

# LEGISLATIVE ASSEMBLY OF SASKATCHEWAN

April 12, 1985

The Assembly met at 10 a.m.

Prayers

## ROUTINE PROCEEDINGS

### INTRODUCTION OF GUESTS

**HON. MR. DIRKS:** — Mr. Speaker, it's my pleasure to introduce to you and to the members of the Assembly today, a very distinguished guest who is visiting us from the province of Alberta. He is seated in the Speaker's gallery, and I refer to my counterpart, the Hon. Dr. Neil Webber who is Minister of Social Services and Community Health in the province to the west of us. Dr. Webber was first elected in 1975 to the provincial legislature and has served since 1982 in his cabinet portfolio position. I would ask all members of the Assembly to welcome Dr. Webber with us today.

**HON. MEMBERS:** Hear, hear!

## ORAL QUESTIONS

### Flat Tax on Net Income

**HON. MR. BLAKENEY:** — Mr. Speaker, I would like to direct a question to the Minister of Revenue. I understood from the comments of the Minister of Finance in the House yesterday that the Minister of Revenue was the person to whom to address questions dealing with the method of tax collection.

I refer now to the flat tax which will be collected in a little more than two months from now, two and one-half months from now, and I refer particularly to the budget address which announces the introduction of a flat tax levied upon net income. And my questions deal with the definition of net income. I am assuming, Mr. Minister that net income will mean what it has in the past on federal and Saskatchewan income tax forms, including the income tax forms which we are now filling out. Am I right in assuming that "Net Income" as referred to by the minister, using capitals, is the same net income on which we now pay our income tax?

**HON. MR. ROUSSEAU:** — Well, Mr. Speaker, I believe what the member is suggesting is correct. However, he should really, in fact, direct his questions to the proper minister. I am not the minister responsible for collecting income tax. The Minister of Finance will clarify that situation for you when he is here.

**HON. MR. BLAKENEY:** — Mr. Speaker, in the absence of the Minister of Finance and the Premier, I will direct my questions to the Deputy Premier, who will undoubtedly be informed. And the Deputy premier, I have no doubt, fills in the T-1 General form, and I have no doubt — as is quite proper — takes advantage of all of the tax shelters which seem to him to be appropriate.

Will he confirm that net income for the purposes of the flat tax is net income as shown on line 234 of the T-1 General, the one which is just one-third the way down the second page, which you are probably very familiar with? Will you confirm that?

**HON. MR. BERNTSON:** — Mr. Speaker, I humbly confess that I do fill out a T-1 every year. I also humbly confess that I don't have much experience with tax shelters, because I have never made so much money that I needed a tax shelter . . . (inaudible interjection) . . . They're doing fairly well, but that's another little company that's nothing to do with it.

And, Mr. Speaker, I also humbly confess that I am no tax expert, and I will take notice of the

question and have the Minister of Finance answer the question upon his return.

**HON. MR. BLAKENEY:** — Supplementary to the acting Minister of Finance, who I believe to be the Minister of Revenue, but I will direct it in any case.

We are talking about a tax which is about to be levied, or we are talking about a tax which is new and innovative. We are talking about people who have to arrange their affairs, if they can, to avoid tax between now and July 1, as is the right of every citizen. Yes, indeed . . . (inaudible interjection) . . . No, keep in mind what I am saying: avoiding tax, not evading tax. Every citizen pursues that right, whether they admit it or not, and the ones who are laughing most loudly, I suggest, are the ones that are pursuing this most vigorously.

What I am asking is this: is no one, is no one on the front bench able to tell us the basis upon which this 1 per cent tax is to be levied?

**HON. MR. ROUSSEAU:** — Mr. Speaker, I also humbly inform the member opposite I am not the acting Minister of Finance.

I will tell the Leader of the Opposition that, yes, there will be somebody in the front row that will be able to give him the answer — unfortunately, not today. We'll take . . . (inaudible) . . .

In answer to a question that was asked yesterday, in my absence, I would like to clarify for the members opposite, and indeed for everyone in Saskatchewan, the question related to what is taxable in a used vehicle.

And I would like to just quote directly as to what the interpretation of what is a vehicle. For taxation purposes, a vehicle means any vehicle eligible to be licensed under The Vehicles Act, 1983, and includes cars, trucks, power units, buses, trailers, motorcycles, snowmobiles, motor homes, vans, ambulances and hearses, but excludes boat trailers, farm implements and machinery, and motorized construction equipment. Boat trailers, farm implements and machinery, and motorized construction equipment will continue to be subject to the taxation rules in effect prior to April 11 of 1985.

**HON. MR. BLAKENEY:** — I'd like to direct a supplementary to the Minister of Revenue. Did I understand him to say that the tax applies to those vehicles which are eligible to be registered? They do not have to be registered. If they're eligible to be registered, the tax applies. Do I understand that?

**HON. MR. ROUSSEAU:** — Yes, that's correct.

### **Tax on used Vehicles**

**MR. LINGENFELTER:** — Mr. Speaker, I would like to address a question to the Minister of Revenue, and it has to do with this one tax which raises the total taxes for farmers by \$1,000 a year, and for home owners by \$500, the 5 per cent sales tax on used vehicles and automobiles and snowmobiles, motor homes, and all that list that he didn't have available yesterday. But I has to do with trade-ins of used vehicles on other used vehicles. Is the total amount payable on the used vehicle that is purchased? On a new vehicle, it's the difference between what is traded in and the new price. But on a used vehicle, does it apply to the total price or just the difference between the two vehicles being exchanged?

**HON. MR. ROUSSEAU:** — Mr. Speaker, the rules are consistent throughout. Rules indicate that the tax will be on the difference. You buy a new vehicle — you trade in a used vehicle — it's the amount of difference between the value and the selling price. If you buy a used vehicle, the transaction will be calculated on the selling price and the allowance made for the trade-in of the trade, whatever it might be.

**MR. LINGENFELTER:** — Supplement, Mr. Minister, can you tell me whether there is any limit on the number of times that the tax can be paid on the same vehicle? Is there any number of times, five, ten, if the vehicle is traded, let's say, ten times in the life of the vehicle? You're saying that tax will be payable each time that vehicle is traded?

**HON. MR. ROUSSEAU:** — No, what I'm saying is that the tax will be paid each time the vehicle is sold. When it is sold the tax will be collected on the amount of the selling price of the vehicle less whatever a trade-in might be, which, I may add, Mr. Speaker, that it is consistent with all provinces in Canada excluding, of course, Alberta, that has no taxes at all.

Mr. Speaker, I hear criticism of the system. I'm suggesting to the members opposite that the taxing — the spreading of the tax burden is a much fairer system than what has been used. They are suggesting, Mr. Speaker, that farmers, for example, who buy a new vehicle should carry all of the burden. People who earn their living with vehicles — there are many of them, small-businessmen, farmers, who earn their living; sales people who earn their living; they should carry all of the tax burden. It's not to be spread amongst them. That's what the members opposite are suggesting. What we have done with this tax, Mr. Speaker, is found a more equitable way of distributing the tax.

### Collection of Sales Tax

**MR. LINGENFELTER:** — Mr. Speaker, a new question to the minister. As the Minister of Finance was telling us yesterday that at auction sales from now on when farmers go and buy a used trailer to haul bales, which is licensed, they will have to pay the sales tax. If they buy a tractor to pull the trailer they will have to pay the sales tax. If they buy half-ton trucks they will have to pay the sales tax. What I'm wondering: how will this process work?

When farmers are phoning me today saying, "Look, at the auction sale tomorrow, where do I pay that sales tax?" Will you set up a booth at the entrance to the auction sale? For the first time have a sales tax at the auction mart, at the farm auction, or how are you going to collect that tax?

**HON. MR. ROUSSEAU:** — Mr. Speaker, that question, if he had put any thought to the question, Mr. Speaker, and he had used a little intelligence, he would have known the answer to it. Very simply, the auction dealers are all licensed operators. They always all must remit, and they always have remitted, tax to the tax department. There's nothing different, nothing new. They have a tax licence which we issue to them, and they must report on a monthly basis, or quarterly, however it might be set up for the particular individual. And at that time they remit the tax that they've collected. They collect it the same way as an automobile dealer does, a farm implement dealer, if it's a taxable item that he's collecting tax on. It's a system that's been in operation and that's been in place for many, many years, even when they were the government.

**MR. LINGENFELTER:** — Mr. Minister, you say that auctioneers at farm auctions have been collecting sales tax for years. I would like you to give me a list of the implements or the trucks or the cars that they've been collecting the tax on in the past. One item.

**HON. MR. ROUSSEAU:** — Mr. Speaker, in the past, any auctioneer that would have sold a vehicle — truck, car — that was taxable, if it was a vehicle that had been brought into the province . . . (inaudible interjection) . . . All vehicles that were brought into the province in the past were taxable. Used vehicles. If they were brought into the province, they were taxable. And the same thing applied. If the auctioneer . . . (inaudible interjection) . . . I'm not sure whether you want the answer or not, but I will give you an answer.

**MR. SPEAKER:** — Order, please. Give the minister the opportunity to answer.

**HON. MR. ROUSSEAU:** — Mr. Speaker . . . (inaudible interjection) . . .

**MR. SPEAKER:** — I just asked for order.

**HON. MR. ROUSSEAU:** — If the auction company or the auctioneer is a licensed dealer, he will remit the tax. If he's not, he will be licensed. And it's the same system that has been in operation for years.

**MR. LINGENFELTER:** — I want one final supplementary. I want to say to you, Mr. Minister, that at farm auctions there has been no sales tax collected, because everything is used at farm auctions. So your answer to the question is ridiculous.

What I would want to know is how the tax is going to be collected. Are you saying that the auctioneer will collect the tax at the auction sale? Or will they pay it when they go to license the vehicle that they've purchased? That's the question, and you haven't answered it.

**HON. MR. ROUSSEAU:** — The answer Mr. Speaker . . . Mr. Speaker, if the auctioneer is licensed to be a tax collector, he will, in fact, collect the tax and remit it. If he is not, the buyer who buys the used vehicle, when he goes to license the vehicle, the tax will be collected at that point by the licence issuer.

There is one or the other, but I suggest to you that auctioneers will, in fact, be licensed business people. If they're not, the tax will be collected at the time of registration of the used vehicle through the licence issuer, of which there are 800 of them in the province of Saskatchewan.

**MR. LINGENFELTER:** — One new question for the minister. At the auction sales that are going on this afternoon, have you got forms available for the auctioneer to fill out on used automobiles that are being sold? You're collecting the tax as of Wednesday night past, Last Wednesday you started collecting the tax. Have the auctioneers got the forms to fill out the sales tax that they'll have to collect?

That's the question they're asking. And what we're finding is, this is so ill thought out that you don't even know over there. We asked minister after minister, and you don't know what the answers are. Have you got the forms out there for the auctioneers to collect this new tax?

**SOME HON. MEMBERS:** Hear, hear!

**HON. MR. ROUSSEAU:** — Well, first of all, Mr. Speaker, we started collecting the tax Thursday, not Wednesday — just to correct yourself.

**AN HON. MEMBER:** — Wednesday at midnight.

**HON. MR. ROUSSEAU:** — Wednesday at midnight. Fine.

Mr. Speaker, there is no form required to collect a tax. It's a part of the invoice. The invoice indicates you sell a used piece of merchandise for \$2,000. The tax is 5 per cent. It's \$100 collected.

Now, if the dealer does not collect it at this point, the buyer will, in fact, pay that through the invoice that he presents to the issuer at the time that he registers the vehicle, and the same amount of money will be paid to the licence issuer. It doesn't matter.

### **Tax Increases for Farmers**

**MR. ENGEL:** — Mr. Minister, Mr. tax collector, the question I have for you — and I would have preferred to address it to either the Premier or to the Minister of Finance — but seeing you are the tax collector in Saskatchewan, why did you decide to collect \$1,000 a farmer, basically? It's

about, it's going to be . . . You're taking \$1,000 out of a farmer's pocket this year. You're taking \$375 on my . . . I am losing, as a farmer, in cash, \$1,000 this year. That's if I don't pay a cent of income tax this year, Mr. Speaker.

Why did you decide to collect \$1,000 from the farmers instead of the guys in the oil industry, for example? How come you didn't tax equipment used to drill oil wells? How come you didn't tax equipment to dig ditches and oil wells, or to put in pipelines? Why did you decide to tax the farmer \$1,000 and take \$1,000 cash out of a farmer's pocket and not take it out of the one that can recover his money?

When I was in construction, if you'd have got another \$1,000 . . .

**MR. SPEAKER:** — Order, please. Order, please. I cautioned the member yesterday that your questions are getting so lengthy that there is no answer. I caution you again today. And if you have a question get directly to it, otherwise I'll take the next question.

**MR. ENGEL:** — . . . (inaudible) . . . question, or should I repeat it?

**HON. MR. ROUSSEAU:** — Mr. Speaker, after listening to what the member opposite said or asked, I'm not sure what he's talking about. I, for one — and as he calls me the tax collector in the province — I'm not collecting \$1,000 tax from the farmer. I don't know what he is talking about.

