

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
December 1, 1982

The Assembly met at 2 p.m.

Prayers

ROUTINE PROCEEDINGS

INTRODUCTION OF GUESTS

HON. MR. DEVINE: — Mr. Speaker, It's with a great deal of pleasure that I introduce, to you and through you, some special guests that we have on the floor of the Assembly. The special guests are the Saskatchewan Voice of the Handicapped, who are joining us today for the question period. They have been making special request to cabinet ministers and to myself, particularly with respect to accessibility to public buildings built from now on in the province of Saskatchewan, and certainly for modifications to buildings that presently exist, as well as several other requests. So I would just ask everyone to join me and please welcome them here.

HON. MEMBERS: — Hear, hear!

MR. SHILLINGTON: — Thank you, Mr. Speaker. I just want to join the Premier in welcoming our guest. The Voice of the Handicapped has done yeoman service in advancing the interests of handicapped people and in bringing their problems to government. They are no strangers to this Assembly. They have been here before and we welcome them today and hope they enjoy the proceedings.

HON. MEMBERS: — Hear, hear!

MR. LINGENFELTER: — Mr. Speaker, it's with a great deal of pleasure that I rise to introduce a special guest from my constituency, Miss Rodeo Canada, who is here with us today from Eastend, Saskatchewan. She won in a competition, a very tough competition, at Edmonton a few weeks ago. I'm sure that all members will join with me in wishing the very best to Miss Kathy Cornelsen in the year that's coming up — a very busy one. I am sure that she will do a great job of representing the Shaunavon constituency, Eastend, and the province of Saskatchewan.

SOME HON. MEMBERS: — Hear, hear!

MR. JOHNSON: — Mr. Speaker, it's with a great deal of pleasure that I rise today to introduce to you and this Legislative Assembly . . . I started off having the speech prepared, Mr. Speaker, because we have some visiting queens that represent the Hereford Association of Canada. They are at Agribition, and they are unable to attend because they are busy with the show down there, but I will tell you that we have queens visiting with us from Ontario, from Alberta, and also from Manitoba. But the special occasion for me is that we have the four zones of Saskatchewan being represented here today. They are in the Speaker's gallery. From the northeast zone we have Miss Banko. Would you stand up please?

HON. MEMBERS: — Hear, hear!

MR. JOHNSON: — Mr. Speaker, It's a long list. Stay standing up, will you please, and I will ask you to

hold your applause. From the northwest part of the province, Miss Skelton.

HON. MEMBERS: — Hear, hear!

MR. JOHNSON: — From the southwest part of the province, Miss Frerotte.

HON. MEMBERS: — Hear, hear!

MR. JOHNSON: — And also from the southeast part of the province Dawn Johnson. Would you stand up?

To shorten things up, Mr. Speaker, we have Shirley McKenzie, who is the house mother who is looking after the girls, and three judges. The judges are from all over the province — Vera Sutter, Roy Dunlop and Roger Kaeding.

These girls will be participating through today and tomorrow and one of these pretty young gals will be named Hereford Queen tomorrow evening down at the Saskatchewan Hotel. I ask you to help me welcome them to this Assembly

HON. MEMBERS: — Hear, hear!

WELCOME TO STUDENTS

MR. FOLK: — Mr. Speaker, as legislative secretary to the Minister of Industry and Commerce, and on his behalf today, I would like to welcome a group of 28 grade 8 students from the Dr. A.E. Perry school here in Regina. They are accompanied by Mr. Bill Dietrich, Miss Jean Flett, Miss Linell, and parents Mrs. Fyfe and Mrs. Ball.

HON. MEMBERS: — Hear, hear!

QUESTIONS

Minimum Wage

HON. MR. BLAKENEY: — Mr. Speaker, I direct a question to the Minister of Labor. Yesterday, I asked the Deputy Premier a question and the question was as follows:

My question to the Deputy Premier is has the Minister of Labor or the cabinet received from the minimum wage board respecting an increase in the minimum wage effective January 1, 1983?

The Deputy Premier's answer was no.

Would you advise the House whether you have received a recommendation from the minimum wage board with respect to an increase in the minimum wage effective January 1, 1983?

HON. MR. McLAREN: — Mr. Speaker, In answer to the hon. member, I have received the summary of the briefs from the minimum wage board with a recommendation, and we will be adding our recommendation to it and presenting it to cabinet with the next week to 10 days.

HON. MR. BLAKENEY: — Supplementary, Mr. Speaker. I wonder if the Minister of Labor could advise when he anticipates that the government will be in position to make a decision with respect to an increase in the minimum wage, and what effective date he anticipates?

HON. MR. McLAREN: — Mr. Speaker, I can't add any specifics at this time. It's going to be a recommendation to go to our cabinet. Our cabinet colleagues will have to make the decision as to the acceptance or rejection of the recommendation of any changes that we may make.

HON. MR. BLAKENEY: — Mr. Speaker, one final short supplementary. Can the minister advise whether or not there will be an increase in the minimum wage effective January, 1983?

HON. MR. McLAREN: — The answer to your question is no.

HON. MR. BLAKENEY: — Well, I will rephrase the supplementary since I do not know whether the "no" was to the effect of whether he could advise me or whether there was going to be an increase. Will the minister state whether or not there will be an increase in the minimum wage effective January 1, 1983?

HON. MR. McLAREN: — The answer is no, Mr. Speaker, because there is a scheduling time that has to take place to implement the minimum wage. January 1 is probably out of the question right now.

Office of the Rentalsman

HON. MR. BLAKENEY: — Mr. Speaker, I would like to direct a question to the Minister of Consumer Affairs. Yesterday, he advise this House (and I quote from *Hansard*), referring to the staff at the office of the rentalsman in Saskatoon:

Mr. Speaker, I repeat that these people were hired in temporary positions by the public service commission, and the criteria was followed as to hiring practices.

The question I ask the minister is: does he say today that those people were hired by the public service commission?

HON. MR. SANDBURG: — Mr. Speaker, I was prepared to acknowledge that I was error yesterday when I made the statement. In regard to the Leader of the Opposition's question yesterday regarding filling of the temporary positions in the office of the rentalsman in Saskatoon and I wish to clarify the point.

The public service commission committee reviewed the department's request to free up five non-permanent positions, and to approve the department's filling of these positions. The department filled these positions after reviewing submitted applications, and if the Leader of the Opposition would like, I will table the letters that we received from the public service commission freeing up those positions.

HON. MR. BLAKENEY: — Mr. Speaker, I think the Minister of Consumer Affairs missed the thrust of my question.

I was not raising the question of whether or not temporary positions should be filled. I

was raising the question of who filled them and how.

I ask again: is it accurate (a) that they were filled by the Department of Consumers Affairs — the selection of the personal was by the Department of Consumer Affairs, (b) by the Department of Consumer Affairs in Saskatoon, and (c) that two people who were so selected were chosen from those people who had immediately prior thereto been employed by the Progressive Conservative party in Saskatoon?

HON. MR. SANDBURG: — Mr. Speaker, the department did fill those positions after reviewing the submitted applications, as I indicated to the Leader of the Opposition. As far as the hiring of those people was concerned, I was not involved in the hiring of the people in my departments, nor will I be, and as far as them having any connection with the PC Party, we don't put that in our criteria for hiring as the previous administration so well did.

HON. MR. BLAKENEY: — Mr. Speaker, a question for the minister. Were the choices made by Mrs. Cherneskey, who has recently been put in charge of that office by the minister?

HON. MR. SANDBURG: — Mr. Speaker, I would have to dialogue with Mrs. Cherneskey, but I expect it was between the rentalsman, Mr. MacGillivray, and Mrs. Cherneskey as to who filled those positions and possibly the deputy minister of consumer and commercial affairs.

HON. MR. BLAKENEY: — Mr. Speaker, one further question. In filing the positions (and I have noted that people without any prior experience in the public service have been selected), would the minister advise whether people who are members of the public service on layoff were given the opportunity to compete for those positions, or were selections made on some other basis?

HON. MR. SANDBURG: — Mr. Speaker, the positions were freed up by the public service commission and we followed normal hiring procedures for temporary personnel. The applications were reviewed and the people were selected for the positions according to their qualifications. I also have the qualifications criteria here, if the Leader of the Opposition would like to see those.

HON. MR. BLAKENEY: — Mr. Speaker, one final supplementary. With respect to those qualifications, the minister has already indicated that having previously been employed by the public service of Saskatchewan and being on layoff did not qualify you. Would he elucidate a little more fully what qualifications the two people had who came from the Progressive Conservative office that the people who were on layoff . . . (inaudible interjection) . . . Mr. Speaker, I will rephrase the question because of the intervention of members opposite.

It is clear that the people who were selected were successful and my question to the minister is this: in what did their success consist — successful service with the Government of Saskatchewan over a good number of years or successful service to the Progressive Conservative Party in the recent election?

HON. MR. SANDBURG: — Mr. Speaker, it's obvious they were the most competent people for the job. I had nothing to do with the criteria they needed for hiring them. I'll just add that this government does not discriminate as to how people vote or what their

previous occupation was.

SOME HON. MEMBERS: — Hear, hear!

PCS Layoffs

MR. KOSKIE: — Mr. Speaker, I would like to direct a question to the minister responsible for the potash corporation. In less than 19 days, you've indicated that about 1,200 PCS employees will be laid off for a minimum of six weeks. Back in October, Mr. Speaker, you indicated, and I quote from the *Leader-Post* of October 22. It states:

McLaren stressed that the government is doing everything possible to ensure layoffs don't occur. He said there's a chance the crown corporations may be able to sell more than 200,000 tonnes of potash to Malaysia. This would put the employees back to work.

I would like to ask the minister if he could bring us up to date on the status of the Malaysian sale and indicate whether there have been any additional sales made and whether or not the December 19 projected layoffs will in fact be averted, or at least reduced.

HON. MR. McLAREN: — Mr. Speaker, the layoffs announced for December 19 were necessary to be called because of the notice required to employees. The inventory figures, thanks to the administration across the way . . . When you didn't slow down the production a year ago and we ended up with 1.1 million tonnes of potash in our storage bins this spring, we were not able to get the reduction required. All we're doing now is letting the people know ahead of time, which they weren't told a year ago, that the possibility exists.

Potash sales are poor around the world. In the offshore we are ahead of last year at the same period. The United States market is a problem, and we are doing things there to try to improve it. As far as the Malaysian deal is concerned, it's a barter deal. We will sell to the broker if it comes about, but he has to go and buy shoes, rubber — I don't know what — from the Malaysians, to bring it across here. We have no part to play in the timing and getting it consolidated. We understand that the negotiations are still on.

MR. KOSKIE: — Supplemental, Mr. Speaker. Are you in fact saying then, Mr. Minister, that the workers of the potash corporation should give up hope, that your government has given up hope, that you have in fact taken no meaningful action in order to sell potash? Is that the position of the minister in charge?

HON. MR. McLAREN: — Mr. Speaker, we are working very, very hard at selling potash, and I am pleased to announce today that we sold 150,000 tonnes to India yesterday . . .

SOME HON. MEMBERS: — Hear, hear!

HON. MR. McLAREN: — . . . plus another 50,000 option to India as soon as this one is delivered, plus another 100,000 to China today.

SOME HON. MEMBERS: — Hear, hear!

MR. KOSKIE: — As a supplemental, I would like to ask the minister whether the sales that he is announcing were in fact negotiated previously by the potash corporation international or whether in fact they have been negotiated through the arm of Canpotex.

HON. MR. McLAREN: — Mr. Speaker, the negotiations took place through Canpotex. They were signed yesterday in India and in China.

SOME HON. MEMBERS: — Hear, hear!

MR. KOSKIE: — I want to ask the minister: what is the position that he is taking in his government with respect to the continuation of the potash corporation international sales company? I ask you to indicate: what is the position that your government has taken in so far as the previous government had established potash corporation international? It was a corporation in order to market and sell potash on behalf of the public sector. I ask you, what is the status of potash corporation international?

HON. MR. McLAREN: — Mr. Speaker, we are dismantling PCS International.

SOME HON. MEMBERS: — Hear, hear!

MR. KOSKIE: — One final supplemental. I would like to ask the minister what direction he has given to Canpotex in order to encourage sales.

HON. MR. McLAREN: — Mr. Speaker, I've already indicated to the member opposite that we've sold more potash through Canpotex up to this date in time than you did last year.

