private sector, a loss in investors' confidence, and a \$200 million deficit.

And remember, Mr. Speaker, that all this was accomplished in a decade when unprecedented resource revenue came to the province. In spite of all this, the heritage fund was flat broke. In fact, Mr. Speaker, the only growth areas to come from the NDP legacy were bigger government and more powerful Crown corporations.

It is no wonder, Mr. Speaker, that the April election turned out as it did. It will take some time, Mr. Speaker, for this new optimism in Saskatchewan to translate itself into a stronger and diversified economy. After all, when you've had the steam roller of state running at your back for over 10 years it takes a little while to get up and get at it again.

**SOME HON. MEMBERS:** – Hear, hear!

**MR. EMBURY:** – But, Mr. Speaker, just as sure as the promises we made in April were kept, the future promise of Saskatchewan will be kept.

Agriculture, Mr. Speaker, has played a major role in our heritage and will play a major role in the future of this province. I am pleased to note that \$150 million capital dollars have been set aside for this year alone for the new farm purchase program, the program that will allow young farmers to own their land and therefore their future, and not lease it from the government. Another promise kept, Mr. Speaker.

I completely agree with the Minister of Finance when he says that on April 26 the people of this province showed confidence in the province and confidence in themselves to develop the province and showed an optimism for the future. I am confident and optimistic and so are my neighbors. And so, Mr. Speaker, I hark back for

one last time to that budget speech of March 10, 1972, when the premier said and I quote:

We will be satisfied to be judged by the people of Saskatchewan on the basis of facts which are on the record.

Mr. Speaker, take a look at the results of the last election. The verdict is in. Thank you.

**MR. MYERS:** – Mr. Speaker, first and foremost I would like to congratulate all the members on both sides of the House who will be participating or have participated in this budget debate. Mr. Speaker, I would particularly like to congratulate the Minister of Finance who so eloquently spoke on Wednesday night. I have particular praise for the minister who has taken an erroneous NDP budget tabled in March of this year and made some sense out of it. The budget may be called a mini-budget and so it is, or a mid-term correction budget which it actually is. But it is a much better and truthful budget than the one which was presented last March by the NDP government. We all remember that budget and the former member who presented it. I also recall an address to the legislature in which he stated:

We stand now on the edge of fresh opportunities and great challenges.

And you know, Mr. Speaker, he was right. Because in less than six weeks, the people of Saskatchewan dismissed that budget and they actually now do stand on the edge of greatness and fresh new opportunities.

The former budget was filled with overinflated and unrealistic revenue, just as their promised that followed that budget were. Mr. Speaker, they also made the same mistake with the Saskatchewan electorate, underestimating their situation, as they did in that disastrous budget of March, 1982, by underestimating the expenditures for social services by \$61 million, underestimating the expenditures for health by \$26 million, and underestimating the expense for education by over \$3 million. These three areas alone (and there are more, Mr. Speaker) represent \$91,800,000, in the budget, the former minister stated:

Young families are threatened with losing their homes because mortgage rates are pushing 20 per cent. Pensioners are struggling to live on fixed incomes while inflation soars. Small businesses face bankruptcy because of sky-high interest rates. And, Saskatchewan farmers are told they must lose their statutory right to the Crow Rate.

Mr. Speaker, this was the situation which was described by the former minister of finance of a province government by his party for the last 11 years. They had 11 years to address those problems and they did nothing about them, and those problems were so graphically illustrated and described by the former minister of finance.

Well, Mr. Speaker, this government has delivered. It has delivered a mortgage assistance program; it has delivered the largest tax break in the history of Saskatchewan with the elimination of the gasoline tax; and it will be delivering a comprehensive farm program to allow the sons, and I guess in some cases the daughters, to take over their family farms and revitalize the Saskatchewan rural communities. In short, this government has kept the promise and will go on keeping the promise to the people of Saskatchewan.