**MR. ENGEL:** — Mr. Speaker, I tried to make my question very clear and very plain. Simply put, the farmer is getting \$1,000 taken out of his pocket this year, \$1,000 — \$375 on home owners, \$300 on his property improvement grant, and the balance on his education tax he's paying on used equipment. That's if he doesn't pay a dollar income tax. Every small farmer is losing \$1,000. Why didn't you decide to collect \$1,000 from a contractor, or from an oil man? That's my question.

**HON. MR. ROUSSEAU:** — Mr. Speaker, I, first of all, will take each one at a time. I'm not collecting tax on \$1,000 that the member refers to. If he wants to direct a question to the Minister of Finance to do with the question of the home quarter rebate or the property improvement grant rebate . . .

As to the tax collection of used vehicles, I'm really finding it difficult that the members opposite find an objection to a more equitable way of collecting tax, of spreading the tax burden. Mr. Speaker, in the 25 years that I have lived in this province . . . (inaudible interjection) . . .

**MR. SPEAKER:** — Order, please.

**HON. MR. ROUSSEAU:** — Mr. Speaker, in the 25 years that I have lived in this province, and many of those years as an automobile dealer, I can tell the members opposite that farmers buy new trucks. Farmers buy new big trucks, new small trucks. Farmers buy new cars. And they are a big consumer of that product, Mr. Speaker. And when they did in the past, they paid 5 per cent of the full price, of the full price of that vehicle. In addition to that, Mr. Speaker, there are 32,000 small-business men in this province. Each and every one of them — I would say almost each and every one of them — buy new vehicles. They buy them for their employees. They buy them for their businesses, for service — half-tons, bigger trucks, new cars, and so on.

And what they're saying is that those people are the people that should bear the full burden of the tax, not sharing it equitably throughout. People like salesmen who buy new cars to earn their living, Mr. Speaker, they are the people that should bear the full burden. We suggest, Mr. Speaker, that it should be spread, and spread more equitably, amongst everyone. Therefore, we have the tax.

**MR. ENGEL:** — Did I understand you correctly to say that the farmer can afford to pay this

additional \$1,000, and those earning lots of money don't have to pay any more? Is that what you said?

**HON. MR. ROUSSEAU:** — No, Mr. Speaker, I did not say that. The only time I would collect \$1,000 from a farmer is if he bought a \$20,000 new truck, and that's the only time I would collect \$1,000 from him. Without, I might add, Mr. Speaker, without a trade-in. It would have to be cash from that farmer who buys a \$20,000 vehicle that would be registered and licensed, at which time the, yes, we would collect \$1,000 from him.

**MR. SVEINSON:** — I have a new question to the same minister, and I think that possibly our opposition has missed the point in this particular debate as well, and that's not unusual.

But I think the question here is not that we should share equitably more taxes in this province. It's that we're in a tight economy in Saskatchewan, and we have a government that promised lower taxes. When they were elected they promised lower taxes, and you were part of that machinery. You promised a 10 per cent reduction in personal income taxes, and what have you offered? You've offered every citizen in this province who now purchases a vehicle . . .

**MR. SPEAKER:** — Order, please. Order, please. Does the member have a question?

**MR. SVEINSON:** — I do have a question. I'm getting to that question, Mr. Speaker. Thank you for your interest.

I would like to say, the minister just suggested that he was going to share it more equitably with the taxpayer. I want to ask that minister if he isn't sharing the mismanagement of that government more equitably with the taxpayer.

**HON. MR. ROUSSEAU:** — Mr. Speaker, absolutely not. The answer to the question, Mr. Speaker, is no.

**MR. SVEINSON:** — Did you understand the question, Mr. Minister?

**HON. MR. ROUSSEAU:** — Yes, Mr. Speaker.

**MR. SVEINSON:** — Mr. Minister, and Mr. Speaker, the question had to do with mismanagement of this government. You have a billion-two deficit facing the taxpayers of this province. You're telling them that to be more equitable, we have to share a tax with all people on used vehicles, also an increase in income tax. And I'm suggesting to you, Mr. Minister that you're sharing mismanagement. You're not sharing tax. People don't want to pay it. And will you admit to this House today, Mr. Minister, that that's exactly what is being shared, mismanagement of this government?

**HON. MR. ROUSSEAU:** — No, Mr. Speaker.

### **Sales Tax on Used Vehicles**

**MR. LUSNEY:** — Thank you, Mr. Speaker. In the absence of the Minister of Finance and the Premier, I'll direct my question to the Minister of Revenue.

Mr. Minister in some campaign promises that you had — you remember the 1982, and I can read one off that doesn't directly relate to you, but it was the Minister of Finance who said that we will provide real programs for real people. And in that campaign, he also stated that the PC government would make a commitment to the complete elimination of the sales tax in the first term of office — in the first term of office. Mr. Minister, how do you square that, Mr. Minister, with what we saw in the budget the other night, which not only didn't eliminate the sales tax — another promise that you broke — didn't eliminate the sales tax, but extended that sales tax to

the sale of used vehicles?

**HON. MR. ROUSSEAU:** — Mr. Speaker, we are, as a government, living up to a commitment that we made in the previous election. We removed, Mr. Speaker, the gas tax immediately. We removed a tax, Mr. Speaker, on processing and manufacturing. Mr. Speaker, we removed the tax on power rates. Mr. Speaker, we've had other taxes, and I could go on through the list but for the sake of saving some time this morning. The tax of the used vehicles, Mr. Speaker, I believe it brings this government in step with the 20th century. It brings it in step with the other provinces in Canada — all other provinces. All other provinces that charge a sales tax, Mr. Speaker, use the system that we have finally brought in.

**MR. SPEAKER:** — Order, please!

## MINISTERIAL STATEMENTS

### Additional Special-Care Home Projects

**HON. MR. TAYLOR:** — Mr. Speaker, I'd like to take this opportunity to inform this Assembly of the first phase of the \$300 million health capital fund which is the continuation of the five-year plan in nursing home construction. I heard the comment a few moments ago about real programs for real people, and I think, Mr. Speaker, this announcement will certainly fulfil that request.

I would like to indicate that, in the year of '84-85, we put 328 beds in 11 communities in Saskatchewan, and for the year 1985-86 we will be constructing the following facilities: in Arborfield, a 36-bed new facility; in Big River, a 30-bed new facility; in Dalmeny, nine new beds and 27 replaced in that facility; in Duck Lake, a brand-new 30-bed facility; in Eston, 22 replacement beds; in Foam Lake, 10 new beds and two additional replacement beds; in Goodsoil, a 12-bed integrated facility; in Lampman, a 19-bed integrated facility; in Lucky Lake, a 12-bed integrated facility; in Meadow Lake, 25 replacement beds; in Melville, 30 brand-new beds in addition; in Nokomis, a 12-bed integrated facility; in Rabbit Lake, a 12-bed integrated facility; in Regina, at the Salvation Army Home, 30 new beds; in Rose Valley, a 12-bed integrated facility; in Saltcoats, 30 new beds, a new facility; and in Saskatoon Lutheran Home, 78 replacement beds, a total, Mr. Speaker, of 438 beds for this coming year.

**SOME HON. MEMBERS:** Hear, hear!

**HON. MR. TAYLOR:** — Further to that, and in keeping with communities so that they can do the planning and get their finances in place and the types of construction that will meet their needs, I'd like to announce the remainder of a five-year commitment to nursing home construction.

For the years 1986-87: in Dinsmore, 12-bed integrated facility; in Esterhazy, 10 additional beds; in Fillmore, 13-bed integrated facility; in Gainsborough, a 12-bed integrated facility; in Invermay, 10 additional beds; in Langenburg, 10 additional beds; in Lumsden, a 30-bed new facility; in Mankota, a 12-bed integrated facility; in Moose Jaw, St. Anthony's home, 80 replacement beds; in Norquay, a 10-bed addition; in Regina, in the Santa Maria home, 48 new beds; in Tisdale, 40 new beds; and in Yorkton, 40 new beds, for a total of 327 beds in 1986-87.

**SOME HON. MEMBERS:** Hear, hear!

**HON. MR. TAYLOR:** — And now in 1987-88, Mr. Speaker, in Cabri, a 12-bed integrated facility; in Cut Knife a new 30-bed special care home; 28-bed replacement in Elrose; 10 additional beds in Fort Qu-Appelle; 12 beds as an integrated facility in Leoville; a 12-bed integrated facility in Loon Lake; a 12-bed integrated facility in Montmartre; 80 more new replacement beds at St. Anthony's in Moose Jaw; 40 in Nipawin; 12 in Theodore; and 26 in Wadena for a total of 276 in

1987-88, Mr. Speaker.

**SOME HON. MEMBERS:** Hear, hear!

**HON. MR. TAYLOR:** — And in 1988-89, the last year of the program of the five-year program, we will be constructing a 30-bed new facility in Canwood; a 12-bed integrated facility in Craik; 6-bed addition in Eastend; 8-bed addition in Eatonia; 40 beds in Humboldt; 10 in Ituna; a 12-bed integrated facility in Kyle; a 10-bed integrated facility in Midale; 30 replacement beds in Rosthern; a 30-bed new home in St. Brieux; and 40 replacement beds in Saskatoon, Sherbrooke; for a total of 228.

Mr. Speaker, that is a commitment of well in excess of 1,500 beds in the province of Saskatchewan – over \$25 million – that shows the concern that this government has for the senior citizens and the young handicapped people of the province.

**SOME HON. MEMBERS:** Hear, hear!

**MR. LINGENFELTER:** — Mr. Speaker, I listened with a great deal of interest to the five-year plan of the Minister of Health on nursing home construction, and I would like the press and the people of the province to remember that this is the same government that promised to take the sales tax off in the province when they got elected, the same government that promised to remove or to reduce the income tax by 10 per cent, the same minister that a year ago promised to spend \$4 million on nursing homes and spent 2.6 – 40 per cent less than he promised. It came out in the *Public Accounts* that the minister spent 40 per cent less, 40 per cent less than he announced. And I say to you, Mr. Speaker, and to the people of the province, can you believe what these people say when you see what they do?

I tell you, Mr. Speaker, that the people of the province will not believe this three pages of myth and fantasy that the minister has just announced, because they've watched the night before last when the budget was announced when the sales tax was expanded rather than removed, when the income tax was set into place, the second set of income tax in the province, when they promised to reduce the income tax. And this list that the minister would expect the people of the province to believe, when we have 2,000 people on waiting lists in Regina at the present time, is simply not to be believed. And I say to the minister that if he goes out and roams around the province, talking about the five-year plan while they're laying off 15 people at the hospital in Rosetown . . .

**MR. SPEAKER:** — Order, please. Order, please. In a reply to a ministerial statement, you have only the liberty to reply to the articles that were in the announcement.

**MR. LINGENFELTER:** — Well, Mr. Speaker, we're talking about health care and nursing homes, and I want to tell you that the kind of cut-backs that have occurred – when he promised this kind of a thing last year – I think deserves a comment. And I will not stand idly by while that member gets up in the House and attempts to lead the public astray one more time.

And nor will they be, because you have promised these nursing homes once, twice, three times, and if you believe that you can do that over and over again and never be called to account for it, my friend, you're mistaken.

Because the nurses in this province who work in nursing homes and in hospitals, the doctors who try to take care, as best they can, with the cut-backs they have to live with, will not believe when this minister stands up in the Assembly and promises what he is going to do five years hence.

Because we have watched this government break almost every promise they made to the people of the province. And I say to you the nurses, the teachers, and other people will watch



what you do, as opposed to what you say, because you cannot be believed.

**SOME HON. MEMBERS:** Hear, hear!

## **SPECIAL ORDER**

### **ADJOURNED DEBATES**

#### **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.

**HON. MR. BLAKENEY:** — Mr. Speaker, when I entered this debate last Wednesday, I posed two basic questions which every government should ask itself when it introduces a new budget or a spending plan. And these questions are: who is being asked to pay, and is it fair to ask these people to pay?

With respect to who is paying for this budget, it's clear that the answer is ordinary Saskatchewan people. They are paying through a new, flat tax on income which will take \$350 million out of their pockets. They are paying by the elimination of all property tax rebates which will take \$400 million out of their pockets, all in a five-year period.

The expansion of the 5 per cent provincial sales tax to include used cars and trucks and other vehicles, an expansion which will hit a particular group of people, young people who frequently trade in used cars. That's going to take \$35 million out of their pockets, largely out of the pockets, as I say, of people who deal in used cars, or who buy and sell used cars, and that's greatly young people — 35 million over five years.

And there's a slashing, or a moving, of \$550 million in programs and services. So there's no doubt who's paying for the government plan. It's Saskatchewan farmers and small-business people and homeowners and renters and senior citizens — middle income taxpayers particularly. And I'll come to that when I want to talk about the flat tax.

These are the people who are either going to pay more or get less, which brings me to the second question: is it fair? There isn't a person in Saskatchewan, the Premier possibly excepted, who doesn't understand that this province is in difficult economic times. Saskatchewan people know that there are challenges and know that people are going to be called upon to sacrifice. That's not unusual for Saskatchewan. Saskatchewan people have sacrificed in the past, and co-operated in the past, to deal with problems when they arose.