Cardiac Unit at Plains Health Centre

MR. LINGENFELTER: — Mr. Speaker, a question to the Minister of Health. AS the minister will be aware, a Dr. Busse, a cardiac surgeon at the Plains Health Centre has informed the media as well as the public of Saskatchewan that due to the fact of underfunding by the Department of Health the number of surgeries carried out per week is four when in fact the facility could handle 10. There is now a waiting list of over four months. Can the minister tell me whether or not he intends now to increase funding to this unit at the Plains Health Centre?

HON. MR. TAYLOR: — Yes, Mr. Speaker. I'm aware of Dr. Busse's comments on the radio and in the paper. I'd like to inform this House that the number of open-heart procedures performed in Saskatchewan this year is at 10, an increase from six of last year — I think rather a significant increase — 10, a total of 10 a week.

Now I want to also indicate at this time, Mr. Speaker, that I'm not sure if the waiting list as quoted by Dr. Busse is absolutely accurate. I want to say that it was brought to the attention of this government since our election that there were some funds needed in this regard. We have put forth \$153,000 for diagnostic tests — simply put, they can go in and look and see if the procedures are necessary. I think that is a real commitment to the health care. That's not putting people through operations that are not necessary and that's helping alleviate the situation.

Furthermore, we will be addressing this situation as one of our priorities and one of the many ways that we'll be looking at improving health care in Saskatchewan during the

next budget.

SOME HON. MEMBERS: — Hear, hear!

MR. LINGENFELTER: — Supplementary, Mr. Speaker. The minister has informed this Assembly that he is doubting the words of the doctors when he says that an individual from Shaunavon or Swift Current doesn't need or needs open-heart surgery. That could be his opinion, but I can tell you that the people who are waiting for four months are very interested in knowing whether or not you are going to have funding available to this unit in the near future. Can you give us an indication today of whether or not funding will be forthcoming, before the end of the year, for this unit?

HON. MR. TAYLOR: — Mr. Speaker, I'm not doubting the word of the doctor. I think waiting lists, as we know, are a fluid thing. What may be a waiting list today, one week from today could be different, as you know, because there are 10 operations going on each week in the province. As far as our commitment and our dollars to health, if you had listened to my budget reply you would see that we put in \$26 million more this year than you did last year.

SOME HON. MEMBERS: — Hear, hear!

HON. MR. TAYLOR: — So I don't think there is any doubt that this government is not committed to improving health care services in the province of Saskatchewan. I will reiterate my response of just a few minutes ago that we will be addressing the whole topic of funding for open-heart surgery. We will be using the dollars where we figure they will best service the needs of the people of Saskatchewan. That will be announced in the budget for '83-84.

SOME HON. MEMBERS: — Hear, hear!

MR. LINGENFELTER: — Final supplementary, Mr. Speaker. I have here an article from the *Leader-Post*, November 26, which headlines, "Man Dies Waiting for Surgery," from Canada Press in Edmonton. What I'd like to know from the minister is, in light of the fact that he is telling us here today that there is no funding available for this unit at the Plains Health Centre, whether or not this is what he calls making Saskatchewan number one, and whether this kind of headline will be what we're seeing by the end of the year or early next year. I want to inform the minister that we're going to hold him personally responsible if in fact . . .

MR. SPEAKER: — Order, please. You're in the stage of supplementary question. Supplementaries are not allowed to have a long preamble. You still have not asked a question. I would ask you to get directly to the point.

MR. LINGENFELTER: — Mr. Speaker, I had asked a question. I had asked if this is how the minister had intended to make Saskatchewan number one. I will reiterate that question. I expect a reply.

HON. MR. TAYLOR: — I have a reply, my friend. That is: if you will sit here and observe and watch the motions of this Department of health over this year, next year, and the next four years, and the next 20 years, you will see.

SOME HON. MEMBERS: — Hear, hear!

HON. MR. TAYLOR: — We will very soon become number one in Saskatchewan in health. It won't take us 20 years; it will be done in the very near future. I want to just ask you . . . I guess I can't ask you a question . . . (inaudible interjection) . . . I don't think he could answer anyway. I want a little clarification here.

I heard the Leader of the Opposition get up during the budget debate and complain about a deficit. If I'm hearing you correctly, you're saying to me: enlarge that deficit now. Which way do you fellows want it?

Legislation to Amend The Workers' Compensation Act

MR. SHILLINGTON: — Thank you, Mr. Speaker. I have a question for the Minister of Labor. Is it the intention of the Minister of Labor to introduce and pass legislation amending The Workers' Compensation Act before Christmas?

HON. MR. McLAREN: — Mr. Speaker, we are planning some legislation concerning the interim report of the workers' compensation board.

AN HON. MEMBER: — Next question.

MR. SHILLINGTON: — No, I will ask the same one again because I didn't get the answer. Is it the intention of the minister to introduce and pass this legislation before Christmas?

HON. MR. McLAREN: — I can't answer that, Mr. Speaker. I don't know how long it will take to put a bill through the House. It is our intention to introduce it.

MR. SHILLINGTON: — Thank you. I gather it is the minister's intention to introduce the legislation before Christmas. Is that accurate?

HON. MR. McLAREN: — That's accurate.

Regina Union Station

MR. SHILLINGTON: — A question to the Minister of Urban Affairs. On Monday, we had the minister denying any cabinet involvement in the decision to reconsider the multimodal station, only to admit, later in the same day, that he was misinformed. On Tuesday, we had the minister denying any commitment by the Government of Saskatchewan to the project, only to admit, later in the same question period, that he was uninformed. What he vehemently denied at 2:10 p.m. he admitted he didn't know at 2:20 p.m.

The question, and it's based on the assumption that the minister has finally taken enough interest in his department to inform himself about this matter, is: are you now prepared to admit that letters of intent were in fact signed with Via Rail, Transport Canada and DREE, and that a formula was agreed upon for sharing the cost of the building? Will the minister admit the facts that everyone else has known? They have been public knowledge for months.

MR. SCHOENHALS: — Mr. Speaker, in response to the question a couple of things should be pointed out. First of all, a couple of misstatements or incorrections got into *Hansard* yesterday, from the hon. member for Regina Centre and his prompter

behind the rail. I indicate that there has been no halt to renovations, as he indicated in his question, since none have ever started at the centre. I would like to straighten that out.

I should indicate that no formal agreement or specific contractual obligations were ever arrived at. There were, in fact, letters of intent sent in the form of a Telex. I would read point number 12 from the one from the previous administration which reads:

The agreement as reflected by the principles set out herein shall be subject to final confirmation by both the province of Saskatchewan and Via Rail Canada Incorporated.

Mr. Speaker, to this time no final confirmation has taken place.

MR. SHILLINGTON: — But, surely, Mr. Minister, that confirmation was not intended to give the parties the opportunity to reconsider the entire project. Surely the confirmation was merely intended to give the province and the federal government the opportunity to . . .

MR. SPEAKER: — Does the member have a supplementary?

MR. SHILLINGTON: — Surely the minister will admit that that was not an invitation to the province or to the federal government to reconsider the entire project.

MR. SCHOENHALS: — Mr. Speaker, simply put in response, the agreement in principle was to allow the parties to continue negotiations. AS I'm sure the minister knows, it was not a formal agreement, and that is the statement I made earlier. I stand by it.

MR. SHILLINGTON: — Another supplementary. Surely, Mr. Minister, an exchange of letters of intent and agreement as to the cost and the formula is in fact, and can fairly be termed, a commitment to the project.

MR. SCHOENHALS: — Mr. Speaker, in response I will quote from a letter received on July 19 sent to the Department of Urban Affairs. It is sent from the legal firm of Graf, Zarzeczny, Linka and Lepage, which I believe the administration opposite is familiar with. The specific line reads:

The agreement in principle set out the fundamental elements of the project, including acquisition of the project lands and the project's development including construction, operation and management. This agreement in principle was subject to final confirmation by both the province of Saskatchewan and VIA Rail.

Further, it said:

At present drafts of the agreement for sale have been prepared. However, there has been no finalization in terms.

Further again:

Such present agreements as exist I consider merely to be agreements in principle, and subject to the express reservation that written contractual

agreements satisfactory to all parties be prepared and executed. To date this has not been achieved.

And it's signed: Mr. Zarzeczny.

INTRODUCTION OF BILLS

Bill No. 47 — An Act respecting Building and Accessibility Standards and the Inspection of Buildings

MR. SHILLINGTON: — I move first reading of a bill respecting building and accessibility standards and the inspection of buildings.

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

Bill No. 48 — An Act to amend The Liquor Act

HON. MR. SANDBURG: — Mr. Speaker, I move first reading of a bill to amend The Liquor Act.

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

ORDERS OF THE DAY

SPECIAL ORDER

ADJOURNED DEBATE

MOTION 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.

MR. KATZMAN: — Mr. Speaker, I am pleased to enter into this debate. Before the Minister of Agriculture leaves the Chamber, I would like (he's just going to the back) to compliment him on bringing forth a brand new idea in legislation in the farm purchase plan which will help the citizens of Saskatchewan more than the former land bank ever did.

SOME HON. MEMBERS: — Hear, hear!

MR. KATZMAN: — Mr. Speaker, this morning in public accounts we learned one of the ways the former government was able to play their little game of balanced budgets. This morning we learned that there were insufficient funds in just two of the pension plans that we found out. We found out the amounts; we've know that they were a little shy. That was only a little shy, we were told. Today we found out that the teachers' fund is over \$1.5 billion shy, just \$1.5 billion shy.

It is interesting to note that the former government never put the actuary reports on the table for all of us to see how much they were short. It is interesting to note that the funds were spent. Now, let's talk about really where we are sort. Let's go to the public service and the government employees' pension plan. It's only short just a little as you always used to say. The little, we are informed, is probably \$3.5 billion. Just a

little, you guys seemed to indicate. You know that's \$5 billion. You complain about \$200 million deficit. We are short \$5 billion, gentlemen.

We knew that there was \$300,000 in one, and \$100,00 there. That's not bad. But what happened to the money in the public service pension fund? Why are we short the money today? Because that government and the former Liberal government spent it. They took right into general revenue — government revenue; they didn't put it aside for the pension plans and match it with their share for the employees. No, they wouldn't do that. They put it into general revenue and spent it like the drunken sailor government they were.

You know, Mr. Speaker, I was going to talk a bit about that former government, and seeing as I'm involved in the Department of Agriculture I'll talk about that former minister of agriculture, Mac, better known as Big Mac or Mr. MacMurchy, or the hon. member for . . . well, right now he still hasn't figured out he lost the election. He's still running all over this province trying to play minister of agriculture. Now I have a confidential document here of a meeting at Tommy Douglas House — so that you all understand where it is — Tommy Douglas House. The meeting was held on June 21, 1982 at 2 p.m. Now I had the document at 2 p.m. so your security still isn't any good, guys.

But what's it all about? I must relate that, of course, Mr. Speaker, to another document that my good friend from Humboldt, the member, went and picked up for me on Saturday at a meeting held in Humboldt with that same former minister of agriculture doing his thing, Big Mac, as they referred to the hon. member. And he's talking about a Family Farm Foundation of Canada founding convention. What's in this confidential document that they called in the former member for Lakeview, who used to be in the department? What's in it that the minister of agriculture . . . It's all about to make sure we get re-elected in four years. We have to do something, so what are we going to do? We are going to start a foundation so that we can run around and make our speeches, you know, to make sure of re-election in four years and assure readiness to resume office. Policies and people will need to be informed on the basis to form the officers for our next term of government.

Gentlemen, you're never going to see a term of government for a long, long, long time. You know, that's your letter I'm reading. What is the Family Farm Foundation of Western Canada? I assume that they're going to be . . . I've got to make sure my Minister of Agriculture knows to make sure that he's not giving them any funds, because I know that friends of the NDP from Manitoba will be funding them. We just know that, so no funds for that group from this government. No funds. They'll be asking for funds because, you know, they say in the document: we need \$100,000 for the executive to run around. That's page four of the confidential document.

It's here, and you know something? Those figures show up in this document as well. You know, it's quite unbelievable . . . (inaudible interjection) . . .

Oh, the member for Quill Lakes was a little bit insulted. Well, member for Quill Lakes, it's unfortunate that you can't accept that people in Saskatchewan are smarter than to be caught by your fun and little games that you and your Mr. former member are trying to play.