Mr. Speaker, Mr. Blakeney accuses this government of playing with the figures of the Department of Northern Saskatchewan. Well let's look at some of them. Under the former government that department had an estimated budget in excess of \$99 million. Let's look at the areas in which they were spending. Let's take, for example, the rural and native housing program which has been a disaster in terms of its financing. I would like to point out some of the discrepancies and some of the budget errors they made.

Air Ronge, 1979, three units, to be delivered by the DNS. Well, they were supposed to be delivered by the DNS. Right now they are about 95 per cent completed, and that was from 1979. Original estimate cost, \$121,500; projected cost of the project now, \$281,500; an overprotection of over \$100,000, and this is on three units. Really, that is not a record to be proud of.

Rabbit Lake, 1979, two units, DNS – 88 per cent completion since 1979 again. The estimated original cost, \$114,000; projected cost, \$172,500; an overrun of \$58,500.

**AN HON. MEMBER:** – Where's Jerry.

**MR. MYERS:** – Where is Jerry, by the way? Where is the former member who had this ministry? I guess he went out when the people who saw the type of budgets he was presenting in the North realized they had made a mistake.

Let's take La Loche, 1979, seven units – 60 per cent complete; \$379,000, estimated cost; predicted cost now, \$566,000; an overrun of \$187,000. And there are more: they're from all over the North. They are units that were supposed to be built for the people and yet are not even occupied by the people to this date. That's not a very comprehensive program for the people in the North.

Mr. Speaker, Mr. Blakeney speaks of interest rates. Well, maybe he can enlighten us (I guess he could have enlightened us but he's not here anymore) on how a Toronto developer got a 9.625 per cent mortgage loan to build the Cornwall Centre. Meanwhile the existing interest rate to Saskatchewan firms was much higher than that rate.

Mr. Speaker, Mr. Blakeney spoke about unemployment and yet when the NDP came to power in 1971 the rate was about 6 per cent. When they left in March it was still about 6 per cent. Not a very good address to the problem in 11 years. Mr. Blakeney spoke about minimum wages, and yet it was the very unions that he received financial support from that have created a wider split in wages than existed in 1971. And he talks about make-work projects, and yet he also says the people should not be hired to shovel snow or clean up the Saskatchewan environment.

The programs for women, he says, have been cut. Some of these programs we have looked at, and they are not very productive for women.

He speaks about the Open for Business attitude. Well, the former government did not have an attitude toward business, but rather a takeover policy of business.

He talks about the winners and he talks about the losers. Well, within the NDP they know how it is to lose, because the people of Saskatchewan in April were the winners when they ousted that party from government. He says that people are bitterly disappointed in the mid-course correction of the budget, and yet it was the people of Saskatchewan who shoed they wanted a change.

Mr. Speaker, I heard the opposition speaking about oil companies and banks. They should be reminded that oil revenues account for over 25 per cent, or one-quarter of all provincial revenues. When the oil companies are not pumping, such as was the case last March and April, Saskatchewan revenues fall, and when they fall they jeopardize the very programs that the opposition wants us to keep. We are keeping these programs, and we are keeping them with a deficit budget, because we have a commitment to the people.

I also have to remind them that last March the oil companies were only pumping at 60 per cent, and because of measure taken by the Minister of Energy they are now up to 100 per cent capacity. A very good job, I think. Are we giving it away, or are we taking it in? I believe we are taking it in.

Therefore, Mr. Speaker, I will be supporting the budget from the Hon. Bob Andrew.

**SOME HON. MEMBERS:** – Hear, hear!

**HON. MR. TAYLOR:** – Mr. Speaker, I would like to thank you, and it is with a great deal of pride and pleasure that I take part in this first budget under Premier Grant Devine. I can assure this House and the people of Saskatchewan that I look forward to many other opportunities to take part in budgets under the leadership of this Premier, and I am sure that we will.