Throughout history we've struggled against the elements and against outside interests which were seeking to make us economic colonists. We have a long and proud tradition of working together to beat that sort of problem. We had a long and proud tradition of helping out neighbours in times of trouble. So the Finance Minister and his colleagues have no lessons to teach Saskatchewan people about co-operation and about biting the bullet.

Every person in this province, I believe, is prepared to co-operate, prepared to deal with the problem if it requires sacrifice, on one condition: they want to know that everybody is on the team. They want to know that everybody is being asked to sacrifice. And people in Saskatchewan now, after hearing this budget are asking why they're being stuck for the full bill, ordinary people — people who are losing their Property Improvement Grant or any other of their Property Tax Rebates; people who are being asked to pay an additional amount by way of the flat tax — when large corporate taxpayers are going unscathed. Not a penny, not a penny levied on corporate taxpayers. There wasn't a mention of corporate taxpayers, except banks.

And just think of it for a moment. We are going to spend money at the university. We have just finished spending around \$20 million building a Geological Sciences Building.

Would it be reasonable to ask oil companies and mining companies to put up some of the money for teaching geological sciences, since they're getting a large part of the benefit? It would seem to me to be reasonable, but the government opposite said, "No, they shall be free of all taxation."

And I just want to bring to the attention of the House some of the figures. In 1982, three short years ago, the value of oil produced was \$1.2 billion, and out of that the government got close to \$700 million. Note the figures: 1.2 billion, and the government got close to 700 million.

This year the value of oil is going to be about 2.4 billion, not primarily because the amount of oil produced is going up very much, but because the value of that oil has gone up sharply. The value of oil produced in Saskatchewan has gone up from around \$17 a barrel to close to \$30 a barrel, and over in many cases.

Where is all that extra money going? Out of that extra \$2.4 billion, we're still only going to collect around \$700 million. We have doubled the value of oil and left all of that extra amount to the oil companies. Is that fair? And that's the question: is that fair?

The minister has made much of the fact that we are now in the position where our oil revenues are the largest single item in our budget. And why is that? Because the oil revenues are going up so much? No, because income taxes are going down. Because of the economic policies of government in Canada, and particularly their government, people are not making money, and they're not paying income tax.

I don't know why he's proud of that. I don't know why he's proud of the fact that under the guidance of this government for three years, incomes have dropped, and income taxes have dropped. But he is apparently proud of it because he now trumpets the fact that income taxes have dropped so much that oil revenue has now overtaken them.

But he is now going to tax incomes, and he is going to put on a flat tax. And I want to talk a little bit about that flat tax because I think a large number of members have no idea what is involved in their flat tax.

And he says he 's going to levy a flat tax because the income tax is no longer fair. He says it's not fair that people can take advantage of tax shelters like films, and videos, producing videos, and frontier oil drilling funds, and MURBs, and the like. But I ask: does his flat tax touch one of those shelters? And the answer is no. The answer is no. Does it even take one small step to making our tax system fairer? And the answer, Mr. Speaker, is no.

I want to refer the minister to the tax material which he is dealing with, and I want to point out to him that all of the tax shelters to which he has objected are still available under his flat tax – every one. And not only are those shelters available under the Saskatchewan income tax which he is talking about, but a great number of others are not. And I invite anyone who is interested in this area to take a T1 General form, and take a tax guide, and look at the guide and see which things will still be deductible, things like petroleum, exploration ventures, or Canadian motion picture films and video tapes. Those will still be available, as will investments in apartment blocks. They will still be available as deductions. But what will not be available in deductions in the tax system which he says is fair?

(1045)

Well there's the age exemption. If you were able to lower your tax because you were an old age pensioner, you won't be able to lower your flat tax if you're an old age pensioner. You've got to

pay the same as a young person.

Married exemption. That's not available. You may have thought you could pay lower income tax because you were married and supporting a wife who wasn't working. That's true now, but not under their flat tax.

Wholly dependent children. They are now available as an exemption, but not under their flat tax. Married people with five kids pay just as much if their income is \$25,000 is a single unmarried person. We're not going to allow exemptions for wives and children.

But it goes on, Mr. Speaker. Among other things that aren't available are medical expenses. If you have a child who is particularly ill and the costs exceed 3 per cent of your income, you can deduct that for income tax purposes, but not for their flat tax. Their flat tax says no matter whether you have additional medical expenses or not, you pay.

Charitable donations. If you're paying to support your church or a charity, to relieve famine in Africa or because you believe in the arts, let us say, charitable or religious donations, those are available as deductions now, but not under their flat tax – not under their flat tax.

Here's one that is now available under income tax but not available under their flat tax: the deduction for blind persons or peoples confined to a wheelchair. They have a deduction now, but not under the flat tax. These are the loopholes which are being plugged, things like forward averaging, elective income deduction as well, but these are the loopholes they're plugging: deductions for people in wheelchairs and charitable donations, and matters like that.

The loopholes they are still leaving are the MURBs, the frontier oil drilling, the people who are putting money into producing video tapes. And I want any member opposite to deny this, because I say that's what their flat tax means, and I say it isn't fair. New Democrats will oppose this type of so-called fairness in our tax system.

**SOME HON. MEMBERS:** Hear, hear!

**HON. MR. BLAKENEY:** — I want to give you an example, and then I will leave this issue.

Suppose taxpayer Jones is single, and he's a lawyer, and he makes \$90,000 a year, and he belongs to the Canadian Bar Association, and he goes to their conventions every year — and those conventions are very pleasant occasions, let me say. And he uses frontier oil drilling funds and apartment blocks, MURBs and the rest, to reduce this tax. In his case the cost of paying his dues to the Canadian Bar Association, the cost of going to the convention, and he probably uses his car partly for business, so part of the cost of his car, and the money he saves through his oil drilling funds and films and videos and MURBs, they're all deductible – all benefits to him, all shelters he can use in calculating his flat tax.

Now consider my other taxpayer. His name is Brown and he's married and is a teacher, and he makes about 35,000 a year, and he's got two kids, and one of them is sickly. And he contributes to his church, and he gets about \$400 a year in interest from his Canada Savings Bonds.

And he calculates his flat tax. Is he allowed any exemption for being married? No, that's not permitted. Is he allowed an exemption because he supports two children? No, that's not permitted. Is he allowed any exemption because of his charitable donations? No, that's not permitted. Is he allowed any exemption because he has extra expenses for his sick child? That's not permitted. Is he allowed to deduct his income from Canada Savings Bonds? No, that's not permitted.

In essence, he is going to pay a flat tax on his gross income, with next to no deductions. Perhaps his STF dues will do, but that's about all that's available to him.

The minister says this is fair; this is an advance, making our tax system fairer. To me it's patently unfair.

**SOME HON. MEMBERS:** Hear, hear!

**HON. MR. BLAKENEY:** — This flat tax does raise money. It does collect about \$80 million in a full year. No doubt about it collecting money, principally from people like my teacher Brown, and not from my lawyer Jones. It's fair only in the sense that it collects more money. It is grossly unfair in the sense that it collects it from the wrong people. It's not a noble experiment such as the minister suggests. In fact, it's a grubby tax grab, and he's gone after the pocket-books of ordinary middle income people, and he's left the rich totally untouched.

**SOME HON. MEMBERS:** Hear, hear!

**HON. MR. BLAKENEY:** — Mr. Speaker, I want to turn to some other matters touched upon in the budget. I want to turn first to agriculture, and I say that conditions in rural Saskatchewan are not good, and they're getting worse. Six months ago, impartial analysts from the Farm Credit Corporation, the Saskatchewan Wheat Pool, and many other informed farm organizations, told us that about 17 per cent of Saskatchewan farmers were under severe financial stress, and more were under moderate stress. Seventeen per cent under severe financial stress. And I say nothing in the last six months has occurred to change that picture.

The reasons are well-known. Low international grain prices, inadequate livestock prices, high and rising input costs — they head the list. New Democrats believe that these problems should be tackled, and tackled now. Some of them, admittedly, can't be solved. We have to acknowledge that. But some can be solved or helped. Some can be solved or helped by the federal government, some by the provincial government, some by governments working together.

Now let's take them one by one. Grain prices. We don't expect the government opposite, or indeed the government at Ottawa, to be able to increase international grain prices. But something can be done, however, about domestic grain prices. New Democrats call upon the provincial government to press the federal government to consider favourably a parity price plan for grain.

I want to touch on this for a minute. The federal government does protect domestic industries. For many years cars manufactured in Canada were sold in Canada at prices higher than the same car manufactured in Canada was sold in the United States. A different domestic price than the international price, and a higher domestic price.

We've also had domestic prices different from international prices — sometimes higher, sometimes lower — for oil in the past. So there's nothing new or different about having a different domestic price for grain than we've had in the past. We need our federal government to institute at this time a higher domestic price, and I'm saying for wheat, related to the cost of production — a parity price.

New Democrats believe that our provincial government should press the federal government for favourable consideration of a parity price for wheat — and I want to be more specific on that — for wheat consumed by human consumption in Canada. That is what our position is. We believe the principal government, and the Minister of Agriculture, should be pressing the federal government to consider favourably a parity price for wheat used for human consumption in Canada.

Now I move to input costs. I don't propose to deal with all input costs. I'll just mention two or three. First I turn to interest rates. The evidence is clear that with farmers under severe financial stress, high interest rates are the major factor for that group of farmers who are under severe

financial stress.

Some of the farmers who are under financial stress may have expanded too far too fast. But many made sound, prudent decisions eight or nine years ago. Many sat down with their bankers and their credit union managers and talked over their decisions. And many farmers tell me that they received no indication from bankers or credit union managers that they felt that there was any risk of spiralling interest rates

Now if the bankers, with all their resources, didn't detect the possibility of spiralling interest rates, how can we fairly blame farmers for not assuming that risk was possible? Farmers, it seems to me, were entitled to rely on the advice they got, the best advice they got, from all of their financial advisers.

Now, what should be done? New Democrats say that the rate of interest on some part of the debt of farmers under stress should be written down to, say, 7 per cent. We're not wedded to 7 per cent, but that's a figure suggested by the Saskatchewan Wheat Pool, and it seems a reasonable figure. For farm credit loans, the federal government should act – FCC loans. For loans from the provincial government should act – and let me say that I think writing loans down from 14 per cent to 12 per cent is not a very bold effort. For loans from financial institutions, the two governments should sit down with the lenders and negotiate a write-down formula for those lending agencies. Governments should share, but so should the lending agencies. It is their money that is at risk; they suffer the possibility of substantial loss; they should contribute some of their potential interest earnings in order to write down those loan costs. Now that step alone could save hundreds of family farmers from going under.

I turn now to farm fuel. That's a large input cost. New Democrats call for a lower price for farm fuel – a rebate, if you like, but we favour the idea of lowering the price at the busker, of 32 cents a gallon. And that is the rebate, and I will use that word, but the reduction cost which Alberta farmers have enjoyed for years. The new energy agreement will mean that Saskatchewan oil companies, by my estimate, will get an extra \$150 million in profits for mining the same oil, for pumping the same oil they were pumping last month and the month before. A small part of that could be used to pay for a farm fuel reduction program.

I turn now to farm chemicals. Many farmers tell us that the cost of farm chemicals is exorbitant. They say it's way out of line. The Manitoba government has called for an investigation of these prices. We call upon the provincial government to join with the Manitoba government and with the federal government in getting the facts on the costs of farm chemicals, to see whether anything could be done to relieve these prices which many farmers say are way out of line.

I turn now to land taxes, and it's very, very relevant, considering what was in the budget. Land taxes for school purposes are a burden on farmers. We have acknowledged that year after year. We have put in place Property Improvement Grants, and last year this government acknowledged it by putting in a specific reduction of land taxes for school purposes which they called the Home Quarter Rebate. And we voted for that, because we see land taxes as a burden on farmers. We see farmers pay a much higher percentage of their net income to support schools than do most people in the province. And that's why Property Improvement Grants for farmers were always greater than they were for small-business people or for home owners – because the figures revealed that farmers spend a much higher percentage of their net income to support their schools than do other elements in society.

Now, we call upon the provincial government to take over a larger part of the costs of running our schools, rather than the smaller part, which is provided in this budget. We think that the burden on land for supporting schools should be reduced. We think those taxes should be slashed.

**SOME HON. MEMBERS:** Hear, hear!

**HON. MR. BLAKENEY:** — Instead, the government opposite has shifted the cost of schools from the provincial government to local ratepayers, and no one can deny that.

Now let's compare — let's compare this budget with the budget for last year in total provincial contribution for school costs. Mr. Speaker, I just want to outline these thrusts. What did the government pay last year for supporting schools? And I will not try to break it down as to farmers or non-farmers. I'll use the global figures. Well, they've paid for school grants, \$300 million. And they've paid for the regulate rebates on school taxes, \$83.8 million. And they've paid for the Home Quarter Rebate, \$11 million, which was specifically earmarked. And then they paid in their supplementary estimates another \$5.1 million. So your two estimates for that were 11 in the general budget, and 5.1 in the supplementaries. Now that all adds up to \$400 million that was paid out by the government opposite, if you can believe their estimates, either as school grants or as specific rebates on school taxes paid by citizens.