It's interesting to know who are the directors of this new corporation. Ed Tchorzewski. Have you ever heard of him? Gordon MacMurchy, Jr. Have you ever heard of him? There are some other names I should read to you that you might be interested in. Let's see. Don Faris. Have you ever heard of him? Marj Benson? Have you ever heard of her? Come on, what have we got going here? All these people are organizing something they call the Family Farm Foundation of Canada. Why don't you have the intestinal fortitude to stand up and say, 'We're starting another wing of the NDP'? You don't have the guts to do it.

SOME HON. MEMBERS: — Hear, hear!

MR. KATZMAN: — No, you're going to run around and use a different name because you can't stand up and say, "Hey, I'm the former minister of agriculture and I think those Conservatives are right or those Conservatives are wrong." No, you've got to run around and skulk in the backwoods where you love to do it. God, what a bunch! You're not fit to go back in government for at least another 100 years and that will be too soon.

SOME HON. MEMBERS: — Hear, hear!

MR. KATZMAN: — You know, it's unfortunate that I was only allowed a short amount of time today or I'd speak about other things. But, you know, it is the height of contempt for the political system to play games and charades like you're attempting, to have that former minister say, "Oh, they'll probably blame us," and yet in his confidential document he says, "We must keep the door open and we must convert these people so they will be our front line troops in the next election." No he doesn't say anything in the confidential document about protecting the family farm. He talks about protecting the NDP.

SOME HON. MEMBERS: — Hear, hear!

MR. KATZMAN: — You know, Mr. Speaker, that's the height, the total height . . . And then this morning we get this great news on how you've been able to balance a budget. We're only \$5 billion in hock, \$5 billion. You never told us that. You told us a little, a little. But \$5 billion is just that little? It's unfortunate. You know the government treasury is going to have to put up up to \$800 million in one year to cover that deficit in certain years for pensions for people. It's unbelievable! Give them the speech about honesty in politics. Why waste my breath? They don't understand it.

You know, we' have a government that's new, fresh and has ideas: removed the gas tax; brought in a farm ownership bill so that people can own their land have pride in the ownership, so that their toil and their sweat brings them something, not just the government more state control. I'm proud to be involved with a government that has thought, not how much it's going to get — and it's hit national — but how much it's going to help the people of the province. That's what's important.

SOME HON. MEMBERS: — Hear, hear!

MR. KATZMAN: — You know, I read Dale Eisler today. Sometimes his sources aren't good. You know, it's interesting to note that one comment he seems to indicate is: we have a government now that listens to its membership, the members in caucus, and the family farm purchase shows that. That's what's important. We've got a government that listens to people and the members listen to the people out

in the ridings.

Mr. Speaker, I have other things I would like to talk about, but I know the session will be lengthy and we will have time during the estimates to go into all those little misgivings the former government did, and the way that we will correct them and make it easier on the people of Saskatchewan down the road. Therefore I am proud to say that I am pleased to support the motions of the Minister of Finance to a good budget that was realistic and for the betterment of the people. Thank you.

MR. YEOW: — Mr. Speaker, I rise in the House today to speak on the effect this budget will have for the people in northern Saskatchewan. Mr. Speaker, Northerners are watching this new government. They're watching for this new wave of prosperity promised by the free enterprise, capitalist government. They are watching to see what this government is doing to pull the North out of recession. They are watching to see what the intentions of this new government are toward the people of northern Saskatchewan and a development for northern Saskatchewan.

And what we have seen so far, Mr. Speaker, doesn't look too good. Employment is very high in the North. The recession has hit us very hard. Traditional economic development has generally meant exploitation of Northerners with the prosperity going to others and not to us.

Things were beginning to change, Mr. Speaker. We were beginning to have development on our terms. We were beginning to have full participation by Northerners in that development. We were beginning to build a future for ourselves.

And what do we have now? What do we see this government doing? It's put an end to the fur marketing corporation. It's put a freeze on construction. It's put a hold on the new hospital for La Ronge, the nursing care facility. And you stood by as the people of Uranium City watched their community disappear and they lost all their hopes. You went ahead and dismantled DNS without consultation and involvement of Northerners. You eliminated the northern economic development foundation and imposed a three-month moratorium on economic development. Mr. Speaker, we see this government doing all kinds of things in northern Saskatchewan and none of it is good.

Last Wednesday we heard the Minister of Finance outline the mid-course correction for the budget and for the province. He spoke of help to the oil industries. He spoke of help to the insurance companies in debates. But not once, Mr. Speaker not once did I hear him speak of the people in northern Saskatchewan and I think that says something about this government attitude towards Northerners

Mr. Speaker, I am very disappointed with this budget. It does not speak of any programs for northern residents. In fact, Mr. Speaker this budget outlines some severe cutbacks in services for the North. I know the members opposite would claim that that here have been no cutbacks. They say that the different services of the Department of Northern Saskatchewan will be handled by departments here in southern Saskatchewan. But what guarantees can they give? What guarantees can they give that northern residents will receive their fair share of services? If this budget is any indication of how Northerners are to be treated by this government, then we're in for some pretty touch times. Let me give you some examples, Mr. Speaker.

The government has reduced grants to individuals, to communities, to third-party

organizations for economic development, by 26 per cent from \$2.3 million to \$1.7 million. They say they are a government that wants to encourage individual initiatives. They say they want to see economic development in this province, but they reduce their support for local people who want to develop their own businesses. Northerners face some special problems when they are trying to get businesses going. They have to deal with major transportation problems, isolation, the lack of management and support services, the lack of financial institutions and communications. And now we have a complete lack of government support and encouragement. This government is showing Northerners that they don't care.

Where is the northern economic development foundation, and where are the northern-run enterprises that would already be in place had that foundation gone ahead? It is strange to me that a government which says they believe in development and in small business would destroy a valuable idea like the northern economic development foundation. Or don't they think Northerners can handle their own development? Do they only believe in business incentives for their corporate friends?

This budget also reduces grants to schools and community colleges in the North, Mr. Speaker. The grant to northern community colleges was reduced by 50 per cent. We need these facilities. We need to provide the opportunities for more education to every Northerner. We've seen what can be accomplished when programs are worked out that fit the needs and the aspirations of northern people, and NORTEP is one example of that. The northern teachers' training program is a really good example. And I could name a fairly long list of others.

And now, Mr. Speaker, this budget shows us that education for Northerners is not really important to this government. The list goes on, Mr. Speaker. There are cuts in community programs like day care, services to the elderly, community recreation, etc. I know that the Minister of Finance will say that these services will be provided by departments in the South — by southern line departments. But this is simply not true, as the facts in the budget show. Mr. Speaker, we all know that northern residents live a long way from Regina, and in the past, prior to 1971 and 1972, government departments and agencies in the South have always been insensitive to the needs and diverse conditions of northern Saskatchewan and its people.

What kind of commitment is this government going to make to ensure that adequate services will be provided to northern residents? During the election campaign the Conservatives promised to cut the gasoline tax, and they say that to cut taxes but not cut services will run deficits. Well, they are running a deficit — \$220 million in their first budget. And they have also cut services for northern residents. But it came as no surprise to us that when the gasoline tax was lifted, the funds available for road building and transportation dried up, particularly in northern Saskatchewan.

Everybody is talking about the bad state of the roads. All over the province road maintenance and improvements have been halted. Northern Saskatchewan is particularly hard hit by the freeze on highway construction. Long distances are the rule in northern Saskatchewan. Road improvements are vital to northern development. New bridges, better services and improved maintenance mean so much to northern residents. Communities like Cumberland House, Sandy Bay, Pelican Narrows, Wollaston Lake, Montreal Lake, Southend and Reindeer Lake are just a few examples of the isolation that we have facing northern residents.

In addition to transportation needs, road building is an important source of work for many local people. At first people thought it was a good idea to save a couple of bucks on a tank of gas. But they quickly found out that rocks through the windshield or tires mashed over potholes were more expensive in the long run. People in the North know that transportation costs money but they also know how vital it is to improve northern roads. For Northerners, it's just one more example of how the PC government sells them short.

Mr. Speaker, there is one area where the Tories have increased their budget, but that is in the area of the social assistance program. This government would rather have Northerners on welfare than take measures to encourage northern employment. It's a disgrace, Mr. Speaker, not giving people a chance to participate in the economy of their own lives in the communities in northern Saskatchewan. It is a disgrace treating the residents of the North as second-class citizens. If this government is truly serious about a new industrial strategy, if it really believes in the brighter future for Saskatchewan. It is a disgrace treating the residents of the North as second-class citizen. If this government is truly serious about a new industrial strategy, if it really believes in a brighter future for Saskatchewan, if it has anything to offer beyond the rhetoric of free enterprise, then now is the time to put itself to work in earnest to build a future for northern Saskatchewan.

The need for development is there. The potential is there. The challenge is there and I challenge them to make good of their claims to put an end to destruction and delay and to get to work in northern Saskatchewan.

In conclusion, Mr. Speaker, let me summarize the major issues raised for the people of northern Saskatchewan by this budget.

First, Mr. Speaker, we have been repeatedly told by the minister and others that the Devine government is interested in consultation before making any major policy changes. And yet they have so far refused any or all for of meaningful consultation with Northerners, with FSI, with AMNSIS, with local governments, with La Ronge hospital, with the Saskatchewan Trappers Association, the Northern Contractors Association, etc.

Secondly, there has been no mention by the Minister of Finance, or the Minister of Northern Saskatchewan, of programs to support the traditional economic activities of Northerners Saskatchewan, of programs to support the traditional economic activities — trappers, the fishermen, commercial fishermen, etc.

Thirdly, while the Minister of Finance speaks of a midcourse correction, we have seen just what he has in mind — a correction in favor of the Tory corporate friends in the banks, the insurance companies, the real estate companies and the multinational oil companies. All these corrections, Mr. Speaker, for their corporate friends, but severe cutbacks in social and economic development programs for the North.

Fourth, Mr. Speaker, a long, long list of real budgetary cuts, cuts that have not been picked up elsewhere: cutbacks of more than \$730,000 for social programs; complete elimination northern revenue sharing for local governments — more than \$900,000; cutbacks of more than \$530,000 in education and training programs for northern people; and cutbacks of more than \$15 million in northern transportation capital projects.

Finally, Mr. Speaker, there is the hypocrisy of this budget speech. The Minister of Finance may speak piously about economic prosperity requiring a co-operative effort. As far as northern people are concerned this hypocrisy and this pious platitude has become all too evident with this budget; a co-operative effort between the Tory

government and its big corporate friends, but an all-out attack by the government against the residents and the interests of northern Saskatchewan. Mr. Speaker, I will therefore be opposing the motion put by the Minister of Finance.

SOME HON. MEMBERS: — Hear, hear!

HON. MRS. DUNCAN: — Mr. Speaker, it is an honor and a privilege to be able to participate in this debate on our government's budget, both as the elected member for my home riding of Maple Creek, and as the minister responsible for government services, and revenue, supply and services.

I feel, Mr. Speaker, that as an effective opposition we repeatedly requested assistance for our citizens of this province. The bottom line, I feel, was that we as an opposition really cared, and I can say with great confidence that as a government we will continue to care for those who have found it extremely tough to make ends meet in these difficult times. I think this was ably demonstrated by my colleague the Hon. Minister of Finance in his first budget the other evening.

We as a government care about the families who live and work in this province. Our government is committed to putting emphasis on the people of this province — their needs, their hopes, and their dreams — while recognizing their talents and helping them to realize their own objectives.

Our Open for Business conference was only the first step in demonstrating our want to build and to stimulate growth in our province's economy. Our conference created a healthy and spirited atmosphere of co-operation between the public and private sector. Only with this kind of co-operation which our government is promoting can we generate the type of economic activity we need to create jobs. Over 650 top business and government executives from across the land visited Regina to hear about the dawning of a new economic era in our province. They left, Mr. Speaker, feeling very excited about our province where opportunity knocks. They realized that they too can benefit by establishing in Saskatchewan.

In asking these executives to locate or expand their operations in Saskatchewan, we simply told them that their initiatives would help create jobs, new jobs for our young people, it would help create taxes to maintain our government operations, and provide new opportunities for our local service industries and stores. All this, we feel can be done without the need for personal taxation increases, but nonetheless expanding services to people at the same time. Our government's commitment to them is that they will be come familiarized with the ground rules, and those rules will not be changed in midstream as they were under the previous administration.

