

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN

April 15, 1985

The Assembly met at 2 p.m.

Prayers

ROUTINE PROCEEDINGS

PRESENTING PETITIONS

CLERK: — I hereby present, and lay on the Table, the following petitions:

By Mr. Rybchuk of Beth Jacob Synagogue of the city of Regina, in the province of Saskatchewan;

By Mr. Young of Ted C. Zarzeczny, Jr., and Norman C. Bradshaw, both of the city of Regina, in the province of Saskatchewan;

By Mr. Johnson of Reverend Jim Church, Richard Quiring, Reverend Richard Grabke, all of the city of Regina, in the province of Saskatchewan;

By Mr. Katzman of Thomas Payne of the city of Edmonton, in the province of Alberta, and Ralph Garrett of the city of Calgary, in the province of Alberta.

INTRODUCTION OF GUESTS

MR. SVEINSON: — Mr. Speaker, I'd like to this afternoon ask through you, the Assembly, to welcome the Grade 8 class from the St. Bernadette School in North West Regina. There are 29 students here this afternoon, and they're accompanied by Don Zaharia, Patricia Krueger, and Brenda Cebry.

I would like to ask you to welcome them to the Assembly, and I'll meet with you after question period for drinks and pictures. Thank you very much.

HON. MEMBERS: Hear, hear!

ORAL QUESTIONS

Flat Taxes on Net Income

HON. MR. BLAKENEY: — Mr. Speaker, I would like to direct a question to the Premier, and it has to do with the budget and with the flat tax on families introduced in last week's provincial budget.

Will the Premier confirm what the budget documents appear to suggest that the flat tax will take something more than \$900 — the document suggests \$927 — in income taxes alone over the next four years out of the pockets of a family man who has an income of \$25,000 a year. Will the Premier confirm that this is the amount extra which a person in that tax bracket will have to pay over the four-year period?

HON. MR. DEVINE: — No, Mr. Speaker, I wouldn't confirm that, because when you look at the circumstances around the particular family — if it is a low income family; or if it is a family that is associated with senior citizens; or if it's a family that may experience a lower mill rate because of the money that's going into education; or it's a family that experiences something like \$4,500 benefit because of 8 per cent farm money; or some money because of an eleven and a half per cent, or prime plus a half, \$200,000 if they're on the farm; or a family that gets nine and five-eighths money as a result of the program that will be announced — then I can tell you

specifically what the change may be.

In many instances, Mr. Speaker, there will be a direct benefit to families in the province of Saskatchewan in a various range of incomes, except in one case. In one case, Mr. Speaker, where we see families that are in higher income brackets that haven't paid tax at all, under the beginning of tax reform in the province of Saskatchewan now, those people making in excess of 50, 60, \$70,000 are going to be starting to pay for health and education in this province, and it's about time.

SOME HON. MEMBERS: Hear, hear!

HON. MR. BLAKENEY: — Mr. Premier, a supplementary. In view of the fact that the people who you refer to who haven't been paying income tax at all because they have been using tax shelters such as drilling funds, and film and video tape shelters, and the like; and in view of the fact that your flat tax allows them to take advantage of all of those shelters and plugs none of those loopholes, how do you say you are causing those to pay anything more than they otherwise would have for health and education?

HON. MR. DEVINE: — Mr. Speaker, I will make a brief comment, and then I'm going to turn it over to the Minister of Finance for some additional detail. I'll say the following: that when you are introducing tax reform, Mr. Speaker, dealing with the federal income tax system, it takes a little bit of time to get that system turned around.

We are dealing with a form that is designed by the federal government, and I will admit to the hon. member that I would like to see that flat tax in a different position on that form, or I'd like to see a different form. And we're working very hard on that.

But regardless of that, that process is now in gear, so higher income people will begin to pay additional tax. It's a 1 per cent tax, and they will now pay more and more taxes towards health and education because they haven't before even been asked to. As a result of the changes now taking place, as a result of changes we hope that will take place as a result of the reform, you will increase in expenditures by high income people towards education and tax in this province.

HON. MR. ANDREW: — Mr. Speaker, in the budget speech I indicated that there were over 600 people in Saskatchewan making over \$50,000 a year and paying no provincial income tax. Under the flat tax, Mr. Speaker, every one of those 600 people will at least now be paying some tax. The largest exemption used by those 600 people, the lion's share of the exemptional dodge is used by those people is the dividend tax credit, Mr. Speaker,. And this flat tax catches the dividend tax credit.

HON. MR. BLAKENEY: — Supplementary, Mr. Speaker. Will the Minister of Finance concede the fact that those who fail to pay income tax because they use shelters such as apartment blocks or MURBs; shelters such as film and video; shelters such as frontier drilling funds, each one of which was mentioned in his budget – will he concede the fact that under his flat tax they will not pay one additional penny?