(1100)

Now what are they paying this year? Well, they're paying in grants, \$317 million. And if I can be very charitable and assume that the education development initiative of \$10 million is going to find its way to schools, all of it — and that's not going to be true, but let's give them that total benefit of that — it adds up to \$327 million. What they have done is pull out \$75 million. They have said citizens have to pay an extra \$75 million out of their pockets to support our schools. That is not relieving the burden of land taxes on farmers. Indeed, farmers are hit the hardest.

I might say, in passing, that the federal government has heaped yet another burden on farmers — a small burden, but yet another one — and this has to do with the taxation of property improvement grants. Property Improvements Grants, and Home Owner Grants before them, have for close to 20 years been paid out to farmers without income tax being levied.

Now we have a government in Ottawa which says, for 1984, you have to pay tax on your Property Improvement Grants and your Home Quarter Rebates. A nice sensitive government at Ottawa which is collecting this. And I haven't heard one word of protest from the provincial government opposite. I can tell you that if this had happened in our day we would have protested vigorously. We would have said farmers should not be asked to bear yet another extra burden.

Well, Mr. Speaker, I summarize by saying that a New Democratic government will press for parity prices for wheat; will join with the federal government and lending agencies to write down interest rates for farmers under major stress; will introduce a farm fuel rebate; will join with other governments in investigating the high cost of farm chemicals; and will increase, not decrease, the provincial share of school costs to lower net land costs that are paid by farmers. That is the policy of the New Democratic Party and I believe that will be a policy acceptable to farmers in this province.

**SOME HON. MEMBERS:** Hear, hear!

**HON. MR. BLAKENEY:** — Now, Mr. Speaker, I want to turn to the matter of highways. I mention it because — and I feel I must mention it — because for two years in succession the Minister of Finance has not mentioned highways in his budget. He has not shown the least concern for highway matters which concern a great number of citizens of Saskatchewan because transportation is vital to our well-being, and highways are vital to our transportation system.

Since World War II, Saskatchewan people have invested billions in building a highway system because we came out of World War II with virtually nothing. And people have sacrificed because they knew how important highways and transportation were to this province. And we

all know that. We all know that we're fighting the elements all the time with highways, with our unforgiving prairie soils, our equally unforgiving winters and springs. It is a battle to keep our highway system. It is a battle to extend it. And if you need any other reminder just look at any spring's crop of potholes – much must always be done.

So, if we're to protect this investment of 40 years, we've got to keep our highways in good repair, and we've got to keep building some new ones each year because some wear out each year.

Highways cannot be neglected, or not for long. It is just as sure as having a roof on your house and deciding that you don't need to put any new shingles on it this year; you can perhaps delay one year or two, but not for long. If you delay too long, it's not only the cost of the shingles, but it's the cost of the house that you're worrying about. That is true of highways as well as houses.

But I say that our highways are being neglected. In no three-year period in the history of this province have we seen fewer new highways built. No three-year period. I challenge anyone. No three-year period in the recent history of this province – in the '60s, '70s, '80s – have we seen fewer new highways built, less replacement work done. And I say, nowhere have we seen as poor maintenance as we've seen in these last three years.

**SOME HON. MEMBERS:** Hear, hear!

**HON. MR. BLAKENEY:** — So New Democrats believe that we first have got to protect our investment in highways, and then we've got to get on with the job of building some new highways to replace the ones that are wearing out.

We've seen this government pledge to four-lane the Trans-Canada Highway, and merely peck at that pledge over three years. We've seen them pledge to four-lane the Yellowhead, and not four-lane any of the Yellowhead.

We've seen them say they were going to do something about the southern highway, the southern trans-province highways, the Redcoat Trail. And we shouldn't be too upset. They did put up signs saying it's the Redcoat Trail. The minister evidently believes that if he calls it a trail he must keep it a trail. But we believe that that road should be rebuilt. A small section of it was rebuilt in the constituency of the member for Souris-Cannington. But, other than that, precious little has been done on that.

Virtually no resource development roads have been built. And I want to underline this. There's a lot of talk about development. But resource development depends upon road construction. I've read story after story from the mining industry saying that the development of gold depends upon resource roads, and yet no resource roads are being built.

Almost everywhere I go in this province people tell me that highway maintenance is being neglected – and small wonder. Money is budgeted in the highway budget but not spent. I want to raise with the Minister of Highways the question of what happened to the money budgeted in last year's budget for highways construction. And I say that the Minister of Highways did not spend all of the money budgeted in his highway construction last year. I say that that budget was underspent by millions – I suspect by tens of millions of dollars. And I say that that is unfair to the people who need those highways.

I say a New Democratic government will move to protect our investment in highways. We'll do the needed repair and maintenance work. And we'll get on with building new highways needed by Saskatchewan motorists. We'll get on with letting highway contracts which are needed by Saskatchewan road contractors. That's what a New Democratic government will do.

Work will be speeded up, Mr. Speaker. Work will be speeded up on the southbound lane of

Highway No. 11. Heavily travelled portions of the Yellowhead Highway will be double-laned. Highway 13, the Red Coat Trail, will be moved on to completion. The Meridian bridge, which has been on hold since this government took office, awaiting apparently the river to change its course or something – I don't know what they're waiting for, but whatever it is, that Meridian bridge which is partly built and has been partly built for three years, we'll get on with that. Other roads will receive attention.

What is needed, Mr. Speaker, is a commitment to the importance of transportation in the life of our province and its people. A New Democratic government will give that commitment to preserve and improving our highway system.

**SOME HON. MEMBERS:** Hear, hear!

**HON. MR. BLAKENEY:** — Because we know – we know, Mr. Speaker – that highways and transportation have done a great deal to improve the life of Saskatchewan people, particularly the people of rural Saskatchewan.

Mr. Speaker, I turn now to the matter of education. Mr. Speaker, Saskatchewan people are committed to quality education for young people. When we talk about our heritage – and I'd like you to think for a moment about our heritage in the province – the efforts made by pioneers to see that schools were built and young people were educated is one of the most colourful and heartwarming parts of our history.

Anyone who has ever attended a reunion in Saskatchewan, anyone who has ever attended one, and I've attended dozens, particularly during Celebrate Saskatchewan . . . And I am very sure the Minister of Agriculture said he attended a reunion last summer, and I am sure that he was struck by the fact that so many of those reunions, those community reunions, those celebrations of community life, centred around the rural school districts and the schools which they supported.

And when you think of it, in the earliest days of this province, when it was really still very much a frontier community, when there were virtually no services out there, before 1910, the people of this province decided that they were going to establish a university. When you think of it, with all the things they needed in 1910 – there were very few health facilities, there were very few roads, let alone highways, there were no systems of power and all the rest – and the people of Saskatchewan decided they were going to set up a university and make it a world leader in some areas, and they did.

No one can deny the commitment of Saskatchewan people to education, and when I cross the province, teachers and trustees tell me of their sorrow in seeing our school system slide backward.

For more than 10 years we were able to provide more teachers for every 100 students, to improve the teacher-pupil ratio, so that there would be more instructors for the same number of students. And classes got smaller and individual attention could be given to students with special problems.

And now we've slipped backwards. There are fewer teachers; bigger classes. Students with special problems or special talents are being neglected. No one can deny those facts. Talk to any teacher, any trustee, any school administrator. Trustees and teachers are sorry to see this happen and so am I. So is anybody who has the long-term future of this province at heart.

Now there has been a belated attempt to remedy some of the damage in this budget with a 5.5 per cent increase in school grants. That, I think, may alleviate the slide, but it will not, Mr. Speaker, make up for any of the past damage.

Mr. Speaker, we had a good school system. And Saskatchewan people have been proud, and I've



been proud, to go about Canada talking about the Saskatchewan school system because I've got teacher and trustee friends in many parts of Canada, and I know other people have. And I say in a personal sense to you, Mr. Speaker, I know you have.

And people have been proud to talk about Saskatchewan school system, not because we have necessarily all the latest, not because our schools were necessarily as well equipped as some of the Toronto schools, but basically it was a good school system across the province, in an area where it's not easy to bring educational facilities to a dispersed population. We had a system of which we could be proud, and a system which was recognized to be a good system.

The New Democrats believe that we can get back to that, and even make it better. We believe that trustees and administrators and teachers, given the resources, can offer even a better future for our young people. And we believe that that's what Saskatchewan people want.

And I say to you, Mr. Speaker, that a New Democratic government will act to see that trustees and teachers can do the job they want to do for the future of our young people in our province, not by heaping still large burdens on local taxpayers, as the government opposite has done in this budget, but by trying to use provincial resources to pay a larger share of the burden, and to allow trustees to make decisions in the knowledge that they weren't heaping yet more costs on farmers who they know cannot now afford it.

(1115)

I turn now to the university. One of the saddest failures of the Devine government is its neglect of our universities, and no one can deny that it has been a record of neglect. Operation grants per students have gone down, any way you measure it, even in actual dollars, never mind dollars corrected for inflation.

Capital grants have gone down, anyway you measure it, and on the university campuses the evidence is everywhere: crowded classrooms, antiquated equipment – students will tell you of 3 a.m. appointments to use obsolete computers – libraries not able to keep up with the current literature, students not able to take the classes they want or need, but only the ones which aren't already full.

And I am sure that no one will dare stand up and deny these, because those are the hard facts. Roofs that leak, pails to catch the drip. And I say this because it recently happened to me at the University of Regina as I wended my way around the pails. There happened to be water that day, and the roofs were leaking, not in one place but many. We are, I would venture to think, the only province with a university building which has an eaves trough inside the building in order to catch the drips.

Members opposite are trying to suggest that there was something wrong with the construction of the buildings, and indeed there was. And I know you'll lay that at the door of the Thatcher government, particularly those people who regard themselves as old-fashioned Liberals, will lay that at the door of the Thatcher government that built those buildings.

But I think that, having got the building, errors having been made, then we ought at least to fix them. And money has not been available to do that, and I think that's not good enough. And I say, I'm not now concerned as much about the buildings as I am about the young people trying to get an education there.

The New Democrats say to this government this: if you can't manage your affairs to provide jobs for young people, at least give them a chance for a quality education. You should do either one or the other, and you haven't done either. Your economic policies have robbed these young people of a chance to get a job. Your financial policies are now robbing them of the chance to get a decent education. You're robbing them of the only youth they'll ever have.

And I say it doesn't have to be Mr. Speaker. You say you can't do anything about your long-term policies, that your open for business policy has failed and there aren't jobs, and perhaps you're right. There are certainly not jobs. But you can see that they get a decent education. You can see that our universities are funded to do the job. I see some increase in university funding this year. Once again this may stem the slide for this year, but there's nothing there, nothing there to repair the damage.

Now, Mr. Speaker, we are not . . . In the last years, we have not provided students with a proper education at the universities. But, Mr. Speaker, it could be done. It could be true, and a New Democratic government will make it true. We will see that our universities are put back into shape.

**SOME HON. MEMBERS:** Hear, hear!

**HON. MR. BLAKENEY:** — I'll say in passing a reference to the Department of Science and Technology. This budget is replete with references to new technology which evidently, I gather, have come on in the last 12 months, because they were not previously accounted for in earlier budgets. There is some sort of acknowledgement this year that computers are out there. There certainly were computers last year, but unacknowledged by the government.

Let me talk, Mr. Speaker, about this Department of Science and Technology, because it was supposedly the government's vehicle to deal with the expanding technological age. We welcomed the introduction of a Department of Science and Technology. We noted that in 1983-84, the last budget for which we have total figures — what they budgeted and what they spent — they budgeted \$1 million for that department. And we said, good, that's a good start. We think more is needed, but that's a good start.

Mr. Speaker, less than one-fifth of that was spent. Less than one-fifth of what they budgeted, \$200,000 in total, by the entire Department of Science and Technology. Mr. Speaker, that is less, and a good deal less, than the cost of the Protocol Office of the Executive Council, the office which stages banquets for visiting ambassadors and that sort of thing, the office that serves the wine which the Premier referred to yesterday in the legislature. They were able to find more money for that function than they were for the Department of Science and Technology, the entire department.

This tells us all too clearly the priorities of this government, priorities which are shallow in short-term, priorities which are short-changing the future of Saskatchewan people, young and old. It's time this stopped. A New Democratic government will give to our young people a better chance for the future, a more secure opportunity to prepare themselves for the challenges of the next century.

Now I want to say, Mr. Speaker, one further comment. I want you to consider what this government has done during the last three years; how it has responded, and what it is now proposing to do in this fourth year of its term. And I want you to judge the priorities of this government not by what it says it's going to do in the future, but by what it has done over three years. It had its full opportunity to show its philosophy and its priorities. Mr. Speaker, it has done so. So far as education is concerned, it was at the bottom of the priority list of this government.

Mr. Speaker, I want to turn for a moment to the matter of the deficit. I want to say very little about that because everybody knows the story. Just two things I want to say. In 1983-84 the minister had a deficit of \$331 million. That's in '83-84. Last year in his budget address he says on page 2, "In preparing this budget I begin with the following principles," and he's listing his principles.