You know, Mr. Speaker, Saskatchewan is one of the most heavily regulated provinces in the whole country. Ontario is 6,651 printed pages of regulations as compared to Saskatchewan 8,000 printed pages of regulation. From 1900 to 1960, Saskatchewan either led or tied for the lead in enacting the greatest number of regulatory statutes in four of the six decades. Fifty-three per cent of Saskatchewan's regulatory statutes were enacted under the previous government. And I think, Mr. Speaker, that that's indicative of their mistrust in the people that want to come here and try to help our province grow.

And our province has lagged far behind most other government in not attempting to

examine the many inefficiencies and hidden costs of regulation on the provincial economy. Unfair regulation means reduced profits, leads to foregone tax and royalty revenues to the government, and means ultimately, Mr. Speaker, increased prices to consumers.

Unfair regulation as enacted by the previous administration also increases the risk and uncertainty about the province's investment climate and can, for that matter, inhibit competitive free market forces. And this was stated over and over again at our Open for Business conference.

Through this industrial and business expansion, we as a government will help provide real help by creating jobs, a healthy provincial tax base, and new opportunities for the people of this province. This, Mr. Speaker, is our philosophy, and we feel very, very confident that it can also become a reality.

On May 8, 1982, our government provided real help to Saskatchewan residents by eliminating the tax on fuel. As you know, Mr. Speaker, that was the very same day that we took office.

SOME HON. MEMBERS: — Hear, hear!

HON. MRS. DUNCAN: — I feel, Mr. Speaker, that that was our first step in proving to the electorate that we were serious about keeping our promises, that we simply were not promising pie-in-the-sky tidbits to the citizens of this province just to get them to vote for us. And you know, Mr. Speaker, they believed us, and with the introduction of the farm purchase program, we have literally fulfilled our major election commitments. I don't even call them promises. I call them commitments.

We will continue to be serious about governing this province. People like the constituents of my riding, Maple Creek, who were sick and tired of not being listened to, who were worn out by a government who had lost touch with the public, know that they can come to us and we'll listen.

Our government has estimated that each passenger car owner will save approximately \$200 to \$300 a year on fuel charges. The elimination of the fuel tax will also benefit cities, towns, villages, rural municipalities, school units, and countless other commercial ventures. A cross-country survey of gas prices in September showed Quebec at the high end of the scale at 50.5 cents per litre and Saskatchewan next to the bottom of the scale at 36.7 cents per litre. Attractive gasoline prices at the pumps should even attract more tourists than ever to our beautiful province, and I'm sure the Minister of Tourism will have something to say about that.

Oil companies and trucking firms will also benefit, because the savings in transportation cost will be passed on to the consumer in the form of lower prices for consumer goods. Under the former regime, we could only hang our heads in shame that our gasoline prices were about the highest in the country. We felt differently. We feel that Saskatchewan is one of the richest producing provinces in Canada, and that there was no reason for our gas prices to have been so high. But it seems like the former government took little pity on the little guy and used the gasoline road tax as a means of feeding the ravenous appetites of the crown corporations.

Over the years, Mr. Speaker, we as a party have been listening to the people of

Saskatchewan and we have heard their concern over the high cost of fuel. As a government, we responded by immediately eliminating the provincial tax. In no way does this discourage the conservation of our non-renewable resources, as charged by the people opposite. We feel that the people of Saskatchewan are energy conscious, and despite the savings, we believe that that trend of purchasing fuel-efficient vehicles will continue.

Another commitment, Mr. Speaker, was the introduction of the mortgage interest reduction plan in June 1982. It is a plan which will ensure that people are able to cope with high interest rates and, at the same time, protect their homes. I am very pleased to report, Mr. Speaker, that this program has helped financially squeezed home-owners in Saskatchewan with real help in tough economic times. To date, in less than six months, as of November 17, a total of 30,036 home-owners are presently receiving monthly benefits. As I responded in question period the other day, Mr. Speaker, my department has been flooded with applications since the introduction of the plan on July 1. I feel that all of these applications have been dealt with efficiently, in an organized fashion, by a very small competent staff of about 20 people. I think it is a credit to their dedication as civil servants — the hours and hours that they have put in wanting to see this plan move very, very smoothly.

Of the 38,000 Saskatchewan home-owners who were initially eligible to receive benefits under the province's MIRP, beginning July 1, I am sure that my hon. colleagues across the way will agree that we have pretty well reached our mark. I am sure that they will also agree that the program has proven to be extremely popular with the general public. Our government has received dozens of letters and calls offering thanks and congratulations. Therefore, Mr. Speaker, whereas the NDP program would have only covered roll-overs and no one buying a new home would qualify for assistance in any circumstance, our government's plan has in fact protected our home-owners from high interest rates and has encouraged first-time home buyers.

In July and August of this year, the Royal Bank reported that twice as many mortgages have been issued in Saskatchewan as compared with the same number last year. The significant decline in interest rates has resulted in a reduction in the estimated cost of MIRP. However, home-owners receive benefits based on their existing mortgage interest rates and not the current interest rates. Therefore, although current interest rates may only be at about 13 per cent, most home-owners are receiving benefits based on interest rates significantly above the current rates.

I might say, Mr. Speaker, that the target group we were going after has been covered; 52 per cent of the 30,000 or more people receiving benefits to date are trying to keep up payments on mortgages with interest levels in excess of 18 per cent.

SOME HON. MEMBERS: — Hear, hear!

HON. MRS. DUNCAN: — The group that we specifically targeted is being helped.

I think also it is safe to say, Mr. Speaker, that the MIRP plan to assist new and existing home-owners has proven that we are a government which listens. We are a government which cares. Other provinces have introduced mortgage interest reduction schemes similar to ours, and even the federal government has congratulated our government on its initiative.

MIRP has generated some new home construction in the province. In comparison with

other provinces, our housing starts are high, particularly in the rental housing are. Equally as important, the plan is generating housing sales. Prior to the introduction of the plan, the dollar volume of sales was down 43.4 per cent for 1982 over 1981, and the number of sales were down 38.7 per cent. Since the introduction of MIRP, the dollar value of sales has increased by 18.2 per cent over the same period in 1981, and the number of new sales has increased by 29.2 per cent. So I think another objective the plan, to help stimulate a lagging industry, was also met.

I very much doubt, Mr. Speaker, whether the former NDP government could have been able to report close to these figures had they be re-elected and introduced their home program.

AN HON. MEMBER: — Never.

HON. MRS. DUNCAN: — Never is right.

As my colleague announced in his budget address last Wednesday evening, we are committed, on our part, by our government to establish a comprehensive tax environment for business, and to protect the income of individuals. Our government has committed itself to tax reductions where practical and the review of taxation levels will continue. Our government has also committed itself to further reductions in sales tax and other taxes. As the Minister of Finance indicated the other night, these reductions will be targeted as we can afford them and where they will generate the most jobs and the most economic activity. We think, Mr. Speaker, that that is a very sensible approach to take.

Additionally, I would agree with the Minister of Finance that a small increase in taxes levied on insurance companies can be justified in Saskatchewan. A 1 per cent increase in the insurance premium tax rate on gross premiums is not very hard to bear. This will yield approximately \$4 million in revenue for '83-84, and this will help us keep our promise to ensure high quality education and health care.

I would like to stress, however, Mr. Speaker, that this higher rates will not apply to insurance premiums for sickness, accident or life insurance. This higher rate will not be in effect until the first of the year, and as of that date, insurance companies will be exempt from Saskatchewan corporation capital tax.

An additional \$1.1 million in revenue will be yielded through an increase in the tax on cigarettes and tobacco, and I'm sure, Mr. Speaker, that even smokers don't mind paying the extra cost.

Last Friday I took the opportunity to announce a new direction for the Department of Government Services, a direction which will ensure that the space needs of government are delivered in a manner which will eliminate the need for large capital expenditures, and thus reduce the drain on the treasury for the provision of space. In the past, the former government has made major one-time investments in buildings such as the Sturdy Stone Centre in Saskatoon which was started in 1975 and cost in excess of \$20 million, and the T.C. Douglas Building, which again was started in 1975 and cost in excess of \$30 million.

These funds, Mr. Speaker, in excess of \$50 million, were one-time expenditures, and thus were an immediate drain on the treasury, and I would say probably at the expense of other programs such as health, social services and education.

This government will, where practical, involve the private sector in the delivery of a building through a method known as lease-purchase. This alternative method has been used by other governments since the middle of the 1960s to meet their needs for space of various kinds, and this government has decided to use all the options available in seeking accommodation. Thus we shall be able to ensure that the experiences gained in other jurisdictions are used to the best advantage by this government. We feel that the former administration should have looked at the various options available in trying to deliver space for government, but we, I feel, are not as paranoid as they were.

Subsequent to a cabinet review of every capital project proposed by government, the Department of Government Services will conduct an analysis of the project using this method of delivery as a test of its feasibility.

Mr. Speaker, I would like to explain at this point a lease-purchase arrangement. Lease-purchase is primarily a long-term form of capital financing of a government building. Annual lease payments represent the financing costs and the purchase price of facility. At the end of the lease term, ownership of the building reverts to the lessee, in this case the Government of Saskatchewan. Lease-purchase involves the private sector in government construction projects, bringing to bear the entrepreneurial and cost-control skills of the private sector professionals.

Mr. Speaker, lease-purchase may well be the most cost-effective means of constructing government facilities, and the concept is widely used by other provinces and the federal government. It has proven to be a viable alternative to government expending all funds required over a relatively short period of time on the construction phase of the project.

One of the basic advantages of lease-purchase is that initially, government will only incur expenditures for the hiring of design consultants and for the purchase of the land. The remainder of the expenditures would be spread over the length of the lease term.

This means, Mr. Speaker, that funds normally allocated for the payment of expenses associated with construction contracts over a short period of time can be used for other government programs. The beneficial aspects, both to the private sector and the government, include the elimination in the immediate cash flow requirements of government. Once a lease-purchase price has been negotiated, the government is not at risk for construction overruns. The cost of the purchase is fixed and not subject to market evaluations or appreciation. This eliminates for the government any aspect of uncertainty from the building process. Therefore, Mr. Speaker, by reducing government capital outlay, this could result in more projects being undertaken in any one year. This obviously has tremendous private sector impact, since more work may be available to this sector using this model than if the government had to finance the total project within a period of one or two or three years.

Moreover, the opportunity would exist to exercise the option to purchase the facility at the predetermined time if investment dollars were available, thus reducing the cost of the lease-purchase. The cost of the lease purchase in 1982 dollars, based on calculations of the net present value of the lease-purchase over a fixed term, could be greater than the traditional form of construction. However, cost efficiency achieved by the private sector in the actual construction phase, such as a shorter construction

period or innovative design solutions would, in fact, reduce the lease-purchase to the point where it could be as cost efficient as government construction, if not more so.

SOME HON. MEMBERS: — Hear, hear!

HON. MRS. DUNCAN: — This, Mr. Speaker, is another example of the forward-look approach which this government will take to bring business to the province, and to provide investment opportunity and jobs which will allow —s to be number one and thus build a strong future for the people of the province. Again, I can just repeat that this is another example of a government which cares what happens in this province.

This also ensures, Mr. Speaker, that in reducing the immediate cash flow requirements of the provincial treasury, our government will be managing the finances of the province in the same careful, value-conscious manner as the farmers, businessmen, and individuals who live in this province, who are not unlike the farmers, businessmen and individuals who live in the riding of Maple Creek.

Our government has diligently, over the past five to six months, looked at the former governments budget, that of the NDP, the one they brought down in March of this year. In reworking that budget, we have not cut government programs, but have reallocated money away from less productive projects to more important projects in health and education. We have achieved savings of \$170 million in several areas with the introduction of efficiency measures, and with the elimination of some new programs announced by the former government which they had not yet introduced. With reductions to the existing program base, reducing the training budget of DNS, with the elimination of the gas tax, and with some reductions to capital budgets, our government expects to spend slightly more.

It is important to note that the NDP budget grossly overstated revenues by \$420 million, and grossly understated expenditures by more than \$110 million. A total of \$3,125 million in revenue was claimed in the NDP March budget. Our government estimates to date say that these revenues will only be \$2,075, a drop of \$420 million. Only \$122 million of that is a result of elimination of the gas taxes, Mr. Speaker.

Similarly, on the expenditure side the new estimates determine that a number of programs are now forecast to cost significantly higher than what was stated by the former government. The former government, which now sits in opposition because the people of Saskatchewan voted for a change, should have indicated in their budget a \$200 million deficit, not a \$208 million surplus. And I say sham. The ministry of government services has decreased heritage fund capital expenditures from the \$17 million projected by the NDP in their budget to a revised \$2,939 million. No longer will the heritage fund feed the ravenous appetites of the family of crown corporations.