I listened with some degree of interest to the rather ageing Leader of the Opposition this morning. I was concerned with the tack that he was taking in attacking what is probably one of the freshest budgets, not just a change in direction, a mid-course change, but, I think, a whole change in direction. From the people I have been talking to in Saskatchewan, I don't know who the Leader of the Opposition listens to. I can tell you that if he were listening to the people on April 26, he was sadly mistaken, and I don't think he's learned a thing since that time. The *Star-Phoenix* today is very complimentary about the budget.

I want to point out to you, though, that the Leader of the Opposition seemed preoccupied with the idea that there is a deficit. Well, I think everyone in Saskatchewan knows fairly well that if the previous government in this province hadn't squandered the resources of the heritage fund and hadn't given free money to their sacred cows, the Crown corporations of Saskatchewan, then that situation would not exist in Saskatchewan today. That was inherited from the total gross mismanagement and the unconcerned giving of the people's money tax-free to the Crowns. That is the reason we are faced with a deficit today: to continue the service programs to the people of Saskatchewan, which this government will.

The Leader of the Opposition talked about concern for people. He talked about concern, in his speech, and said, "You have no concern for people." I remember when I sat on that side of the House time after time rising in my seat and saying to the then premier of the province: put some money up to help people. We begged for home-owner assistance. No way would they come in with a program.

We begged for the reduction of taxes in this province. Would they reduce them? They continued to gouge the people through their Crown corporations, through their utility

costs. I remember coming in here in 1978 and in (I think it was) my first or second speech, asking for the reduction of taxation on children's clothes. I remember that time after time. Did they address any of these? No, they didn't. Little wonder that on April 26 the people of Saskatchewan certainly turned to a new direction, to a new leadership, to a new Premier and to a new government. And I can tell you that the people of Saskatchewan are very glad they made that change.

**SOME HON. MEMBERS:** – Hear, hear!

**HON. MR. TAYLOR:** – I would think that a man who had once led the opposition, who had once been the premier of the province, who had once been a finance minister and who had once been a health minister, would certainly have the capability of getting his facts and figure correct. But I must say that in listening to the Leader of the Opposition give his impromptu reply to the budget the other night, his fact were far from being correct.

He stood up in this House and because my colleague and seatmate, the Minister of Finance, said that there will be \$26 million more in health this year than in the previous budget of the government that was defeated and that has only eight member sitting on the other side, the Leader of the Opposition said, "Oh, you're getting it all from DNS." Today I listened to him, after he had time to do a little homework. I didn't hear him say one word, because in actual fact the \$26 million that he thought was coming from DNS was \$1,824,630—quite a difference from \$26 million. For a man who had once been a premier, for a man who had once been a finance minister, a leader of the opposition and a minister of health – how quickly, when you age, one begins to forget.

**SOME HON. MEMBERS:** – Hear, hear!

**HON. MR. TAYLOR:** – Yes, there is a disease that we are studying in the Department of Health – Alzheimer's disease.

However, and then he went on with the health promotion budget and my colleague, a new member in this House, who has only been in here since April 26, quickly looked at the budget and found out where that money was going. Not the old premier, not the past health minister, not the past finance minister, not the past leader of the opposition, he couldn't see where that was going, but a bright young Conservative member representing Regina Rosemont quickly picked it up, because \$200,000 of the health promotion budget (as you so astutely discovered) was to be spent for congratulations and socialist back-patting for 20 and 35 – 20 years of medicare and 35 years of hospitalization. If that is serving the needs of Saskatchewan people, then there's a lot of people out to lunch.

**SOME HON. MEMBERS:** – Hear, hear!

**HON. MR. TAYLOR:** – And then this astute Leader of the Opposition, this man of wisdom and figures and experience, has the audacity to stand up in here and indicate that the health increases in this budget are all going to the doctors. Do you know what he did? Let me tell you what that man did in stating those facts. He said the old blue book was \$129 million for MCIC. He says the new Tory government shows \$146 million. But do you know why it was at \$129 million? Do you want to know the truth? The truth was that it was fudging the figures. It was trying to show restraint because they were going into an election. Do you want to know that there was a treasury minute passed for \$142 million? Now if that isn't playing jiggy-pokery. I don't know what is.