"First," Mr. Speaker, he said, "now is the time to reduce the deficit." Now that was his first

principle last year. And thereupon the minister proceeded to reduce the deficit from 331 million to 395 million. The deficit changed by \$64 million in the wrong direction. Nothing more need be said. He's produced his annual crop of alibis. We've had alibis each year. We've got another crop this year. But the facts won't go away. The deficit mounts. We all lose.

The second thing I want to do about this budget is say this: I want you to look at page 47 of the *Estimates*, interest on the public debt. And this is the government's share. It has nothing to do with Crown corporations, just what the government pays for interest on the public debt. This year, \$143 million. In 1981-82 when this government came to power, right after . . . (inaudible) . . . The year that ended on virtually the day they came to power, that figure was \$22 million. It has increased by over \$120 million. In three short years, 120 extra million dollars goes out of this province every year to pay for interest on the public debt.

So I say this: think what could be done for so many people and so many communities if we were paying that \$120 million not to the bankers and bond dealers of Toronto and New York, but to the citizens and the business people right here in Saskatchewan; right here in Shellbrook; or right here in Biggar; or right here in this province where people need that \$120 million a great deal more than do those bankers and bond dealers in Toronto and New York. I say no more on the sad and continuing tale of the budget. The figures speak louder than anything I could say.

Now, Mr. Speaker, I want to turn to health care, and I want to particularly deal with some of the matters raised by the Minister of Health today. Did you get the impression, Mr. Speaker, in listening to the minister, that there was to be a major new effort in hospital and special care home construction? Did you get that impression? Did you get that impression? Did you get that impression either from the budget or from the minister's statement today? Well I did too, until I looked at the figures in the *Estimates*, and the figures say there is no major effort to build hospitals or nursing homes. On examination, the health capital fund which has been set up proves to be simply a list of the headings that were in last year's budget under several votes, and by and large, about the same amount of money.

Did you hear the minister's announcement that there are going to be all of these additional nursing home beds? Do you know that the minister last year budgeted \$5 million for nursing home beds, and for the budget which just came down on Wednesday he's budgeting \$4.1 million? That he's going to spend less on nursing home beds this year than he spent last year? Yet he announces this list of nursing homes that he's going to build in three years, four years. This year he is spending less than last year, and that I am sure cannot be denied.

This year, on grants to hospitals and health centres, we are spending \$11.8 million. Does it sound like a lot? Well last year we were spending 10.9. The figure is about the same.

Or take the base hospitals in Regina and Saskatoon. Did you get the impression that a lot more was going to happen to the base hospitals? Well last year they budgeted \$15 million. This year they budgeted \$16 million. Do you know what happened last year if you live in Regina and Saskatoon? You could expect that to be increased by what? 5 per cent? That is hardly a major thrust.

If you take the whole health care fund in which they could put everything they could think of, there's an increase of perhaps 4 to \$5 million in total, on nursing home construction, hospital construction. And you can only get that figure if you believe that they're going to go ahead with the construction of a rehabilitation centre which they have announced for three years and done nothing. If you take that out, the increase will be minuscule. The increase would build 10 or 15 hospital beds and no more. That is hardly a major thrust in hospital and nursing home construction.

Now let's turn to the matter of operating our hospitals. Here there is even less. I will deal, however, Mr. Acting Speaker, with some other items of the health care budget, because while

there is talk about improving health care, there are cuts and cuts and cuts.

The children's dental plan has another staff cut, a deep staff cut – a deep staff cut of 20 people. Last year I was getting letters from people that they have got from the dental care plan for children, saying your child has to wait. This year, 20 people cut from that program.

(1130)

Psychiatric services has a cut in staff. The hospital plan has an increase in funding of about 2.5 per cent. Far too little in the face of rising costs for medical equipment, particularly from the United States, with all our problems with the Canadian dollar – the much higher prices they have to pay for electricity and other services. Two and a half per cent will not maintain the quality of care. It will deteriorate still further.

Continuing care administration has had a staff cut. Northern health services have had a staff cut. Indeed, one of the very few branches that has had a staff increase – and this perhaps will not surprise you – is the Lakeside Home at Wolseley. They have an additional staff person. But not the dental care plan. Not northern health services. The Lakeside Home at Wolseley.

Mr. Speaker, this budget will not stop the erosion of health care in our province. In particular, it will not even maintain the quality of hospital care. Continuing staff layoffs at the Pasqua Hospital in my constituency, and the Rosetown hospital, and many other hospitals I could talk about, make this abundantly clear. New Democrats say that this erosion of hospital care has got to be stopped, and the next New Democratic government will stop this erosion of hospital care.

**SOME HON. MEMBERS:** Hear, hear!

**HON. MR. BLAKENEY:** — First, we need to get on with some hospital replacement projects. And I mention a few, not because the list is exhaustive, but because they're useful examples.

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There's the La Ronge hospital – three years, not one move to replace this old facility. Lloydminster hospital – I recently drove past the site of that hospital; it's the same site it was three years ago. It's in exactly the same state as it was three years ago.

We've had a spate of announcements. In the 1983 budget speech – that's two years ago – the Minister of Finance said it takes time, and I won't give you all that he said, but he ends with this: "This will permit new hospital construction to take place at Lloydminster." Two years ago, and not one spoonful of dirt has moved in those two years.

We've got another announcement in this budget that we can move ahead with Lloydminster. I am sure that everyone is happy to hear that.

**AN HON. MEMBER:** — The hospital board is definitely happy.

**AN HON. MEMBER:** — I'm sure they're happy.

**HON. MR. BLAKENEY:** — Mr. Speaker, a member suggested that the hospital board is happy. I'm sure they were very happy two years ago, but they were subsequently disappointed because nothing happened.

New Democrats will get on with these projects; they will meet needs for community health services, and I say to this House, and to the member for Cut Knife-Lloydminster, that a New Democratic government would see that that hospital had facilities for mental health, as well as physical health.

**SOME HON. MEMBERS:** Hear, hear!

**HON. MR. BLAKENEY:** — Mr. Speaker, I turn to the Regina General Hospital. Three years ago the hole in the ground for phase three of the Regina General Hospital was there when this government took office. It is colloquially called the swimming pool. Nothing has been done to complete this project. Not a yard of dirt or a brick has been moved to complete this project after three years. It's put on hold by the Devine government.

The Rehabilitation Centre – over three years ago I saw a model for that centre to be attached to the Plains Hospital. That project was cancelled by the Devine government. They say they have another project near the Wascana Hospital. Three years, not a brick laid. Nothing done.

A New Democratic government will complete the Regina General Hospital project; will get on with the rehabilitation centre at the best location for those it's designed to serve, the physically disabled and injured.

Three years of talk is too long. Three years of statements and budget speeches is too long. It is time we had some action from this government, which we conspicuously have not had in their three years of office.

Well, let's turn to Saskatoon. New Democrats believe that the regeneration of Saskatoon hospitals must go forward. In three years there's been no major project at either the Saskatoon City or St. Paul's Hospital. And that's not good enough.

These, Mr. Speaker, are only a sample of the hospital projects kept on hold too long, or outright cancelled.

And I could go on. People will know the Maidstone hospital was in the advance planning stages in 1982, and I gather is still there, since not a spoonful of dirt has been moved there either.

But, Mr. Speaker, it is not only buildings that are the problem with hospital care. Staffing, particularly in major hospitals, is too tight. Nurses and other health care workers in hospitals say to me this, they say this. They say, "We want enough staff so we can do the job we were professionally trained to do. We are not asking for a cushy place to work. We want to work, we want to work hard, but we want a chance to use our professional care to help the people lying in the bed." And they have a right to know that there's enough staff on the ward to do that job.

And we heard, or many of us, the nurse from Rosetown the other day saying, "It's not fair to leave two nurses to look after three wings for night care in the Rosetown hospital." Also for the emergency. If an emergency patient comes in, it's an emergency for the staff in Rosetown. Somebody has to look after the emergency patient, and then have one nurse to look after three wings.

And this story can be repeated all across this province. Not enough staff to do the job. Nurses have taken to recording the staff deficiencies for fear that they maybe accused of professional incompetence because they are not doing what should be done, because of staff shortage.

We would like to think that this budget did something about this, but 2.5 per cent will do nothing. Two and a half per cent will leave those problems not only unsolved, but even totally unapproached. We believe that the people of Saskatchewan deserve more, and a New Democratic government will see that they get a better grade of hospital care than that.

Like hospitals, nursing homes have the longest waiting lists in our history. I know, and I have been in public life a long time in this city, and when there are waiting lists you hear about it. I know the waiting lists for nursing home beds in Regina have never been longer, and that's a fact. And we know that we need some more nursing home beds each year as our population ages.

Now the PCs say that there weren't enough nursing home beds built in Regina or in Saskatchewan under the New Democratic government. They say that there was a shortage when they took office.

If you took office and believed there was a shortage of nursing home beds, what would you do? Wouldn't you start building nursing home beds? Well I say, in Regina in three years, after they say there was a shortage, not one nursing home bed was built, not one nursing home bed was started, not one. Not one. I am saying to the people of Regina that not one nursing home bed has been built or started since this government took office. And the waiting list has got longer and longer and longer. Everybody knows that our major hospitals have people in them who should be in nursing homes, and people are having to wait a long time to get in hospitals because this government has done nothing about nursing homes.

So much for their concern about the elderly in this city. So much for the problems which are being faced by the families of those elderly. I find it a little hollow for this government to mount a program of Heritage '85, talking about our pioneers, and then going for three years without providing a single nursing home bed, for three years seeing that nursing home waiting lists have gone up and up and up. We have an announcement that some time – who knows? – some day, maybe, there may well be something done at Santa Maria, but four years will pass since this government was elected, and there will not be anything done on nursing home beds unless there's a change of government in the next year. There will unquestionably be a change of government, but the date is uncertain.

Mr. Speaker, I want to summarize again what the New Democratic government will do. We will give priority to home care to allow everyone who wants to stay at home to stay there. Secondly, we will give priority to nursing home construction to provide needed beds for respite care, for centres for adult day care, and for wheels-to-meals programs. And we will give priority also to nursing home construction to provide long-term care where that is so urgently needed.

This is by no means a full list of what New Democrats believe must be done. It is by no means a full list, and I will mention some others, because I'm getting asked to name some. We believe that more diagnostic equipment is needed in Saskatchewan hospitals, such as CAT scanners, such as CAT scanners . . . (inaudible interjection) . . . I hear the member for Qu'Appelle Lumsden heaping scorn on the idea that we need some additional diagnostic equipment. This minister is saying, 12 years to do it. The only CAT scanners that are in this province were installed under a New Democratic government, and not one has been, not one, not one by these here people.

I'll tell you, Mr. Speaker, that CAT scans have become a normal diagnostic tool. They were an experimental tool, experimental tool three or four years ago. They've become a normal diagnostic tool. There were installed in Regina and Saskatoon – CAT scanners. They have been found to be greatly, enormously successful. There should be more of them. They should be readily available. They are not readily available. The waiting list goes into the hundreds. People have to wait a year, a year. And today people are going down to Minot, North Dakota to get CAT scans. And why are they going to Minot, North Dakota? Because the city of Minot has as many CAT scanners as the province of Saskatchewan.

And the minister is unwilling to install any CAT scanners, and he is unwilling, as a matter of act, to put the current CAT scanners which we have on a 24-hour basis. He is unwilling to pay for the staff which will allow those machines to operate on a one-year basis, on a round the clock basis. He has cut and snipped so that people have to go down to the United States. I remember the time when people from North Dakota used to come up here to get health care. And I think it no credit to the people of Saskatchewan or the government of Saskatchewan that people from Regina now have to go to Minot, North Dakota to get top quality health care.

New Democrats say that this sort of approach to health care is not good enough. A New Democratic government will act immediately to allow doctors and patients to have available to

them important tools like CAT scanners.

New Democrats believe, New Democrats believe that the children's dental care program should be preserved and strengthened. We believe, for example, that four-year-olds should be covered. We think it is not sensible not to cover four-year-olds. What does it do in rural Saskatchewan? When do parents want to take their children for their first dental care? Well, they begin to look at age three, four. They don't want to wait till they go to school.

(1145)

What are these people saying? – that if you live in Leoville drive to the nearest dentist with your four-year-old, but we'll look after your five- or six-year-old at the local school. Drive to wherever the nearest dentist is to Leoville – but my bet is it's 50 miles – but have your five- or six-year-old looked after at the local school. Because this government is too skinflinty to provide the small amount of money which would be needed to cover four-year-olds. We think that that's not good enough.

In psychiatric care, Mr. Speaker, we believe that we must do more for psychiatric care. We believe that community services must be strengthened, community services which are, in any case, provided by volunteer organizations. We believe that that's what we need to do, and we believe that that is not being done.

Mr. Acting Speaker, I could go on; I could take a good deal of time recounting the problems and shortcomings of our health care system, but I simply want to say that we are proud of this province's heritage in health care. New Democrats believe it should be preserved, strengthened and improved. We don't believe the inspiration for that improvement will come from Arizona, or from Dick Collver. We don't believe it will come from Mr. Bud Sherman, who has been hired by the Mulroney government to look into the possibility of privatizing health care. This is the same Bud Sherman who was around here as a consultant for the government opposite, rendering services which they are unwilling to tell us about, but I had suspect had something to do with seeing whether we could privatize health care in Saskatchewan, as the Mulroney government suggests we should do in Canada, and as the Tory government in Ontario has done on an extensive scale. That is not our approach to health care.