We as a government are committed to promoting and encouraging free enterprise. We are a government committed to helping Saskatchewan residents achieve prosperity and a secure future. Our government will not interfere but will help create a healthy investment climate and restore a healthy economic base in the true spirit of co-operation with the private sector. We will, as my hon. colleague Bob Andrew stated, help each other when times are tough and together we will share the harvest. \$157 million alone will be recirculated as a result of action taken by this government in our province this year.

Mr. Speaker, it gives me great pleasure to support the motion on the budget.

SOME HON. MEMBERS: — Hear, hear!

MR. SVEINSON: — Mr. Speaker, members on the government side of the House, members of Her Majesty's Loyal Operation, I'm sorry, Opposition — the operation was held on the 26th of November.

And I'd like to remind the people of Prince Albert-Duck Lake in the upcoming by-election that if the attendance in the House and the activity in the House doesn't improve, why send a new member into the legislature in Saskatchewan? Elect a Progressive Conservative in Prince Albert, where you'll get some activity and some action in this House.

I stand in this House today to congratulate our Minister of Finance on probably one of the most compassionate budgets, under the financial circumstances of our country and our province, since 1905.

I would like to quote the Hon. Leader of the Opposition from *Hansard* on November 26, 1982 when he said:

. . . considering the difficult material he had to deal with, I thought he did very well.

Well, this is an understatement. I would like to go back a couple of years to a budget of a former minister of a former government that some of the members opposite were members of, and the four or five that are not present in the House. I think were all members of that government. But I would like to refer to a budget on March 5, 1981 read by your former minister of finance.

He said:

I am pleased to announce that in 1981-82 we will set aside for investment in the heritage fund over \$300 million — the largest amount ever. This will raise the total assets of the heritage fund to over \$1.25 billion.

Unfortunately, we were led to an empty trough. With the empty trough that we were left we were able to present to the people of Saskatchewan a budget that provided not only answers to problems but compassion in hard times. We increased the health expenditures by \$26 million. There were increases in social services and education, and many other areas that the people of this province demanded increases in.

Friday last, I heard the Leader of the Opposition, and I believe in the next edition of the *New England Journal of Medicine* he may be quoted in the surgery section. He went through the cut, cut, cut exhibition for two hours. Unfortunately the major cut in this legislature, for the opposition in the last six months has been in numbers. They were cut from 44 to eight, and I think that will hold up in the upcoming by-election to be called in the new year.

SOME HON. MEMBERS: — Hear, hear!

MR. SVEINSON: — Even in April election campaign their campaign literature misled the people of this province. Budgetary figures indicated that \$1.9 billion would be

spent. The government of the day, in its campaign literature, rounded that figure off and went out to the people with \$2 billion in expenditures, a simple rounding-off of \$100 million. I took that to the doors of my constituents, demonstrating their fiscal (and I want to put that in italics) responsibility. They don't have any.

In 1971 the total budget of the province was only \$400 million. In 1982 they can go around rounding off figures totalling \$100 million, somewhat of a disgrace and I think that the electorate answered that on the 26th of April. Their cavalier attitude regarding fiscal responsibility was a major responsibility was a major contributor to their demise and will continue to be so.

It was said in the first sitting of this twentieth legislature that Regina North West, through the mortgage interest reduction and the gasoline tax removal, would benefit by approximately \$5 million per annum. For the first time ever in northwest Regina, protection was given to families whose homes and autos, necessities of life, had to be finances. The NDP couldn't offer that help. They were suffering because of high interest rates, high government expenditures and utilities. They were suffering because they didn't have enough at the end of the month to cover their bills. We offered a solution. We were elected on the 26th of April, 1982.

Mr. Speaker, foreclosures and seizures were tearing apart the homes in my constituency. This protection came in the former of the mortgage interest reduction plan and the removal of the gasoline tax, a tax that goes back far before their administration, but they didn't offer a solution to the people in my constituency. Protection of the family home was a priority with this government. Increased cash flow to every resident of Saskatchewan was also a priority of this government, which we have delivered since April 26.

A new high school was announced for northwest Regina, which will definitely improve the educational opportunities in my constituency. I have to thank this government for that recognition, the recognition that we required that facility in my constituency.

We stand on our enviable record of the past six months. I wholeheartedly support the midterm correction of Mr. Bob Andrew. I wholeheartedly support his budget. Thank you very much, Mr. Speaker.

SOME HON. MEMBERS: — Hear, hear!

MR. BOUTIN: — Mr. Speaker, it's a pleasure and it's an honor to have been asked to speak in this budget debate. I would also like to compliment the Hon. bob Andrew for a budget well done.

Mr. Speaker, on April 26, the people of Saskatchewan made a decision. This decision, Mr. Speaker, was made with great confidence that this Progressive Conservative Party, under the leadership of our Premier, Grant Devine, would achieve our goals and bring our great province of —s to be number one.

SOME HON. MEMBERS: — Hear, hear!

MR. BOUTIN: — Yes, there was a new decision made by the people, Mr. Speaker. On April 26 the polls all over Saskatchewan showed the need for a change. The people all over Saskatchewan, Mr. Speaker, chose a free enterprise system — a system in which people believe in personal ownership rather than government ownership.

The people of Saskatchewan believe that a farmer who owns and operates his own land is amore efficient farmer than one who's only a tenant of the government. We believe that farmers should be given the chance to purchase land at a defined, low interest rate. This, Mr. Speaker, will be highly beneficial to the farmers. This program is being developed now and details are released. The program will replace the present land bank operation that presently owns about 14 per cent of the land in Saskatchewan. Mr. Speaker, this new farm program will help more people in one month than the land bank did in 11 years.

SOME HON. MEMBERS: — Hear, hear!

MR. BOUTIN: — Yet, Mr. Speaker, the NDP government in their time of office were bragging, yes bragging, Mr. Speaker, about what they really cared about — the family farm. Yet in the period of 1971 to 1982, 1,400 farms were lost. And, Mr. Speaker, our rural population has declined from 438,000 to 405,000. This shows the incompetence of the former government in seeing through the problems of the farmers.

Mr. Speaker, we believe, by reviewing the 1972 budget, that the former NDP government could never come to grips with these problems. Mr. Speaker, when the NDP took over the government in 1972, the budget surplus was \$300,000. The actual surplus turned out to be about \$2 million, Mr. Speaker. Contrast this with the NDP 1982 projected surplus of \$200 million, which in fact was a deficit of \$220 million.

Mr. Speaker, just to say a few words again on the land bank and crown-owned land. It owns about 14 per cent of our Saskatchewan farmland. Mr. Speaker, I'd like to quote from the Saskatchewan legislature dated February 19, 1971, about socializing of all land:

I ask the people of Saskatchewan to note that, over the years, the socialists have had one main solution to farming problems.

Ever since the days of the Regina manifest, there have been die-hards at conventions after conventions who had advocated the socializing of all land. They content that farmland should be owned by the government. Then they will lease it back, perhaps to the owners, perhaps to his neighbor, depending on their political views. Recently these cries for socialization have increased in crescendos. For example, I quote from the *Moose Jaw Times Herald* of January 20, 1969.

Saskatchewan young NDP members voted this Sunday to press for nationalization of the farmlands of Canada.

Mr. Speaker, the people of Saskatchewan decided to get rid of socialism as it is something to fear.

Mr. Speaker, with all the crown corporations that the former NDP government had, what was happening to free enterprise, free enterprise that made this country grow and brought it to what it is today? Many of our elderly people left the Old Country for this simple reason — because of government ownership. They didn't want to have landlords on their heels to tell them exactly what to do and when to do it.

Mr. Speaker, I would like to tell the people of Saskatchewan the true meaning of socialism as described in the *Encyclopedia Britannica*.

Socialism means: completely discarding private property by transforming it into public property; dividing the resultant public income equally and indiscriminately among the entire population.

Mr. Speaker, this is what the people of Saskatchewan feared. They decided to go with the free enterprise party.

Mr. Speaker, let me elaborate also on our health care program. In 1978 and again in 1982, the NDP members were going from door to door telling people, "Don't vote for the Progressive Conservatives. They'll take your hospitalization and medicare away."

Mr. Speaker, just to mention briefly our health care program, our Progressive Conservative Party stands 100 per cent behind universal hospitalization and medicare.

SOME HON. MEMBERS: — Hear, hear!

MR. BOUTIN: — It is true that the old CCF Party initiated this program, but in 1959, the Progressive Conservative federal government nationalized this program and it is here to stay. Mr. Speaker, I am proud to bring forth to this House that this medicare system originally started in the R.M. of Birch Hills. The sitting member for Kinistino at that time later realized what was going on and brought forth this information to the Hon. T.C. Douglas, Premier of Saskatchewan at the time. After realizing how beneficial the program was in the R.M. of Birch Hills, he initiated it throughout Saskatchewan.

We, the Progressive Conservative Government of Saskatchewan have spent \$26.3 million more on health care, beyond the level budgeted by the previous government for the current year. This is just to show the people of Saskatchewan that health care in Saskatchewan will be number one — not six, or seven, or eight, Mr. Speaker, but number one in the future years to come.

Also, I would like to remind the members on the opposite side of the House that since we formed the government on April 26, we have lived up to our promises. We are building several high schools in this province. This, Mr. Minister, will create jobs, or employment. Also, Mr. Speaker, we are building nursing homes, which also creates employment, not only for the building of the homes, but also in creating staff positions in the years to come. This was also to accommodate our senior citizens with better facilities and greater comfort.

Mr. Speaker, the NDP in their years of office have only placed 363 beds. In the short period of time we have been the government, we have the facilities of 448 beds. This, Mr. Speaker, also shows our concern for health care in this province, being part of our project to boost Saskatchewan to be number one in health care.

The Nipawin power project in another addition in job creation. It will give employment to contractors from Saskatchewan. The natural gas distribution system, Mr. Speaker, is another job creation program. All towns, communities and farmers will benefit as well. The beef stabilization plan, Mr. Speaker, for finished cattle will highly benefit farmers.

Mr. Speaker, we formed this government on April 26, and also brought in the 13.15 per cent mortgage plan. This is assisting many individuals in this province.

Removal of the gas tax, Mr. Speaker, helped many individual businessmen and kept

trucking rates lower, thereby assisting the farmers in many fields. I mean by this importing, exporting goods, including repairs for machinery that have to be trucked in. Another thing, Mr. Speaker. The public utilities review committee has kept freezes on all public utilities.

In closing, Mr. Speaker, I would like to bring to this House, especially to the members of the opposite side of the House, that here in Saskatchewan, we are open for business, Mr. Speaker. We are open for business for the very first time in the whole history of this province.

SOME HON. MEMBERS: — Hear, hear!

MR. BOUTIN: — And, Mr. Speaker, it's a special feeling for myself to be part of a government that can achieve such a goal. Let me reassure the people of Saskatchewan that Saskatchewan will be number one. I shall therefore be voting in favor of the motion.

SOME HON. MEMBERS: — Hear, hear!

MR. MARTENS: — Mr. Deputy Speaker, I would like to take this opportunity to compliment the Minister of Finance, the member for Kindersley, for his first budget. There are times in economic history when budgets are easy to make. There are times when economic upturns are a benefit to the financial positions of government, I believe, Mr. Speaker, that the decline of the interest rates in the money markets at this time has greatly assisted our administration in providing benefits to the citizens of this province. They have given to us, as citizens in a great province, the opportunity to again invest risk capital in agriculture, energy and construction.

The commitment of our government to show fiscal restraint in many areas, particularly in administration costs, has given the people of Saskatchewan some reason to appear optimistic. The position our government took to adjust the interest rates of home-owners with mortgages has provided not only as stimulus to the construction industry, but has also given to those people who were caught with substantial increases in interest rates and payments a security in knowing that there is a government that cares. Throughout history, excessive taxation has caused people to resist, sometimes by force when considering the colonies of New England, or further back in history to the signing of the Magna Carta in British parliamentary development.

On April 26, the people of Saskatchewan turned from the ever grandiose schemes of the family of crown corporations, always bigger and so-called better, to a realistic approach to taxation.

SOME HON. MEMBERS: — Hear, hear!

MR. MARTENS: — The tax cuts that we said we would give, we have given. The reduction of high-cost administration we have also given because we know it could be done.