**SOME HON. MEMBERS:** – Hear, hear!

**HON. MR. TAYLOR:** – Mr. Speaker, those are some of the statements that I've picked up from the Leader of the Opposition, statements meant to (What would I say here? I want to be very careful about what I'm saying here.), statements that would cast doubts upon this good budget of my colleague, statements that would perhaps give the wrong impression to the people of Saskatchewan. In my beginning remarks I wanted to correct those statements, so that the people of Saskatchewan would now what the true facts are.

I am sure, when I look through his statement in *Hansard*, and my other colleagues do, that over the next six days you will find that many of the statements brought forth by the Leader of the Opposition are not the correct statements at all.

I think it's about time, Mr. Speaker, that I got around to congratulating my seatmate, the Minister of Finance, for the fine budget presented on Wednesday evening. I sat in here and I looked around at the people and I thought there was great acceptance of his comments. And as I say, it was a refreshing change to see a Minister of Finance stand up in this House and present, Mr. Speaker, and honest, responsible budget, a budget that tells the people of Saskatchewan what our economic position really is and really what we can afford to spend. And I say, the people of Saskatchewan say: thank God for a welcome change.

**SOME HON. MEMBERS:** – Hear, hear!

**HON. MR. TAYLOR:** – Mr. Speaker, the former government evidently believed that Saskatchewan people are naïve and can't be told the truth. They pretended that everything was rosy and then engaged in a cynical exercise of presenting a so-called balanced budget, which was balanced only because of grossly inflated revenue projections. And I say that is nothing short of fudging the figures.

Well, Mr. Speaker, this Progressive Conservative government believes the people of this province deserve to be told the truth about our economic situation. And we believe that it is the role of the government to help people cope with the effects of economic realities. That is why we removed the provincial gasoline tax. That is why we introduced the mortgage interest reduction program. And that is why Grant Devine is the Premier of Saskatchewan today.

**SOME HON. MEMBERS:** – Hear, hear!

**HON. MR. TAYLOR:** – Mr. Speaker, this budget is an honest one and a responsible one. It is not a balanced budget. We don't apologize for that. Quite the contrary. The money in this budget is not the government's money it's the people's money. And we're determined to ensure that it is spent wisely and efficiently. Furthermore, this budget reflects the government's determination to ensure that Saskatchewan people receive the help that they need and that basic services are maintained.

Mr. Speaker, these two roles of the government are clearly reflected in the funds which this budget has provided for health care. Mr. Speaker, the Premier has said on many occasions that the Progressive Conservative government is committed to giving Saskatchewan people the best health care in Canada. I was honored when the Premier asked me to serve as health minister in his cabinet. And I will be devoting my full time

and energy to helping give Saskatchewan people the kind of health care that they deserve.

**SOME HON. MEMBERS:** – Hear, hear!

**HON. MR. TAYLOR:** – Mr. Speaker, for years the NDP kept telling the Saskatchewan people that the NDP was the only party committed to good health care and that the PCs would destroy our health care system. Well, Mr. Speaker, the public didn't buy that. And this budget shows that they were right. IN 1982-83, allocation for health care in this government's budget is higher than that included in the budge presented by the former government last March. That's right, Mr. Speaker, we haven't introduced health premiums; we haven't introduced deterrent fees; and we have no intention, may I repeat, no intention of doing so. We have put \$26 million more into the health budget than the members opposite were prepared to do. And I remember a little fellow in '78, I believe, that ran around this province saying, "Oh, don't let them take it away." Well, if that's taking it away, I stand to be corrected. My colleague said, "who was the little fellow?" I think it is the same little fellow that is having something to do with Husky Oil at this time.