We don't believe the inspiration for a better health care is going to come from that route, either from Collver or from Sherman, or from the government opposite. We commit a New Democrat government to building on our proud tradition by honouring our pioneers – not by public relations, but by public concern.

**SOME HON. MEMBERS:** Hear, hear!

**HON. MR. BLAKENEY:** — We believe in moving forward so that once again Saskatchewan people can say with pride that our system of delivering health care to all who need it is second to none in North America, and indeed, perhaps, second to none in the world. That has been our heritage in the past, and under a New Democratic government it will be our heritage in the future.

**SOME HON. MEMBERS:** Hear, hear!

**HON. MR. BLAKENEY:** — Mr. Speaker, I want now to turn to a somewhat broader subject of discussion, things which weren't mentioned in the budget speech. And it's a sad testimony, Mr. Speaker, to the Devine government's sense of priorities, when things that I wish to talk about are not worthy of mention in a budget speech. Because keep in mind that a budget speech is not only a financial plan, but it is an outline of the essential priorities, the essential concerns that a government wishes to address by its legislation, but more particularly by its spending.

Now, Mr. Speaker, in this speech there is no mention of the people of northern Saskatchewan; no mention or acknowledgement of the desperate plight of families in the North where unemployment is 80 per cent and rising; where a whole generation of young people are in danger of growing up without opportunities, without jobs and without hope; where teachers and other community leaders in place like La Loche are among the most dedicated and committed I've ever met.

I had an occasion in the last month to be up at La Loche with my colleague, the member for Athabasca, and we talked to teachers. We talked to people that were trying to do something for these young people who were growing up, still with their youthful enthusiasm, but seeing that there was little hope. Teachers were doing everything humanly possible in the classroom. All they were asking for was a little support. And the stories I heard were genuinely touching.

They talked about giving the children a window on the world, having them participate in athletic endeavours, talking about what it was like in their gym to have . . . It happened to be the Lutheran bible college at Outlook up there, playing the La Loche people in basketball. What an occasion it was for the community to feel that they were part of the larger province.

But what a struggle it was, because there was no money to take the children by bus. They had to gather up the money locally. The teachers were putting in their money to move the children to allow them to participate. The people in the community – many, many of whom are on welfare – were putting in their dollars and dimes to get a little bit of money.

And these people were saying what they were trying to do with those young people in La Loche. Some of the people were saying, these kids are bright, they're alive, they're sharp. And I was saying, well, what happened? They said, well, by the time they get into grade 10 or so they begin to say, well, what's the use? I'm not going to get a job. That's pretty discouraging, pretty discouraging to think that our fellow citizens in Saskatchewan are left in that state.

We talked about the community generally, about the state of housing in that community. And I happen to know that the number of people in a household, a self-contained household in Canada, averages 2.9. The number of people in Saskatchewan is about the same – 2.8. And so we asked, what's the situation up here at La Loche?

And they said, well, you've got to look at La Loche this way. There are two groups in La Loche. There are the regular residents, and there are the transients. The transients are frequently the teachers or the mounted police or a few of the public servants. And he said, among the transients, the number of people per household is just under two, lower than the Canadian average because there are a lot of single people come up here.

But among the residents, the figure is not two or 2.9, but 8.8. Crowding is three times . . . Every house has three times as many people, on the average, as is true in Regina – with all that does. We asked, well, what's happened? Well, they said, not one house has been built in La Loche in the last three years — not one.

And I say that that is a denial of the need of so many Saskatchewan people. It is not moral leadership. It is the withdrawal of moral leadership. I say that short of conduct on behalf of a government which is condemning the youth of a whole community to a life of despair is moral cowardice.

And, while the minister made reference in his speech to banks, he didn't make any reference to another group of banks which are around. He didn't say anything about food banks. We didn't use to have food banks in this province, didn't think we needed them. But now, indeed, we have food banks, and nowhere in this budget, nowhere in their five-year plans that were so loudly trumpeted, nowhere is there any plan to deal with the rising problem of welfare in this province. No mention of the alarming spread of poverty. Does anybody deny that the number of people



on welfare is going up, and up, and up? Does anyone deny that action must be taken to deal with this poverty, and does anyone deny that there's nothing in the budget to deal with these problems?

Poverty has been caused by the economic failures of this government. I am not suggesting that all poverty can be wiped out, but I am suggesting that poverty that is in our province and being suffered by our fellow citizens needs to be acknowledged honestly, addressed squarely, and, wherever possible, eliminated.

What Saskatchewan doesn't want and doesn't need is this government's war on the poor, its attempt to make the poor the villains, when they are, in fact, the victims of the economic policies of this government. What we need is, in the words of President Johnson, a war on poverty. And it's not a revolutionary idea. It is an idea thoroughly consistent with the compassion in the history of this province.

Two days ago, just before the budget speech, the Minister of Social Services released the latest social assistance figures for the month of February. More than 64,000 people – men, women, and children – on welfare. Sixty-four thousand people. Don't think that this is cheap.

People up at La Loche said that – and that's a small community of about 2,000 people – they said the welfare bill on La Loche is somewhere between \$250,000 and \$300,000 a month. That's what we're paying up there because the economic policies have failed. We've got 64,000 people, more than the combined populations of Estevan, and North Battleford, and Swift Current, and Weyburn, and Yorkton – just think of that for a moment. All of those cities, more than the combined population, man, woman, child. Those are the people on welfare in Saskatchewan. One of every 16. One of every 16. If we were an average lot here in this Chamber, four of us would be on welfare.

For a government whose budget speech, whose short-term and long-term fiscal plan doesn't even acknowledge the existence of this problem, the existence of these people, or their plight, is not showing moral leadership. It is showing moral bankruptcy.

The people of Saskatchewan don't expect that their government will only be competent. If they expected that, they haven't got it. But they don't expect only competence from a government, they also expect compassion.

Finally, Mr. Speaker, I was surprised that the budget address and the speeches which we have heard on other occasions made absolutely no mention of Saskatchewan's place in the larger world, and what obligation we have to play our part in the struggles of the world. We are part of that larger world. We're bound up with those larger issues. And just as we share in the world's bounty and blessings, so we must share in the responsibility to make it a healthier and safer world.

I was disappointed that the minister didn't even mention the terrible famine that's gripped the people of Africa, a famine whose toll is now in millions. And I was disappointed, because the reaction of Saskatchewan people was eminently praiseworthy. The assistance poured out. It was in the best traditions of Saskatchewan. And I compliment the government for arranging a transfer of wheat, of grain. But surely that is something of which we should be proud and on which we should build.

No mention of the fact that this famine which produced this outpouring of goodwill, of compassion from the people of Saskatchewan, is something which we should try to prevent rather than deal with when it happens. No mention of the fact that we have an obligation to try to prevent as well as to alleviate. No mention, because in this budget there is not a one-penny increase in the grant for international aid, notwithstanding the problems which are being faced in such wide parts of the world. Not one penny. Mr. Speaker.

I say that's not moral leadership, but a narrow view of the world, a narrow view of our responsibilities, and one that doesn't conform with what Saskatchewan people believe their role is, as they in their response to concerns about the world have so often shown.

I think of the Steve Fonyo run and how much was raised in Saskatchewan. People here are concerned. They are concerned not only about their problems, but about their country and about their world, and our government should be giving them leadership in ways where they can play their full part.

Similarly, I was surprised that there wasn't even a mention of what is surely the number one problem in the world: the nuclear arms race. The Soviet Union's arsenal of weapons – and you know about that – the Reagan Star Wars plans, the great eagerness of the Mulroney and Devine governments to participate in the nuclear arms race. Mr. Speaker, the nuclear arms race is a heavy cloud on the future of mankind; a heavy cloud on the likelihood that our children will live in peace and security in the 21st century.

I must say, Mr. Speaker, that I am surprised when I talk to young people. I've been around this province a good deal in the last number of months, and I have talked to a number of young people, a large number of young people, and I have been surprised at their despondency in many cases. I can hardly understand how some 15- or 16-year-old could say, well, I don't know whether I should bother going to school. I probably won't live to be 30. Now, I know that some of those are flip, off-hand comments, but many of them were not.

(1200)

I think of my youth and I cannot believe that I could ever have been in that position, because I know – I know that in those days there was no belief that the world would come to an end. It didn't cross anybody's mind. It didn't cross anybody's mind. But I tell you, Mr. Speaker, that it's crossing the mind of a good number of Saskatchewan people, and particularly young people.

And I invite people who suggest that this is unreal to go out and talk to those young people, and if you don't find some of them who are saying, look, it's our job and yours to do whatever we can, I invite them to come back with any other conclusion.

They'll tell you far more eloquently than I why they think something should be done about the nuclear arms race. They're not saying they know the answers; of course they don't. Nor do I. But I think we ought to address them and I think that these people I'm talking to are opposed to the nuclear arms race, and deeply opposed.

They don't necessarily believe that they can change the policies of the Soviet Union or the United States, but they believe that Canada should not be part of that arms race. They're opposed to the Star Wars plan because they think it's an escalation, and they do. They're opposed to Canada's or Saskatchewan's participation in it . . . (inaudible interjection) . . . Well, we'll come to that in a moment, Mr. Deputy Speaker.

Mr. Speaker, short days ago we had the Premier in Saskatoon saying, you bet we want to participate in Star Wars. You bet we want the defence contracts from the United States. You bet we want the high tech jobs which would come from that. That's what he said.

Well Mr. Speaker, here we draw a sharp line between members opposite and ourselves. We certainly welcome high tech industries in Saskatchewan, but we welcome high technology for peaceful purposes, Mr. Speaker, and not for war.

**SOME HON. MEMBERS:** Hear, hear!

**HON. MR. BLAKENEY:** — So I ask the government to consider whether or not that's their position, and if it is, to use every influence they have in Ottawa to ensure that not only our province, but the people of Canada, can work with pride, can work toward new technology in the full knowledge that that technology is not for war but for peace.

It is sometimes said, Mr. Speaker, that there are two supreme tests in a civilized society. Does that society acknowledge the care for the poorest in its midst, the victims of society? And does it acknowledge the broader issues of the larger world beyond, and carry its share of responsibility for making our world a more secure world and a more fair world for all who live in it?

Now over the years, I say to you, Mr. Speaker, that the people of Saskatchewan have met that test. Our tradition in Saskatchewan is that of a civilized society, compassionate, committed to doing what we could, not only to advance ourselves, but also to play our part in building a better world. New Democrats are proud to be part of that tradition.

People are telling me, however, that with the budget we're heard two days ago, and the previous budgets, Saskatchewan has turned its back on this proud tradition of helping the victims of adversity, has turned its back on the proud tradition of taking our full place in the world scene. And I believe that's true. I believe this government has failed that test. We New Democrats are proud to strive to meet that test in the belief that in our day and generation we can do our part just as surely as the pioneers of this province in their day and age played their part with such outstanding success.

Now, Mr. Speaker, it will be clear from what I have said, not only about the specifics of the government's budget, but also in its general direction and who it helps and who it doesn't help, that I profoundly differ from the view of the role of government outlined in that budget and, accordingly, I will be opposing the motion.

**SOME HON. MEMBERS:** Hear, hear!

**MR. MULLER:** — Thank you, Mr. Speaker. On behalf of the people who live in the constituency of Shellbrook-Torch River, I wish to tell this legislature how pleased I am to speak in support of the budget introduced by the Minister of Finance.

I wish to, at the outset, welcome the new Progressive Conservative MLA from Thunder Creek to this legislature.

**SOME HON. MEMBERS:** Hear, hear!

**MR. MULLER:** — His victory on March 27th was a vote of confidence in the leadership of Premier Grant Devine and our Progressive Conservative government.

Mr. Speaker, while those of us who firmly believe in the future of Saskatchewan are very supportive of this budget, there's an element of doom and gloom coming from a small group of eight, from the opposition in this legislature. The Leader of the Opposition, Mr. Blakeney, and the NDP do not share our belief in the . . .

**MR. SPEAKER:** — Order, please. I would ask the member not to use members' names, but to refer to them by constituency or position.

**MR. MULLER:** — I'm sorry, Mr. Speaker. I certainly should have known that.

The NDP opposition would rather talk about unrealistic and ridiculous schemes that have been rejected by the voters of this province. Yet they persist in their ways. In the recent Thunder Creek by-election, Mr. Speaker, they paraded all their constituency, telling voters to send them a message. Well, the voters sent out a message. The message was that the people in Thunder

Creek wanted no part of the NDP doom and gloom. I would suggest that they would receive the same message from the rest of the people of Saskatchewan.

Mr. Speaker, I for one am not going to dwell upon the attitude of the NDP opposition. Rather, I'm a positive man. I support the optimism and vision of our Premier, the member from Estevan. I support the excellent programs of the Progressive Conservative government. That is what I intend to talk about in my remarks today.

Mr. Speaker, it's exciting to be here today to talk to you about the opportunities facing our people and the challenges facing our province. Saskatchewan stands at the crossroads of change and challenge, and Saskatchewan residents are ready to face up to and take advantage of those changes affecting society and the very challenges those changes are putting before us.