We, as government, are gaining a grip on the inflation rates by coming to grips with some high spending in government. In dealing with economic issues, I would like to compare some of the floundering of the former administration's takeover from the Liberal administration in 1971-72. A budget forecast of \$300,000 turned into a surplus of \$2 million. A budget of \$200 million surplus in 1982 turned into a deficit of \$200 million — a general deterioration of the controlled budgetary planning.

One of the statements the former premier and now Leader of the Opposition made was a commitment Friday, March 10, 1972. I quote:

In our election platform we reaffirmed our faith that agriculture is the foundation of Saskatchewan life — economically and socially. This budget underlines that faith.

It sounds interesting, Mr. Deputy Speaker, that here is a government that really means business; they were there to do a job for agriculture. Agriculture will take its rightful place in the plans of the economy, but that didn't happen.

The Leader of the Opposition, as the finance minister, continues on in his speech:

Saskatchewan's developing livestock industry continued to advance. Provincial inventories of cattle and calves in 1971 were the third highest of any province in Canada. During 1971 livestock marketing increased in all areas — cattle, calves, sheep and hogs.

He went onto say that though some price problems occurred during the year, notably with hogs, prices had improved by year end and that these improvements are expected to continue in 1972.

Mr. Speaker, what really happened to the livestock industry is that in cattle and calves we are still only number three, and we have cut our cow production units from a high in 1975 of 1.3 million head to a low of 875,000 in 1982. That's the lowest level since July of 1969. Where was agriculture going with this socialist cattle program? Down the drain and out of business.

I'd like to mention hogs. In 1971, the hog population was 1,090,000. After a socialist experiment, it went down to 492,000 in 1975 and to 500,000 in 1982. Now, Saskatchewan leads all provinces in the percentage decline of the sow and gilt herd, while Ontario, New Brunswick, Nova Scotia, and Newfoundland all recorded increases in the total herd, and also in their breeding stock. We are going down and they are going up, and they don't even grow the feed grains. Where is that priority of the former administration in their socialistic experiment? The opposition while they were in power, and even now, always say they are for the little guys. The average farm size in Saskatchewan went from 845 acres in 1971 to 973 in 1982. That is almost another quarter section for every farm in Saskatchewan. That's bigger than they were in 1971. The land bank program put 2,800 lessees or government tenant farms in place in agriculture over its tenure as a socialist agrarian policy. In the opinion of the opposition it's such a great policy.

I'd like to ask them a question: why did they give our administration the responsibility of collecting nearly \$5 million of arrears — \$5 million of arrears that was their responsibility to collect, and we have the responsibility now? We are going to take it, but they should have done it beforehand. In my opinion that is typical not only of their agriculture economic policy, but of their total economic accountability. No matter how hard they tried to keep renters on their properties, we now also have 100 quarter sections of vacant land bank land — people who gave up because they were crushed by the socialist philosophy that says you can get something for nothing. I heard a quote from Mr. Horner and it goes like this: "The price of a free ride is your freedom." And I

heard a lot of stories about people going bankrupt on land bank land. This great socialistic agrarian policy also reduces the total number of farms in Saskatchewan by 9,652. Everyone gets bigger farms, and the number of people in rural Saskatchewan declined by 33,000. That's what socialism calls helping the little guy.

Irrigation is something that I have a special interest in, Mr. Deputy Speaker, and I'd like to point out what has been happening there. When the opposition took over the administration in 1971 they had 77,5000 acres in production, and in 10 years they raised the total to 138,000. That sounds good but it's an average increase of 6,050 acres per year. And there are individuals in the industry, in the service industry, that have the possibility to do more than that in any one given year — and we want to think that that's credible.

If they would have encouraged farmers to develop more irrigation, Mr. Speaker, the 500,000 acres along Diefenbaker Lake could have sizably reduced the cost of moving feed from Manitoba and Alberta the past two years. If the 500,000 acres of irrigation along the South Saskatchewan River and Diefenbaker Lake are would have been developed during this time, the economic stability of Saskatchewan would have been greatly increased.

The realized net farm income in 1982 is expected to decline by 36 per cent. The anticipated decline is realized net farm income in Canada will be the largest in Saskatchewan Statistics Canada forecasts 1982 realized net farm income declines in Alberta and Manitoba of 15 per cent and 24 per cent respectively. And we are sitting at 36 per cent. The declines are less severe in these provinces. Why? Because livestock receipts make up a large portion of total farm cash receipts. The increased diversity in agriculture shows that it provinces stability, and we have seen diversity in agriculture in Saskatchewan in a steady decline.

The net farm income, with the exception of 1977, will drop to 801 million in 1982 from \$1,244,500,000 in 1981. We are almost at the same place we were in 1973 in net farm incomes. The greatest benefit has been the increased intensity of production which has made the volume the key to little more than breaking even The prospect for tomorrow in agriculture will be greatly enhanced by the introduction of our policies as we continue to govern in the province to benefit the farmers and the ranchers who are sorely left out of place in the former administration.

The economic diversity is very evident in the southwest. The oil industry has provided a backdrop for occasional downturns in agriculture. The devastating consequences of the provincial energy policy and the recent national energy program have crippled the oil service industry. The position of the service industry in the southwest before the provincial government put in Bill 42 in '73 was good. There were 450 people employed in the southwest by 85 companies. Is that big business? These weren't big, muscle flexing oil companies. They were the little guys in the oil business, people with concerns about their mortgages and business financing, and they lived in the cities of Swift Current and the villages and towns of rural Saskatchewan, towns like Success, Pennant, Fosterton, Shaunavon, and Gull Lake. The effect of the national energy program, to have the Canadian taxpayer buy themselves into the energy scene, place d a lot of these little guys in a position where they could no longer afford to operate. Many moved or went bankrupt.

We had an election time on April 26 about 50 people employed. They were owners and operators just ready to get out. The field was almost completely shut in. I'd like to quote

from the Leader of the Opposition's speech he made when he presented his first budget address:

The importance to our province of a thriving rural sector is paramount. In the past few years, unwise government policies have sapped many rural communities of their vitality by making them surplus in the economic scene of things. Almost all of the smaller communities have lost population over the past 10 years.

That was a quote. What's different today? Nothing. Mr. Speaker, that didn't stop with the entrance of Saskatchewan's last 11 years of socialism. What those people in the small rural towns needed, Mr. Speaker, was to the people of the former administration a dirty four-letter word — plain and simple, work.

SOME HON. MEMBERS: — Hear, hear!

MR. MARTENS: — The little guys in the oil industry were prepared to work, but the socialism, both provincial and federal, took it away and when the work quit, a lot of people had to move.

The position of the service industry, for your information, is beginning to change, and people are moving back again, back home, even into Shaunavon. The oil field service industry today is employing in the southwest 150 compared to 50 in the spring when we took over.

An interesting surprise that I saw in the budget was the overpayment by the federal government of \$100 million to the former administration. Was that a miscalculation or misrepresentation?

A comment was made by the *Leader-Post* on November 25, and I quote:

In a shift from past practice, the government presented the budgets from general revenues and heritage fund together. The NDP government had always calculated the two separately, presenting a less accurate reflection of the entire budget.

I appreciate that the Minister of Finance was open and honest with his first budget. I believe that the choice by the Premier of Saskatchewan was a good one. The minister provided a mid-course correction that already has given this province a glimmer of hope in the energy field, in agriculture, in increased starts over last year in major construction, like the Nipawin dam project, and others.

Mr. Speaker, we are not here to sell the store. Saskatchewan is open for business. We are here to market our products, our oil, pulp, wheat, cattle, pork, farm machinery, technology, and we are also here to let the people of Saskatchewan make a profit.

I want to congratulate the hon. member for Kindersley on his first budget, and I will be supporting the motion.

SOME HON. MEMBERS: — Hear, hear!

MR. KOSKIE: — Mr. Deputy Speaker, first of all, I want to indicate that following the

completion of my remarks I will be moving an amendment which was indicated to the House by the Leader of the Opposition when he spoke in the debate on the budget.

I want also to take this opportunity to join with other members in congratulating the Minister of Finance who introduced the first Conservative budget in 50 years. I want to say that I certainly feel that he had, in fact, given a good delivery and put on a very good face. But, I think that now he must feel awfully alone — awfully alone, Mr. Speaker, because we have had speeches from the members of the government side which have been three minutes long, four minutes long, ten minutes long and seven minutes long. Some won't even speak. One of the central threads that you will find in their speeches is no reference to this budget.

The member for Regina Rosemont, if you can believe it, stood up in this House and he spoke about land bank. He said nothing about programs or education, social services or health or any programs which this budget, in fact would do for his constituency. And I want to say, Mr. Speaker, that the odd minister spoke. I'm going to take a couple of copies of those ministers' speeches. The Minister of Health, who was talking about making health number one in Saskatchewan under his government, couldn't even find enough to say to occupy more than 10 minutes, out of which 7 or 8 minutes were used to attack the Leader of the Opposition.

I want to say that I look at this budget and I want to say that it is characterized by two things: brevity and lack of substance. This was the first opportunity by a Conservative Minister of Finance, in the recent history of this province, to set out clearly and definitively for the people of this province the economic and social philosophy of this government. And, although the minister failed to provide us with any clear sense of direction in which the government is going, I want to say that an examination of the government's performance since taking office provides us with significant answers.

Therefore, Mr. Deputy Speaker, I will address myself not only to the budget for what it does and does not contain but also to the government's performance in the last seven months. I would suggest to you that all of these taken together would indicate quite clearly that this budget does not represent a mid-course direction or a "correction" as they term it. Rather it signals a massive change in direction.

Furthermore, I suggest to you, Mr. Deputy Speaker, and the members opposite, that this change, this so-called "new beginning", as you so proudly call it, represents not a new beginning but a return to a discredited philosophy of the past that will ensure guarantee to the people of Saskatchewan a dismal future under the leadership of this government.

In this seven and one-half page address, the Minister of Finance used four pages to tell us about the dismal state of Saskatchewan and federal economics. He talked about the problems of the industrialized nations of the world. He used four and one-half pages. He talked about the disastrous foreign investment policies, the erratic tax changes, the double-digit inflation, paralyzing interest rates, 1.5 million unemployed, a weak dollar and withering productivity.

He talked, Mr. Speaker, about these problems as if they suddenly had appeared on April 27, 1982. As a result of the sudden appearances of these problems, the Progressive Conservative commitment — one for increased funding for education and health, reduce provincial income tax, removal of the 5 per cent E&H tax — was no longer possible.

But, Mr. Speaker, the Progressive Conservative commitment to the oil industry of \$100 million was a commitment that they never advertised in the election. They never told the people of Saskatchewan. A commitment that they didn't dare tell the people of Saskatchewan. Mr. Speaker, the Minister of Finance says in his speech on page four: "These adjustments have not been made on the backs of the poor, the less fortunate, those on fixed incomes." Well could the minister explain how he can reconcile that previous statement with the freezing of the minimum wage? Millions for the oil industry but he can't afford of 25 cents per hour increase for the lowest paid individuals. Compassion for the wealthy and the healthy. Nothing for the poorest in our society. That is what the people of Saskatchewan are finding out about this new government.

And Mr. Andrew says the heritage fund, the heritage fund — our hedge against tough times — he says was empty. Well, I want to say he knew that the heritage fund had been invested in the future of this province and I will say that either he knew or he demonstrates a total lack of any ability. I have another word for it. He knew that the revenues had been used to provide real jobs in the resource sector of Saskatchewan. He knew that these resources had been used to create the head office here in Saskatchewan.

But, he chose to ignore these facts and he indicated his displeasure. His caucus indicated their displeasure. And the Conservative Party indicated their displeasure. Why? The answer is obvious. IN their desire to loot this province on behalf of their corporate friends, they did not, as they hoped, have access to ready cash. Rather, they will be forced to show their real color by liquidating some of the assets that people of this province have built up in order to feed the ravenous appetites of their corporate bed partners.

The Premier calls it Saskatchewan Open for Business. What he really means is for sale, cheap, we're giving it away.

Mr. Speaker, we know that this government doesn't believe in crown corporations. We know that they believe in private enterprise as the only solution. But what of the co-operatives? What of the co-operatives? A Saskatchewan tradition Well, Mr. Speaker, the Minister of Finance clearly indicated how he feels about the co-operative tradition of this province. Mr. Speaker, here in Saskatchewan we had what was called the Saskatchewan corporation tax. Co-operative insurance companies, only, used to be exempt. But not any more, Mr. Speaker, not any more. The government has seen to that, Mr. Deputy Speaker.