Mr. Speaker, the allocations for health care in this budget also reflects a prudent approach to health care financing. There are always areas where we can do more, and we would like to do more. And there are always differing views as to where the dollars should be going. But this is not the time to be considering an array of experimental programs or major expansions. We must make every possible effort to improve our existing health services before beginning new programs. Accordingly, we have not rushed into costly new programs and services but have taken the time to analyse our present system thoroughly before making decisions.

But this does not mean that we have been inactive. We have taken a number of specific steps to respond to clearly identified pressing needs. Mr. Speaker, we have implemented an improved construction formula for community and regional hospitals, and improved grants, which has raised the amount that the provincial government is willing to put into the construction of new hospitals. We have made substantial grants available to the City Hospital and St. Paul's Hospital in Saskatoon to meet pressing capital needs at these hospitals. We have approved funding for major hospital construction projects in Lloydminster, Nipawin, Melfort and Yorkton. These projects have a total estimated cost of \$41.5 million. We have approved grants totalling almost \$3 million for a variety of renovation projects in hospitals around the province. I should add that those are creating jobs around rural Saskatchewan at the present time.

We have provided an extra \$500,000 for municipal ambulance services, and have established a committee to conduct an intensive review of the ambulance program. I would like to point out that it is the view of this government and this side of the House that we look at an ambulance program not just as a transportation program from point A to point B as did the other government. My colleague is heading up a committee to look at ambulance service as a total emergency health program, and I look forward to the report early in the new year.

Mr. Speaker, these expenditures are clear evidence that when this government says it is committed to improving our health care system it means what it says, but commitment to be number one does not mean simply throwing dollars into the system at will. It means establishing a co-operative spirit between the government and the health care

community. It means, Mr. Speaker, listening to the public and responding to their expressed needs. It means the government acting as a helper, a facilitator, and not a dictator. It does not mean the government deciding all by itself what the priorities are and what is best for the people. I tell you that is a complete change of direction.

**SOME HON. MEMBERS:** – Hear, hear!

**HON. MR. TAYLOR:** – Let me illustrate, Mr. Speaker. The former government's record with the medical profession was a dismal one, marked by continual disputes and confrontation. That situation didn't help anyone, either the doctors or their patients. If we are to have a really effective health care system we need a co-operative spirit between the government, the public, and the health care community. That means the government must listen and must treat all parties equitably.

Mr. Speaker, we have done this with the medical profession, and they in turn have responded in a positive way. They have accepted that the wage and income policy is an appropriate response to our current economic situation, and they have agreed that it must apply to physicians' payments through MCIC. That's some difference, my colleagues, from what is happening in the province east of us headed by an NDP government. That's some difference in relationship between the health professionals and the government.

I am confident that other groups and organizations will also respond positively, and that we will be able to work together to ensure that our basic health care services are maintained during this time of economic restraint. I am also confident that the economic policies which this government has announced will lead to a substantial and rapid recovery in our economy. Mr. Speaker, when that happens the people of this province will be the ones to benefit in a whole range of areas of service.

As additional resources become available we will work closely with both the providers of health care and the public to see that we progress rationally and steadily to the point where this province will truly be, in the words of our Premier, "number one in health in Canada."

Mr. Speaker, I would like to sum up saying that I do not look at this budget as a mid-term correction. I look at this budget, as do the people in my constituency and the people of this province, as a new direction for the province of Saskatchewan – a government that is here to help the people; a government that is not obsessed with power and thinking they know better than the people; a government that is here as a helper, as facilitator; and most important, a government that will be here as the developer for many years to come, of the new Saskatchewan.

**SOME HON. MEMBERS:** – Hear, hear!

**HON. MR. TAYLOR:** – Mr. Speaker, with those words I will certainly be supporting the motion, and the budget, the fine budget, brought in by my seatmate. Thank you.

**SOME HON. MEMBERS:** – Hear, hear!

The Assembly adjourned at 12:36 p.m.