You know, when you come down to it, society is only as strong as its foundations. Indeed, any segment of society is only as strong as its own individual foundations. A family is only as strong as the leadership and guidance and love parents put into it, and their children absorb.

A farm is only as strong and as viable as the family that farms it and nurtures it with fertilizer, herbicides, good quality livestock, and the care and attention and hard work that farm families dedicate to their operations.

A small business is only as strong as the drive and the dedication and good old-fashioned common sense of its owner.

A large enterprise is only as strong as its workers and management and shareholders are prepared to make it, through mutual endeavour, decent wages and conditions, and a vision for the future together.

A school or a university is only as strong as its students and its teachers, with the teachers dedicating themselves to imparting wisdom to the students, and the students determined to enhance their own individual life and career prospects through education.

A hospital and a nursing home are only as strong as the patients, residents, nurses, and doctors want them to be, through concern and compassion, through skills and expertise. And a government is only as strong as the voters that elected, and the representatives they elected.

Mr. Speaker, in Saskatchewan, because we are a province of family farms, small business, individual striving to better themselves and enhance the lives of those with whom we come into contact, and a government that has traditionally been close to the people, all our individual strengths are closely related and interdependent on each other. We are very much a part of each other.

None of us can forge our way through life alone without regard to our neighbours' welfare. None of us would want to advance our own interests to the detriment of someone else's legitimate interests. We are not that kind of people. We have our own special, even rather unique, way of doing things. We have our own special . . . we are not quite like other provinces and other societies. Our very history, the hardships we have endured and the courage we have needed to face the future, have made us different. We can feel the difference, as they say, in our bones. It is a difference we hold with pride. That's why when we are visiting some place outside our province, be it somewhere else in Canada or in any part of the world, we are proud to say, "I'm from Saskatchewan."

People in Saskatchewan have a special sense of togetherness. It's the reason we have survived so much, and it's the reason that we have so much individual and collective strength, and individual and collective optimism. We have a history in Saskatchewan of making tough choices when tough choices have to be made, and enjoying the sunshine and even saving some of it for the

proverbial rainy day.

This, again, is what the budget of this Progressive Conservative government is all about. It's about people and it's about progress. It's about where we are going as a province and as a people, and how we are going to get there. It's about our future together. We have shared good times and bad times in the past, and we have always come through. We have shared joy as individuals and as a province, and we have known despair as individuals and as a province. The good times never made us soft. The bad times never destroyed our big, basic honest-to-goodness faith in ourselves and our neighbours. In good times and bad, Saskatchewan folk pitch in with our friends, relatives, and neighbours. The budget is all about pitching in together.

Mr. Speaker, that's what we, the Progressive Conservative government, and the Saskatchewan people did back in '82 when sky-rocketing mortgage rates were threatening to steal away the very homes of good, decent families, when roller-coaster interest rates were shattering and crippling the dreams of young farmers wanting to keep the family farm in the family and pass it from one generation to another, when inflation made it difficult to even buy a tankful of gas for the family car. We pitched in together. Under the mortgage interest rebate plan, the new Saskatchewan government initiated mortgage protection for residents. Those days of 18 and 20 per cent mortgages, nightmare days for so many of our province's families, may have been forgotten by some, but the very fact that 43,000 families have benefited from the plan shows just how desperately it was and is needed. This government responded when the need was greatest. It always will respond. We, you and I, recall when those mortgage and interest rates threatened the continued survival of the family farm within the family.

(1215)

We recall how our young farm folk worried about seeing the farm their grandparents built and their parents built, slip out of the family. They knew that between 1971 and 1982 some 10,000 Saskatchewan farms had disappeared – 10,000 farms gone for good. They worried whether they would be next. This government responded with the farm purchase program. Now almost 4,000 young starting out farmers have become farm owners under the program and its 8 per cent mortgage program.

In other parts of Canada the headlines are about farm bankruptcies, but in Saskatchewan we have created 4,000 new farm owners in the past two years in which the program has been operating. When the need was greatest the government responded, and it always will.

To ease the burden of inflation across the board in Saskatchewan whether it fell on students, young families, or senior citizens, the Saskatchewan government in 1982 also abolished the provincial tax on gasoline, making gas in our province as low as any place in the nation, and as much as 10 cents a litre less than consumers in some other parts of Canada. Not only did the tax cut benefit individual drivers every single time they filled their tank, but it made every single item and every single service they bought cost less because of lower transportation costs.

Mr. Speaker, once again the new Saskatchewan Conservative government responded when the need was the greatest, and once again let me stress it always will. Again and again the Saskatchewan government has repaid the faith the voters put in it, and we have made advances together in every area.

In health, more money devoted every year than by any government in Saskatchewan's history. No sick person forgotten or ignored any more. No more making promises such as new cancer research and treatment facilities, then putting those promises over to another year, and then another year.

In education, more funds, more facilities, more opportunities than ever before – university

funding that outstrips the national average by a long shot. The New Democrat of Advanced Education and Manpower to link manpower training to economic and social demands and opportunities.

In employment, a minister specifically responsible for job creation. More programs and funds than ever before. Some 44,000 more persons working today than just three years ago.

In every area we have built things together, achieved things together, accomplished things together, dreamed great dreams together, and started to turn those dreams into reality together.

These past three years we have travelled a road together. We have become partners, depending on each other, relying on each other, conferring and consulting together, building and creating together. No wonder that together in partnership we have the lowest unemployment in the nation, the lowest inflation in the nation, and the fairest taxation policies in the nation. No wonder we have achieved the reputation for initiative and innovation, for strength and foresight. No wonder our residents are proud to say, we are from Saskatchewan.

Mr. Speaker, now we must face the future together, and that's what our budget is all about. We're facing the future in partnership. We live in changing times, and we're changing with those times. We are committed to seeking the best for ourselves, our families, our relatives, our friends, and our neighbours. We are committing – we are committed to doing it together. We know how to do it together. We know that we must plan together for the long term, for we know from past experience that short-term solutions are no answer to long-term challenges.

In 1982 the new Saskatchewan government responded in partnership with the people – to their wants, needs, hopes, and dreams. Now it is time to once again assess those wants, needs, hopes, and dreams – and to respond to them, once again. We are more than ready to do so and, in fact, we're glad to have the opportunity to show the rest of Canada, and the world, what we're made of.

Mr. Speaker, simply put, we are made of what our grandparents and their grandparents were made of: tenacity, dedication, vision, and faith; able to make tough choices when tough choices have to be made, and to enjoy the rewards of our endeavours and enterprise. Most of all, just as our pioneer families did, we are able to do what must be done together.

What are the wants of our people? What are the needs, the hopes and the dreams? The answer to all those questions is easy to answer. It is the fulfilment in each era of personal goals of our people. What are the tools to fulfil those personal goals? Education, employment, agriculture, and health care. Those are the foundations on which the Saskatchewan people will build their future. They are all interrelated.

Mr. Speaker, without good health one would not have the ability to get either a good education or a good job. Without a good education the chance of getting a financially rewarding job would be nil. Without opportunity there would be no point in striving for either or for any. But there is opportunity, and we will create more opportunity. And that is what the budget is all about. It's about change; it's about adapting to change; it is about preparing for change; and it's about taking advantage of change. We live in changing times. We always have done. Change has brought us from the stone age to the space age; from herbal medicine to artificial hearts; from the abacus to the computer terminal; from infertile lands to bountiful harvests. Our horizons have become wider and wider because of change. And they will, God willing, become wider yet.

Changes brought new jobs, new ways of doing things. Change has caused disruptions at times, but for those that could grasp the opportunity, the disruptions have been only temporary. The blacksmith who decided to stop shoeing horses and become a motor mechanic the first time he saw an automobile, built a new life of security and prosperity for himself and his family. The blacksmith who refused to change and face the future became embittered, disgruntled, and

faded from the scene.

Saskatchewan is not prepared to fade from the scene. Saskatchewan people are not prepared to become or to accept second best. We are not prepared to sell ourselves or our children, or their children's children, short. That's why we have presented the Saskatchewan people with this bold, adventurous, "grab the bull by the horns" budget.

Its equivalent, its breadth, its scope, its challenge has not been seen in Canada, even in North America, before. But I promise you it will be. It will be praised and copied by other jurisdictions. It will also be condemned. It will be condemned by those with no vision, no courage, no confidence in themselves or in their neighbours, and by governments or would-be government that have no faith or trust in the people they govern or wish to govern. To critics they say "beware." Saskatchewan and Canadian people will not tolerate being sold short.

What we have unveiled is a \$1.5 billion strategy for survival and success. It's a plan for today, building for tomorrow. It takes advantage of shortcomings and current policies and programs that may have been good in their day, but are outmoded now, and it takes advantage of all we see unfurling before us.

Mr. Speaker, no other government in Canada with a similar population base has attempted so much on behalf of its people. Indeed, in Ontario, with eight times our population base, a similar approach was recently announced, with fewer dollars committed than we are committed. We wish Ontario and its people well, but we think we can do better.

We are a partnership of just one million persons, yet we are so confident of the future and our place in the future, that in the short span of five essential threshold years we are committing 600 million to new job creation endeavours; 400 hundred million in additional funding to education; 300 million in extra funding to health; and 200 million to agriculture.

As in the past, we are leading the way in North America by offering our residents a flat, fully equitable income tax plan, and a loan program for small businessmen that will allow them to borrow and create new jobs at nine and five-eighths per cent interest. We are leading the way in these areas, but we will be followed.

Our government believes that with the support, advice, and co-operation of all the segments of Saskatchewan involved in these new commitments, we can advance together to fulfil the promise we see in the future. We can't meet that promise without the support of our farmers, doctors, educators, businessmen, labour unions, and all the people of goodwill within our province. We can only move forward if we move forward together.

Mr. Speaker, our Progressive Conservative government has demonstrated that we are prepared to listen and prepared to act. We are not a government that believes in going it alone. We are not a government that believes in foisting down on people the ills throughout policies and programs strictly rigidly to someone that doesn't work because of preconceived ideas and philosophies. Our budget demonstrates our good faith in our people and in our institutions. We ask no more than that good faith be well placed, and we know we can count on the Saskatchewan people – on all the Saskatchewan people – to see that it is.

In closing, I'm proud to say that I will be supporting the main motion.

**SOME HON. MEMBERS:** Hear, hear!

**MR. MORIN:** — Thank you, Mr. Speaker The legislative process that we go through each year is highlighted by two events – the Speech from the Throne and the budget speech from the Minister of Finance.

The throne speech sets out our goals and objectives of the government in broad strokes, and it talks of major areas of concern to the government, and deals with how these concerns will be approached. The budget speech is the document that provides the skeleton of how the announcements in the throne speech will be dealt with. It adds financial strength to verbal commitments. It spells out how the government plans to raise its money, and where it plans to spend that money.

The tie between the budget and the throne speech and the philosophy of the government should be strong, and should be a reflection of the government's philosophy of how the government should be run.

(1230)

In the budget that we're here to talk about today we see the reflection of the government's philosophy and we see the commitment of money to bring about the type of province that we believe Saskatchewan can be.

Since we took office in 1982, we have been faced with some difficult economic times. We endured the worst recession in 50 years. National statistics will bear that out, and I doubt whether anybody would argue with those facts. We saw traditional sources of revenue, derived from the international sale of our products, drop by hundreds of millions of dollars. That required us to make very difficult choices at a time when we were just getting control of the operation of government.

The Minister of Finance has compared government to a large ship on the ocean. If you're going along in one direction, and you decide to change direction, you travel a long distance before you get the turn completed. The government of the province of Saskatchewan was like that ship. After we had it turned around with growth in employment, increased industrial activity, and people moving into the province, someone shot a torpedo across our bow in the form of a drought. We got around that, not without difficulty, not without some set-backs, but we got around that problem too. Mr. Speaker, for nearly three years now we've been turning that ship and keeping it afloat in some rough seas. Now the seas are calming, and this budget charts our course into the future.

Interest rates are falling, and as they fall, confidence returns to both consumers and producers. That confidence will help build the economic recovery to help take us into the future. The level of employment continues to increase, and we continue to enjoy the highest level of employment in the country with 92 per cent of our labour force working. Economic prosperity will provide the money to meet the needs for our society and to build for our future. The budget sets out the development of the corner-stones we believe are important to the province – health, agriculture, employment, and education. I won't deal with all of these topics at great length, but I'd like to just touch on some of the highlights of the budget.

In agriculture the creation of a \$150 million agricultural development fund will go into research and development and irrigation projects. The R&D will help our farmers be competitive and keep them on the leading edge of world technology.

New and better varieties of crops and new ways of managing our farm practices will be developed as a result of this fund, and it will guarantee that farming will remain a vital force in Saskatchewan for generations to come. The extension of the farm purchase program and the extension of the counselling assistance program will help farmers through difficulties they face today, and allow them to build for tomorrow.

If some compassion had been shown to the plight of the farmers in 1981 and '82 when interest rates were destroying farm viability, many of the farmers who find themselves in difficulty today would not be there.