Well, I want to say that obviously Ross Sneath thanks you. Will Klein will thank you. Pioneer Life will thank you, London Life will thank you. But I want to say that the co-operative movement of Saskatchewan will not thank you. I want to say that the co-operative movement of Saskatchewan will not thank you. I want to say that obviously the Conservative Party is indicating its true strategy. They don't care about the co-operatives; they are not a part of the Conservative economic strategy. They and the crown corporations will have no future role to play in the Saskatchewan economy under the Tories.

Mr. Speaker, as we examined the performance of this government, another characteristic stood out, and that is the unwillingness or the inability to make decisions. Seven months have passed. We have a government, as has been indicated, of review and revision and retraction, over and over again. One minister makes a

statement; the Premier denies it. The Minister of Northern Saskatchewan says, for example, "No help to Uranium City." The next day the Premier says, "We are rethinking it." The Minister of Northern Saskatchewan gets on and says, "Well, I've made my position clear, but maybe we'll reconsider it." Of course, it's been delayed; no action for Uranium City. It's the same in many aspects of the programs which need attention.

I want to say that there have been some clues which tell us something about the economic and social philosophy of this government. But first, this caveat or this warning. I want to say: don't listen to what they say; see what they do. Because it seems that although to err is human, to prevaricate is divine.

Mr. Speaker, let us now examine this government's performance, so that it becomes obvious why some people have difficulty understanding the Conservative position on issues. I have here a Conservative commitment in the past election. Here it is, this is what it said:

Safe, clean water supply to the people of Regina.

That's what they said, Mr. Deputy Speaker, that is what they said. What did they do? The government purchased some water purifiers and installed them in the Legislative Building. They purchased these from a friend of theirs, Ross Reibling, a defeated Conservative candidate in Regina Elphinstone. I want to say that it's not what they say, but what they do.

I have here also a copy of the Progressive Conservative convention resolution book. Do you know what it says? This is what it says: be it resolved that we appreciate your efforts in returning sound business principles to Saskatchewan. This is what they said. This is what they did: awarded a government contract without tender to one of their supporters. That's what they did. So much for the sound business principles; so much for the spirit of free enterprise; so much for the spirit of competition these birds indicate they breed.

Mr. Speaker I have also here a story for the *Leader-Post*. This is what it said:

No crown corporation will be dismantled or sold until after the commission makes its recommendation, Berntson said.

That is what they said. This is what they did. The Attorney General went forth and announced a decision to dismember SaskMedia and the Saskatchewan Fur Marketing Board has been completely dismantled. Don't listen to what they say. Take a look at what they do. And I want to say, Mr. Deputy Speaker, I have here another Conservative advertisement and this is what it says, Mr. Premier:

A Progressive Conservative commitment to Saskatchewan public servants.

I'm going to read this to you, Mr. Premier. For 11 years this is your ad:

NDP mismanagement has stifled energy, ambition, dedication throughout the public service. And when you think about it, it is not surprising. What's the use of caring, or trying hard when you know all the good jobs go to the political supporters, the so-called party hacks? Progressive Conservatives will change that. Under the Progressive Conservative government, promotions and positions will be based on ability and seniority.

That's what they said. That's what they said, Mr. Speaker. And I want to say this is what they said and what have they done? What they have done, Mr. Speaker, is to populate the civil service with political hacks the like of which has never, ever been perpetrated in Saskatchewan before. But not only that. What they have done is to go to all of the crown corporation boards and commissions, and I want to say that here again they fill them with their political hacks. Let's just run through what they've done. Staff Barootes, PC bagman, appointed to federal board; Brian Keple, defeated federal candidate, SMDC board; Ross Reibling, Mr. Nimbus himself, defeated candidate, to Sedco board; Don Meyers, defeated PC candidate, to Sedco board; Larry Kyle, unsuccessful PC campaign manager, Sedco board; George Hill, former provincial party president, SPC board; and good old Morris Cherneskey, unsuccessful PC leadership candidate, defeated provincial candidate, to the board of SaskComp.

All of these people with their sorry record of failure are in the words of the Premier, sorry record of failure, defeated, defeated, defeated. And the Premier has said that he's going to build the best province and the most capable government in Saskatchewan. Other Canadians are going, are looking at Saskatchewan for direction. We will, with our team, win the Canadian championship, he says, in that regard. Well, Mr. Speaker, some team and some direction. But let's continue, Mr. Speaker.

Again I have the convention booklet from the last Progressive Conservative convention. This is what it said.

The constitution of the Progressive Conservative Party of Saskatchewan has stated that the objects of the party shall be the recognition of the dignity and the worth of individual citizens and a passionate concern for individual liberty.

That is what they said. And let's see what they did. I want to draw to the attention of the Premier — I'm glad he's here — what they did. Headline in the *Leader-Post*: "Remove Rats from Civil Service, the Tory Leaders Told." That's what they say. This is what they do. And I want to say that in replying the Deputy Premier, Mr. Berntson, agreed, saying that many more public servants must be fired. He bragged and he used his figures:

1,500 to 1,600 vacancies have been created as a result of both dismissals and resignations.

And then he said, there will be more but you won't read about it in the newspaper.

And he continued:

The widespread firings this summer barely made a dent in the number of public servants who should be dismissed.

Another delegate said at the convention:

Recent order in council appointments to provincial boards, commissions and agencies appear to be based on political patronage.

And he asked the Deputy Premier to explain. Even their own members are rising up

against it, and do you know what the Deputy Premier said? He said:

I'm sure a lot of them are.

And his delegates gave him some support.

I want to say, Mr. Speaker, so much for the dignity and the worth of the individual. So much for compassionate concern for individual liberty. Well, Mr. Speaker, since what they say and what they do rarely appear to be the same, then how do we establish the economic and social philosophy of this government?

Well, Mr. Speaker, at least here we have an obvious answer. We look to the past, Mr. Speaker, not back to the last Conservative government — no, Mr. Speaker, no need to go back that far; we do not have to go back that far — we merely have to return to the Thatcher years and the Liberal government, because Grant Devine's message is Ross Thatcher's message. The only difference is that Premier Thatcher said, "The welcome mat is out," whereas Premier Devine says, "We're open for business."

SOME HON. MEMBERS: — Hear, hear!

MR. KOSKIE: — Let us examine the philosophy of these two: Grant Thatcher and Ross Devine. In 1964, Mr. Speaker, Davey Steuart said:

We are going to throw this province wide open; we are going to throw out the bonds and shackles of . . . (inaudible) . . . for 20 years.

In 1982 Premier Devine says:

Saskatchewan has never been able to capitalize on its strength because the NDP attempts to control the economy.

Davey Steuart, in 1970, said:

The idea of this speech is to sell Saskatchewan to the American investors. Saskatchewan is wide-open country. Saskatchewan is a land of opportunity for American capital.

And Mr. Devine, our Premier, in 1982 says:

Saskatchewan is open to business.

Davey Steuart, in 1965, said:

Our new oil and gas resources policy will spark record development in both these fields.

Mr. Devine, in 1982, says:

The next step in bolstering economic activity in the province will be a reduction in the government's royalty and tax structure on oil. This government will take whatever steps are necessary at to get Saskatchewan's oil field producing again.

Same words, same philosophy. Or as a new member of the Thatcher family, the Minister of Energy says in 1982:

We are hoping to develop an oil royalty structure that is acceptable to the industry.

Well, Mr. Speaker, I want to say that indeed is one success story for the Tories. They've certainly succeeded in satisfying the oil companies.

Again in 1965 Mr. Thatcher said:

The welcome mat to private enterprise is out. Time and again our ministers have been invited, have invited businessmen from Canada, from France, from Germany, United States to locate in this province.

And now, Mr. Speaker, even now the Minister of Industry and Commerce is in Europe, visiting England, selling coal to Newcastle, and selling steel to West Germany. The invitation is out. The acts are the same. Well, Mr. Speaker, and what was the bottom line? Well, I want to say that I have here what the former Liberal government's Mr. Allan Guy said in the *Financial Post*, the same *Financial Post* that was the sponsor of our Open for business seminar this last summer (I want you guys to listen to this because you might get a few more ideas):

Equally significant for Saskatchewan's future is the drive of Premier Ross Thatcher to remake the image of Saskatchewan and present it as a place where government administration is friendly and hospitable to business.

Mr. Guy went on:

Since that day when the new Liberal government took over the administration of our province, they have been taking determined steps to provide the stimulus and atmosphere to start our economic recovery, to halt the exodus of our people from the province, to eliminate waste and inefficiency so prevalent in our former government, and to provide the businesslike leadership we had promised during the campaign. The companies were not prepared to compete with the monopoly government, so they waited patiently for the day that they knew would eventually come when the red light of socialism would go out and the green light of private enterprise would flash.

Well, I want to say, Mr. Speaker, this is the same philosophy. And he goes on:

Our new ministers were hardly settled in in their desks before they were besieged by individuals and companies stampeding to be first to get to Saskatchewan, this new economic paradise that Ross Thatcher offered. For the first time in 20 years the welcome mat was out. Meeting with various industries were held. Regulations were overhauled. Incentive programs were introduced. Encouragement was given.

Does that sound familiar? Does that sound familiar, Mr. Speaker? It certainly does. But now we have to examine what happened in the new economic paradise back in 1964-71. Between 1964-71, under the same economic policy that has been put forward by the Premier, unemployment rose to a record level, investment declined, population

declined. The greatest exodus of young people from Saskatchewan in the history of this province was under the economic policies similar to this government — under Ross Thatcher. I want to say they promised 80,000 new jobs but they didn't tell our young people that the jobs were going to be either in Alberta or in British Columbia or some other province, because their record was dismal and obviously the record of this government will probably be about equal.

It was obvious, I want to say, Mr. Speaker, to the people of Saskatchewan that all of the free enterprise rhetoric in the world couldn't disguise the fact that the only thing that was wrong with this unbridled free enterprise was that it didn't work. It doesn't work. Yet today, Mr. Speaker, this government seems intent on setting out on the same barren road to economic disaster. Surely, Mr. Speaker, one doesn't ignore history. Surely one doesn't ignore reality. Surely this government deludes itself if it believes in this outmoded economic philosophy.

Can this government not look next door to the neighboring province of Manitoba? There too, Sterling Lyon, who was the premier of the Conservative government, came into office with a total blind devotion to free enterprise — total blind devotion. And I want to say that he was a one-term government, rejected by the people of Manitoba. I want to say as politicians, Mr. Speaker, perhaps we should be happy as we see the members opposite sowing the seeds of your own political destruction. And I want to say we cannot applaud your certain downfall because we know that what it will bring is hardship to the people of this province, developing that economic philosophy.

I want to say, Mr. Speaker, now we know where the Tories obtained their new, dynamic economic philosophy. They found it in the trash can of history. Mr. Speaker, let us re-examine the budget.

Mr. Speaker . . . (inaudible) . . . premier, the Minister of Finance, and I say Charles Dickens hasn't come. Now, Mr. Speaker, with apologies to Charles Dickens, the Conservatives have authored a blue version in their budget of *A Christmas Carol*. This Tory revival of that old classic has, however, some slightly different twirls and turns to the plot. In the new version the Minister of Finance plays all the roles. As the Spirit of Christmas Past, he blames the abject failure of his government to come to grips with the problems in the Saskatchewan economy on the past administration. "If they hadn't invested in the heritage fund," he said, "in Saskatchewan's future," he bleats, "we would have been able to give it away to our friends. There would have been more for the banks; there would have been more for the insurance companies; there would have been more for the real estate companies; there would have even been more for the oil companies." We'll ask poor Bob to provide a little bit for the trucking industry, the interprovincial. He could give a fairly healthy touch to the banks. In fact, he could give a little to the real estate industry. I tell you he was able to give a large proportion to the oil industry. They got more even though they needed it least. Because the Tories believe that the bigger you are, the more you need. Greed, not need, is their mode.

Then the Minister of Finance changed roles. Now he is playing Scrooge, an unrepentant, tight-fisted, mean-spirited Scrooge, in the great Dickens tradition. And what was there in this budget for our senior citizens? What was in there for our senior citizens? What was there for the people who contributed to building this province? What was their reward for participate in this new beginning, as the Tories call it? Didn't they receive anything in recognition of their long labors on behalf of this province? What was there in this budget for them?

The answer is simple, Mr. Speaker — nothing. Oh, I guess that's not quite right, Mr. Speaker, because there was something in there. As their contribution to the new beginning, the Minister of Finance added \$220 on behalf of each and every senior citizen in this province, a debt. This will be the first of many sacrifices that they will make as their contribution to the new beginning.