HON. MR. ANDREW: — Mr. Speaker, the people that are avoiding tax altogether can only avoid, as my understanding from the statistics, up to 20 per cent of the tax. The people that pay zero tax are doing it through the dividend tax credit. Will I concede that we didn't get to tax the frontier oil drilling and the movies? I concede that. I tried to get that tax levied at the total level. The reason the federal government, Mr. Speaker, the reason the federal government gave to us as to why they would not allow it to be taxed at total is because the federal provincial tax agreement did not state a definition of total income, and therefore we had to go to taxable . . . or to net income.

Even if we had've gone to the bottom of page one, we still would not have got the MURBs

(multiple unit residential building (program)). The MURBs, the only way that I can see those being done is for the federal government to get rid of those MURBs once and forever. I think they are the stupidest tax expenditure ever invented by government.

SOME HON. MEMBERS: Hear, hear!

HON. MR. BLAKENEY: — Supplementary, Mr. Speaker. Will the minister also concede that while he is allowing stupid, as he calls them, shelters like MURBs and frontier drilling funds and Canadian films to go untaxed, he is proposing to tax income which would go as charitable donations, exemptions which would be available to married persons, to persons who support dependent children, to persons who are over 65, persons who are entitled to claim medical exemptions — all those get no benefit from the flat tax, whereas, to use his words again, people who are able to use stupid exemptions like MURBs, and other exemptions like frontier drilling funds are able to avoid taxation?

HON. MR. ANDREW: — With regards to the question of charitable donations, Mr. Speaker, the program that we will deal with charitable donations will be as follows: All charitable donations, or all charitable organizations that qualify under the income tax for a charitable organization status, when they take their total contributions from Saskatchewan, for the end of the year, they can then bring those into the department. The department will not only rebate to them the amount that would have been lost by tax, Mr. Speaker, but we will also double that amount so that there will not be a negative but, in fact, there will be a positive.

With regards to children, Mr. Speaker, with regard to the children that the hon. member referred to, every person that has a child, through this flat tax, will end up costing them \$7.10 per child. Over a period of five years, that would work out to \$35.50 per child that they would have to pay. I believe that we have offset that significantly, Mr. Speaker, with our new dollars into education. It's not \$35, Mr. Speaker, but \$1,400 for each student in school.

SOME HON. MEMBERS: Hear, hear!

Election Promises

MR. KOSKIE: — Thank you, Mr. Speaker. I'd like to direct a question to the Premier, and to remind the Premier that in an ad he sponsored in the campaign in the 1982 provincial election — this is from the Estevan Mercury, April of 1982 — and it says in part, Mr. Premier:

We have a vision, a vision of lower taxes, sales tax elimination. There is so much more we can be, and with your help the Saskatchewan families will be number one in Canada.

Mr. Premier, in 1982 you promised unqualifiedly that you would cut income tax by 10 per cent, and that you would, indeed, eliminate sales tax. I ask you, Mr. Premier, to stand up and justify your credibility before the people of this province.

HON. MR. DEVINE: — Mr. Speaker, I am more than happy to talk about the last three in the province of Saskatchewan under our administration and more than happy to talk about the promises, Mr. Speaker. If they would like to listen Mr. Speaker I will gladly . . .

MR. SPEAKER: — Order, please. Order.

HON. MR. DEVINE: — We promised in 1982 that we would remove the gas tax in the province of Saskatchewan. That's running something like \$140 million a year. That's sales tax on gasoline, Mr. Speaker. We promised that we would . . .

MR. SPEAKER: — Order, please. Order, please. When members ask questions they should give

the minister an opportunity to answer.

HON. MR. DEVINE: — Mr. Speaker, we promised we would remove the sales tax on gasoline and we did, and it amounts to about \$140 million a year. And over the last three years that's \$300 or \$500 million that is in the jeans of the people of the province of Saskatchewan.

We removed the processing and manufacturing tax. That was a 10 per cent tax, and it is gone, and that, Mr. Speaker, was a direct tax on economic activity in the province of Saskatchewan. We removed the sales tax on power rates, Mr. Speaker, for home owners and farmers. We said that we would do that and we removed it. We provided targeted tax incentives for the livestock industry, for venture capital corporations, and we went back in to stimulate the oil patch to create one of the most exciting records in the history of oil and gas exploration in the country's history.

So we said, yes, we will reduce sales tax and we did. We said, yes, we will reduce the sales tax on gasoline and we did. We said we would eliminate sales tax over time as we could get picking away, and picking away, and reduce it. When you are looking at the largest tax reduction in the history of Saskatchewan, Mr. Speaker, it's something like \$140 million in one crack, and people are still looking at that. They compare the previous administration that had 70 million a year in new gas tax which added up year after year after year. So they enjoyed seeing these taxes come down.

Now the final one (and the hon. member mentioned it), we said that we would reduce income tax. We took a look at the income tax system in the province of Saskatchewan and at the federal level and said, there's no point in having some 600 people making over \$50,000 a year, not paying any income tax, and giving them a break. We said we will reduce income tax, Mr. Speaker, with tax reform so it's fair to the people of Saskatchewan, and we'll provide the leadership for the rest of the country in that kind of reform.