Overall agricultural funding has increased by 54.1 per cent since our government came to power. The health capital fund commits \$300 million to upgrading hospitals and nursing homes and to building new facilities. The minister will be laying out the timing and location of all of these projects, and I feel these are particularly valuable for two reasons.

Firstly, it lays out the pattern for development so that people in the affected communities can plan for it, and more importantly, it takes out the sleazy politics that has been so evident in the announcements in the past.

All of us remember that every election the government of the day ran around announcing nursing home and hospitals in a simple attempt to buy votes. This up-front approach that we've introduced will raise this important issue to the point where politics won't be playing a part in it.

The employment development fund has been allocated \$600 million. This fund will be used for long-term economic development within the province. This will create new jobs, an expanded tax base, and provide stability and security for the future.

In the area of education, the minister announced the educational endowment fund which will provide \$400 million to build new buildings at our universities and new schools in our towns. It will also provide money for research and development to generally upgrade the quality of education in Saskatchewan.

Mr. Speaker, the opposition have tried to convince the people of Saskatchewan that all the problems that we face today started in 1982. No one believes that. They would have us believe that the population didn't age before 1982, and they'd have us believe that schools built in 1912 didn't begin to deteriorate until 1982. No one believes that.

The problems that we face today are the result of the long-term lack of commitment to deal with the problems that we had in the past. They had money to buy potash mines, but they had none for hospitals and nursing homes. They had money for uranium mines, but they had none for colleges or universities.

Mr. Speaker, I want to take a moment to talk about tax reforms in the budget. I doubt if you could walk down any street in the Battlefords and find a person who thinks that the tax system is fair. They either think that it destroys initiatives, that there are too many loopholes, or that the entire procedure is too complicated. And they're all right, Mr. Speaker, they're all right.

We hear the opposition and we hear the Leader of the Opposition today talking about . . .

**MR. SPEAKER:** — Order, please. Order.

**MR. MORIN:** — We hear the opposition, Mr. Speaker, and we hear the Leader of the Opposition today saying what a terrible thing this tax reform has been. And as usual, what we have here, Mr. Speaker, is silver-spoon socialism. The guys who are crying and complaining that they're going to look after the little guy, the guys who are saying they are concerned about the average guy, are looking after the big wage-earner, who's been escaping paying taxes in this province, who's been escaping contributing his fair share to the maintenance of the people who need help in this province, and they're trying to protect that. Bunch of silver-spoon socialists or Cadillac socialists, whatever you want to call it, but they're . . .

I will deal with them a little more later, Mr. Speaker,. But I want to get back to the main text of my speech and topic of tax reform. Because tax reform in this country is an incredibly popular thing, Mr. Speaker. No one believes the tax system is fair. No one who gets a pay cheque in this country believes that when they look at the amount of tax that they pay that they're getting value for their money and that somebody else isn't beating the system.

The implementation of this change in the taxation system, if there was nothing else in the budget – nothing else but the taxation change – this budget would be praiseworthy. The minister has reduced the provincial share of income tax from 51 to 50 per cent. And he's added a 0.5 per cent flat tax on net income for this year.

The flat tax system will force high income earners, who've avoided paying taxes, to contribute, while leaving lower income earners off the hook. In my books that's fair, and I think to the people of the Battlefords, they would think that's fair.

**SOME HON. MEMBERS:** Hear, hear!

**MR. MORIN:** — Someone with a net income of less than \$15,000 will pay only \$4 more. And I doubt that you'll find an income earner who takes home that \$15,000 say that he can't afford four more dollars. Someone under \$25,000 will pay \$79 more. And I doubt that you'll hear that person tell you that they can't afford \$79 more. And, Mr. Speaker, someone over \$50,000 will pay \$220 more. And they say that's not fair. They say, oh no, the guy who pays 50,000, makes 50,000 a year, shouldn't have to pay that much. They say he should pay less. Leave it the way it is and let . . . Leave the loopholes in for the high income earner. Let him avoid his responsibility to society. Mr. Speaker . . . (inaudible interjection) . . .

**MR. SPEAKER:** — Order, please. The amount of hollering in the Chamber is not really conducive to good debate. Members will be given an opportunity to enter the debate, if they just wait, and I would ask that you give the member that has the floor the opportunity to speak.

**MR. MORIN:** — Thank you, Mr. Speaker. The system is fair, it's simple, and there's no doubt in my mind it will be copied by others. There's some things that I want to just deal on with regard to taxation and the concern about flat taxation, Mr. Speaker.

Members down the road here said, well, the fellow earning \$15,000 a year will pay \$4 more, and that's a terrible thing. I wonder if that fellow drives a car, Mr. Speaker. I wonder if he has a car. And if he has a car, maybe that car burns gas. And I wonder how much money he saves every time he fills up the tank. I'll bet you, I'll bet you that he saves more than \$4 a tank as the result of the reduction of gas tax – the elimination of the gas tax. And I'll bet you, Mr. Speaker . . .

**MR. SPEAKER:** — Order, please.

**MR. MORIN:** — Thank you, Mr. Speaker. And I'll bet you that in addition to that, in addition to that, in a province like Saskatchewan, that individual probably has a payment every month to the Saskatchewan Power Corporation, and I'll bet you that the removal of the tax on the power bill amounts to more than \$4 – that quickly. And that would be the increase that this individual would pay.

Now if that individual earned \$15,000 a year, and also owned his own home, and through the insensitivity of the former government had got caught at a 19 or 20 per cent mortgage interest rate, he was probably looking at losing that home. And when we brought our government in and introduced mortgage interest reduction, he probably made \$100 a month, if he was the average home owner . . . (inaudible interjection) . . . They're backing off now, Mr. Speaker. They're all worried about this guy paying \$4 a year more in income tax, but they forget to take into account the Mortgage Interest Reduction Program. They forget to take into account the removal of the gas tax. They forget to take . . .

**MR. SPEAKER:** — Order, please. Order, please. I've asked for order a number of times, and the same members persist in hollering and yelling, and I'm going to ask that they listen and give us some opportunity for debate here.

**MR. MORIN:** — Thank you, Mr. Speaker. Mr. Speaker, I sat here today and I listened to the Leader of the Opposition talk about the budget. And as usual he rambled all over the place, talking about how taxes should be reduced and how expenditures should go up. And I'd hate to be his banker because I could imagine what his chequing account would look like.

He's out there with a government cheque book writing cheques to buy everything in the world, and he's going to pay for all those cheques by collecting fewer taxes. No one believes that. He's going to pay for all those cheques that he's written by shutting down the uranium industry and putting 12,000 people out of work and taking the revenue to the provincial government that we derive from there. He's going to put a line through that.

**MR. SPEAKER:** — Order, please. I believe the member from Regina North West and the member from Shaunavon are trying to raise my ire, and they're maybe going to succeed, and I would ask them both to maintain some decorum.

**MR. MORIN:** — Thank you, Mr. Speaker. One other very interesting thing in this budget that I want to deal with before I go on to the effects of the budget on my own constituency, and that is that if you look at the revenue-generating sectors of the province, if you touch on who pays in the money, you find a very interesting thing.

I believe, Mr. Speaker, that for the first time in the history of this province you find the oil industry paying more than the provincial treasury derived from personal income tax. And what have we heard here for three years? All we've heard from these guys is, tax the oil companies. Well we are. For the first time ever in the history of the province they are contributing more than the average guy on the street contributes through his personal income tax. But they think that's unfair.

Well what they want to do, I gather, from what I listened to, is they want to put a big X through oil industry activity in this province. And they say, run them all off, send them back to Alberta and ship them back to the United States the way we did in '80 and '81 and early in '82. And they're going to take that 20 per cent out of the budget.

And where is that going to come from? Well I guess they are going to double personal income tax. The little guy in the middle out there earning \$20,000 or \$25,000 a year that they'd like people to believe they care about, that's the guy they're going to hammer because that's the guy who always took it in the neck from them, who would continue to take it in the neck from them, and who we're trying to give a break for a change, Mr. Speaker.

(1245)

Mr. Speaker, there are a few things in this budget that reflect directly on my riding in The Battlefords, and I'd like to touch on them. And I touch on them with a great deal of pride.

The budget triggers roughly \$14 million worth of capital investment in my riding, a little over that, in fact. It includes schools; it includes senior citizen housing; it includes renovations with the Saskatchewan Hospital. All of these projects represent the solution and the partial solution to long-term problems that we've had up there. And over the past three years a lot of hard work has gone into developing these resolutions.

The Saskatchewan Hospital issue is something that I'll take a minute to deal with. I pressured the Minister of Health to review the situation at the Saskatchewan Hospital. He struck a facility review committee which looked into the lack of use of that building.

Taxpayers in the province were paying an extraordinary amount to carry a facility that was being under-utilized. There were 300 of my constituents there who were in jeopardy of losing their jobs. Daily they went to work in the morning, never knowing if they were going to be laid off or

not because the former government refused to renovate the building, to improve the building, and to utilize the building.

Well, this budget, Mr. Speaker, there's four and a half million dollars to renovate the building, for new construction, and for a new project out there which will not only guarantee the employment of 300 of my constituents and provide them with long-term security, but will create employment for 40 new people in my riding. It's a practical move which uses a building and a facility that we're already paying for, that we own, and rather than follow the former government's lead by building another palace to the glory of their government, we've taken the practical, the common-sense approach, and we said we will go down the road and utilize what we already own to the maximum ability. And that makes good common sense.

In terms of the schools that we're getting up there, Mr. Speaker, again we're utilizing good, common sense in our approach. They've tried to suggest that old schools that need replacing didn't get old until 1982. That's foolishness. There had been cries when they were in government to provide funding to upgrade these schools, to provide funding for new schools if they could get it, and those cries fell on deaf ears.

Over the years the people of The Battlefords, Mr. Speaker, have often said, why doesn't somebody do something about this? Well we did, and we'll continue to because there are more announcements coming within the next month, I expect, that the people in The Battlefords are going to be very interested in, that will solve long-term, nagging problems that they have faced.

Mr. Speaker, this debate is usually a forum in which we have an opportunity to take a shot at our opposition. And given the quality of that opposition, it's always very, very hard to restrain ourselves for an appropriate time. I've tried to stress the positive points in this budget, and there are many, and I've only just skimmed across a few of them.

But in closing, what I'd like to do is to quote what one of their own say about the NDP. I know what the people in The Battlefords think about them, and I know what the people that I meet as I travel around the province think about them when they talk about having been ignored for the years that they were in government, when they talk about meeting with the former government and not having an opportunity to express their opinion, but being told what they thought and what they should think.

I would like to go through and quote a gentleman by the name of Mr. James Laxer. I've quoted this gentleman before. Mr. Laxer was a former member of the NDP, a rather high-placed one, I gather, and he had a disagreement with them over philosophy and left. The more that I read of him, the more that I think he must have been a fairly reasonable kind of individual because he seems to have a pretty good view of what they are, and what they amount to.

In the March edition of *Saturday Night* magazine, he says, when talking about the NDP and why they're not going anywhere, "The NDP lives a double life, an increasingly cautious public existence with periodic re-dedication to public ownership at conventions."

The NDP continue to have difficulty coming to terms with economic reality, and we saw a little of that earlier this morning. Its socialist super-ego holds it back from working out a concrete industrial strategy that recognizes that most economic activity will continue to take place in the private sector. As a result, the NDP's economic rhetoric continually sacrifices the long term for the short.

The budget that we had delivered here on Wednesday night did exactly the opposite. It built on the short term for benefits in the long term. It addressed the problems that we have today in a realistic and practical way, and laid out solutions for them that we're prepared to work for in co-operation with the people who are affected – in co-operation with the universities, in co-operation with the schools and school boards, in co-operation with people in agriculture, to

work with the business community to develop more jobs. And by far the greatest proportion of jobs and job creation come in the private sector.

We're heard, over time, the opposition criticize the little four-and five-man operation as being a mickey mouse operation. But the average business in this province is that four- or five-person operation, and will continue to be.

Real estate developers recognize that when they plan new malls. Rather than build huge department stores any more, they're allocating off smaller space for entrepreneurs who want to be in charge and control of their own life.

The enrolment in business schools around the country is increasing. People want to get into business. They want to control their own life. They don't want to be part of some huge machine – just a cog in the wheel. And they're following that path, they're prospering, and they're doing incredibly well.

And, Mr. Speaker, there are more things that I want to deal with regarding the budget debate. I want to go on and talk about the program that the Minister of Tourism and Small Business announced, the nine and five-eighths program for small business. And, in view of the time, Mr. Speaker, I'd like not to begin on that and then have to shut down. So I would beg leave to adjourn debate.

Debate adjourned.

## MOTIONS

### Membership on Committees

**HON. MR. BERNTSON:** — With leave of the Assembly, I would like to move, seconded by the Minister of Justice:

That the name of Mr. Swenson be substituted for that of Mr. Sutor on the Special Committee on Regulations.

Motion agreed to.

**HON. MR. BERNTSON:** — With leave of the Assembly, I move, seconded by the Minister of Justice:

That the name of Mr. Swenson be substituted for that of Mr. Sutor on the Standing Committee on Estimates.

Motion agreed to.

The Assembly adjourned at 12:55 p.m.