And what did Scrooge have for the people of Saskatchewan who are fighting inflation and fixed incomes? What did they receive as their share of the new beginning? Surely, these people must have got something. Scrooge had something for everybody. Surely there was something. Well, there sure was, for the rest of the people: increases in SGI rates, increases in registration and licence fees, cuts in pension for seniors, increases in nursing home fees and reduction in day care services.

We must remember that when you have a new beginning, someone must make sacrifices. Who are better able to afford the sacrifices than the ordinary people of Saskatchewan who need nursing homes, mothers who need adequate care for their children, and people on fixed incomes? Those are the ones the Tories say must pay the price for the new beginning.

I want to say that Scrooge didn't forget the turkey, Mr. Speaker. What we have in this budget is the most expensive turkey in the history of this province. Scrooge has given every man, woman and child in Saskatchewan a \$220 million turkey in the form of a deficit. I want to say: what does this deficit do to create jobs? I want to say, in this budget, very little — precious little.

Let's look at their job creation record. Fourteen hundred construction jobs were lost when they immediately cancelled the Bredenbury mine — another 400 potential permanent jobs. We have record unemployment in the construction industry: over 800 were laid off at IMC; 900 workers at Ipsco; and 1,200 potash workers will be laid off on December 19. I want to say that if you are to believe the government's figures, 1,500 to 1,600 jobs vacancies, they claim, have been created in the civil service, as part of the Minister of Agriculture's rate extermination program. Thousands upon thousands of skilled Saskatchewan workers have been laid off as a part of this new beginning.

Mr. Speaker, there have been some job creations. The Tories found employment for a psychic. The Tories found employment for a chauffeur for the Premier. The Tories even found employment for the Premier's brother-in-law. Now, I want to say, on the job issue, that's really really performance, isn't it? Why can't these people create jobs, Mr. Speaker? Why is it that, when there is a crying need for capital work projects, such as technical schools, hospitals and highways, why is it that we have skilled people who are unemployed? The answer is simple, Mr. Speaker. The answer is obvious. There is no place for the public sector in the job creation plans of this government.

Let us now look to what has happened to one of the largest corporations in Saskatchewan. To examine the full and the sorry implications of this government's bias against public corporations, let us look at the Potash Corporation of Saskatchewan.

PCS is the largest single employer in the mining sector of Saskatchewan. In 1980, PCS returned at \$167 million profit to the people of this province. In 1981, PCS returned a \$141 million profit to the people of Saskatchewan. The PCS head office in Saskatoon employs about 300 people. I want to say that, overall, the Potash Corporation of Saskatchewan has provided more than \$400 million in profits to the people of this

province, plus countless other benefits such as high-quality head office jobs and also increased researched and development.

I want to say that this corporation had a record probably unequalled anywhere in Canada as a crown corporation, But, Mr. Speaker, PCS does not fit into the new philosophy of the development of the Government of Saskatchewan.

Mr. Speaker, on May 3 (I want everyone to listen), on May 3, 1982, just seven days after the election of this new government — just seven days, Mr. Minister — the writs of the election had not yet been returned, no cabinet had been announced, no minister had been told the responsibility, no caucus meeting had been held. None of the above had occurred, Mr. Speaker. None. But there appeared in the fertilizer market intelligence weekly, *Green Markets*, volume 6(18), dated May 3, 1982, the following story:

Robert Andrew, the party spokesman on the resource issues, outlined the following areas for changes at PCS: a curtailment of market expansion (that's the first thing); a re-examination of the scheduled withdrawal of PCS from Canpotex at the end of June; a re-examination of the present high production rates; a re-examination of the PCS planned Bredenbury mine.

Mr. Andrew went on and added that emphasis would be placed on the private development of Saskatchewan resources, rather than buying up existing private mines or building new ones. The article states that Mr. Andrew also believes that there may be a chance for Central Canada Potash to get government tax concessions to expand its mines. The policy is simply to destroy the public sector and give the tax money to expand the private sector. I want to say that that is a disastrous course that will have disastrous effects for the people of Saskatchewan.

Here, Mr. Speaker, we have the blatant conflict of interest, which has existed since the Conservatives took office, with respect to dealing with PCS. I say that they have a responsibility to the people of Saskatchewan to manage that corporation in the best interests of the people. I want to say that some action has been taken by the government. Instead they have proceeded to cut back PCS little by little since election day, by forcing PCS to drop plans to compete with the multinational private potash companies on the international markets. In other words, they have scrapped PCS International by forcing layoffs at PCS to reduce the public corporation's market share and by deciding that all future expansion in the industry will be in the private sector.

I want to say that there is no doubt that under the previous government they had established the PCS International. I want to say to the minister in charge that the international arm of PCS had indeed been in negotiations with India and China and Brazil. I want to say they had commitments to the extent of a million tonnes, and what the minister did was to destroy the instrument of sales of potash on behalf of the public sector. No doubt about it. The facts are there. He destroyed it and he gave it to Canpotex. Canpotex picked up, from the countries he named today, one-third of what the international arm of PCS indeed had commitments for.

I want to say that this minister has been undermining, undermining, I must say, Mr. Speaker, the Potash Corporation of Saskatchewan. He has done a good job, Mr. Speaker, but who pays the penalties? The penalty is paid by the workers at the potash mines in Saskatchewan. I want to say that he indicated that he was going to have a sale to Malaysia and because of that, maybe there would be no layoff necessary. Today he did not indicate whether he was going to delay or reduce the number of layoffs.

According to the *Star-Phoenix*, the acting president of the potash corporation said:

In 1983 it is expected that the potash workers will be laid off from three to four months.

Laid off this year, laid off next year, and the responsibility, I say, rests with the minister in charge who has, I indicate, Mr. Speaker, lost faith with the people of Saskatchewan by undermining that corporation for the benefit of his private corporate friends.

I want to say that it is interesting that the Tories during their campaign didn't tell the people of Saskatchewan what their plans were prior to April 26. The answer is obvious in respect to potash. I'll tell you they wouldn't, and they didn't dare to because they knew that the people of Saskatchewan would not stand for the sell-out of this public corporation to private foreign interests.

Well, Mr. Speaker, I want to say: let it be known that the government opposite has merely postponed the day of reckoning. Let the foreign corporate friends of theirs be aware that if they take up Mr. Thatcher's invitation to purchase PCS and all its assets at fire sale prices, the day will come when the people of Saskatchewan will once again regain control of their resources. I want to say what a sad and sorry tale this is, Mr. Speaker. Here we have a political party trapped by its own ideology, a prisoner of a philosophy that has never worked and will not work in the future.

Let us look at the last example. First to the past when Mr. Thatcher as premier. In order to attract foreign investment to Saskatchewan, he came up with the wage guidelines in the public and private sectors. I want to say at that time they didn't work. They caused hardships, particularly to the people with low incomes. They cost us jobs. They causes labor-management conflict. They were unmitigated disaster.

So, what did the Conservatives do as part of their new beginning? They, too, introduced guidelines that don't apply to everyone. They, too, have asked every working person in Saskatchewan to take a cut in their real income as their contribution to the real beginning. Hospital workers, janitors, typists, teachers, clerks, nurses - all will have their incomes cut as part of a new beginning. Everyone will have to make sacrifices in Saskatchewan to save for foreign investment.

Well, almost everyone, Mr. Speaker. The following PC appointments are evidently not called upon to make the same sacrifices as the average working person in Saskatchewan. They have been exempted. Let's take a couple of examples. Derek Bedson in the Premier's office received a 36 per cent increase of some \$23,000, giving him a salary of \$85,000 or 86,000. Keith Lampart received a 78 per cent increase of some \$21,000, giving him a salary of \$48,000. They also provided him with a senior administrative assistant who will be paid \$39,000. No position existed before. SO I want to say, Mr. Speaker, that is part of the new beginning. As part of the new beginning some people will make more sacrifices under Mr. Andrew's budget than others.

The Premier said in his throne speech that this administration will be a reflection of the compassion and the competition are the fundamental characteristics of Saskatchewan people. Mr. Speaker, this government certainly does not reflect those characteristics of compassion and competition. Rather, this government exhibits great compassion for the interprovincial trucking industry, a great compassion for the oil industry, a great compassion for the life insurance companies, a great compassion for the real estate, and a great compassion for

people who are on high incomes.

But it also believes in competition. And now in Saskatchewan what we have is a Tory type of competition. We have thousands of young people competing for too few spaces in our technical institutes. We have thousands of young people competing for no jobs. I want to say that we have 12,000 unemployed young, so-called competing for those 27,000 jobs in this work-for-welfare program. And we have our senior citizens competing for nursing homes in Saskatchewan, and this government stands still.

I want to say, Mr. Speaker, that we have the poor, the sick, and the disadvantaged; we have youth and many hundreds of trained and skilled workers competing with each other for too few jobs, for scarce resources that they so desperately need.

And I want to say the wealthy and the healthy can look to the future secure in the knowledge that this government will represent the best interests of its limited ability for their interest. The poor, the sick, the disadvantaged, and the unemployed can look to a pretty bleak future under this administration.

I want to say, Mr. Speaker, that I indicated to you that I would be wanting to move an amendment to this budget, and now that the Minister of Finance is in here, I want to say to him that I had some kind words to say with respect to his delivery, but very little good about the substance.

In summary, Mr. Speaker, let me summarize, if you will, why it is necessary and why it is right that we move an amendment. This government told the people of Saskatchewan in April, "There is so much more we can be." And now after its first budget, the people know what the Tories meant. So much more in debt, so much more unemployment, so much more economic recession. This budget gives the people who voted for something more a \$220 million deficit, with more money set aside for welfare payments to unemployed employables than for job creation. Program service and benefit cuts occur in almost every department of government, and in almost all cases these cuts impact upon those most in need.

All government members should be ashamed of this budget, and the impact that this will have on our economy and the people of this province. And that is why, Mr. Speaker, on behalf of my colleagues, I'm proud to move an amendment, seconded by my colleague, the member for Pelly, that the motion be amended by deleting all the words after "That" and substituting the following:

This Assembly expresses its shock and dismay with the budget because:

1. It contains the largest deficit in the 77-year history of the province.
2. 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.
3. It contains dozens of destructive cuts in programs and services to those most in need.
4. It fails to recognize the role of Saskatchewan crown corporations in maintaining the economic activity and the need for proven financial management of these corporations.

Mr. Speaker, I so move and I will be supporting the amendment and voting against the original resolution.

SOME HON. MEMBERS: — Hear, hear!

MR. SPEAKER: — I find the amendment in order and the debate continues concurrent on the amendment and the main motion.

HON. MR. BERNTSON: — Well, thank you, Mr. Speaker, and I want to apologize to the House at the outset. I was assigned to follow the dynamic member for Quill Lakes and respond to anything he might have had to offer to the debate, and I want to apologize because I fell asleep about five minutes into his talk. I missed most of what he had to say — I'm sure it wasn't a great deal, but I think maybe there is a positive side to this. We should maybe bottle that dude, because what we have here is a walkin', talkin', sedative and we could maybe bottle it and get it on the formulary, and it would be a cheap source of medication for those who need it.

I think, Mr. Speaker, in order that we may get out into the fresh air and shake off some of the doziess that seems to have overcome this House, I would beg leave to adjourn debate.

MR. SPEAKER: — Just on a point of order, I would like to inform the House Leader that he did adjourn the debate once and cannot, a second time, himself, adjourn the debate.

HON. MR. LANE: — Mr. Speaker, I will adjourn the debate.

MR. SPEAKER: — I think we still have a problem. You can't have two motions to adjourn without something happening in between.

On a point of procedure, the first one was out of order, so I guess the second one is in order.

Debate adjourned.

HON. MR. BERNTSON: — Mr. Speaker, I think this one is in order. I move this House do now adjourn.

The Assembly adjourned at 4:54 p.m.

CORRIGENDUM

Hansard (N.S. Vol. XXV, No. 26A, Monday, November 29, 1982) incorrectly reported remarks by the Hon. Mrs. Smith. The fourth paragraph on page 1113 should read:

In summary, I am being told that many seriously troubled youths are being denied services, and yet the former administration had \$6 million to advertise crown corporations, \$35 million this year for a self-pat on the back, but they didn't have \$12,500 for a youth diversion program.

[NOTE: The online transcript for Monday, November 29, 1982 has been corrected.]