SOME HON. MEMBERS: Hear, hear!

MR. KOSKIE: — Mr. Premier, all the people of Saskatchewan will be aware, know that you promised within the first term to eliminate the sales tax — 5 per cent sales tax — and a 10 per cent cut in income tax. And I ask you, Mr. Premier: how can you stand before the people of Saskatchewan, having broken so many promises in the past, and expect them now to believe this pickpocket budget is going to be of assistance to them?

HON. MR. DEVINE: — Mr. Speaker, my hon. friend knows very well that I said that I would reduce sales tax and I would continue to reduce sales tax until it's gone. And we have had the largest single reductions in sales tax that the province has ever seen, Mr. Speaker. It's hundred . . .

MR. SPEAKER: — Order, please. Order, please! There's so much yelling in the House that it's impossible to carry on business, and I would ask the members for decorum.

HON. MR. DEVINE: — Mr. Speaker, we promised to reduce the sales tax, and we've provided the largest sales tax reductions in the history of the province, and some of the largest cuts in taxes in the history of Canada. When you remove the sales tax worth \$140 million on gasoline annually, that's a very large, significant tax.

Let me make one other point, Mr. Speaker, one other point with respect to taxes — one other point. The people of Saskatchewan are being told by members opposite that the tax increase that we've brought in, in terms of 1 per cent, is the largest in the country.

Mr. Speaker, let me make this point. From 1971 to 1982 the income tax rate in the province of Saskatchewan went from 34 per cent to 51 per cent — 17 points increase in those 11 years — plus, Mr. Speaker, \$70 million a year increase in gasoline tax. They don't like to hear that, Mr.

Speaker. But if you add that up, that's \$270 million in increase in taxes in the 11 years of the previous administration. That's why they don't like to see the changes with respect to taxes.

SOME HON. MEMBERS: Hear, hear!

Tax Increases for Farmers

MR. ENGEL: — Thank you, Mr. Speaker. In light of the Premier's answer in talking about his exciting record, farmers are telling me they're not real happy with the \$1,000 they're losing from your government this year. Your increases are costing every farmer in Saskatchewan, be he a big farmer or a small farmer, \$1,000, with the loss of his property improvement grant and his school tax rebate and the sales tax . . .

MR. SPEAKER: — Order, please. Order, please. The rules of question period state that a question that has previously been asked in question period ought not to be asked again. The member asked the identical question of Friday, and I would rule that question out of order.

MR. ENGEL: — Mr. Speaker, a new question. In your budget document on page 46, on page 46 of your budget document you say: total income over \$100,000 — number of tax filers are about 3,000 filers.

Your budget is levying \$677 apiece — \$677 apiece to people earning over \$100,000. But you're taking away \$1,000 a farmer on someone that's not earning anything. Do you justify, and how do you square that? Six hundred and seventy dollars for somebody earning \$100,000. How do you justify that?

SOME HON. MEMBERS: Hear, hear!

HON. MR. DEVINE: — Mr. Speaker, my friend knows — and he's involved in agriculture — that if you look at the programs that are in place with respect to 8 per cent money for farmers, now up to \$200,000 per farmer at prime plus half per cent, plus the farm credit loans that are going from 14 down to 12 per cent, plus the counselling assistance programs that will provide them in the neighbourhood of \$500, you can look at anywhere up to \$4,500 per farmer benefit as a result of the interest protection and write-down programs we've initiated.

Now, you start to average that over farmers. You take young farmers, senior farmers, any farmers you want. That's something that you want to take into consideration. Because people who get interest rate protections at prime plus a half up to \$200,000, or 8 per cent money for young people, and there's a lot of them, or the new programs we've initiated to reduce the interest rates — that's terribly significant.

Secondly, when you start taking the rebate programs . . . And as the Minister of Finance pointed out the other day, why in the world did somebody design a rebate system that went to potash companies, or to rich people, or anybody else? When you start taking that money and you allocate it directly into education, what happens to the mill rates and the taxes in the rural levels? Do you know what they do? They start to come down, and they start to level off.

We have seen increases year after year after year in tax rates to farmers, and to urban people, to renters, and so forth because honestly, the previous administration didn't put the money into education. When you allocate that rebate money into education, when you look at the interest rate protection programs, farmers now have an opportunity in this province to look at long-run security and confidence because they can protect it both in terms of crop insurance, in terms of interest rate protections, grain stabilization, and that whole bailiwick.

So when you start adding up your \$1,000, please include all the programs that have been initiated since we took office in 1982 that were not there before.

SOME HON. MEMBERS: Hear, hear!

MR. ENGEL: — I'd like a supplement, Mr. Speaker, to that short answer that didn't apply to the question I asked. Mr. Premier, the point I was making is: do you feel that the farmer is justified . . . All the farmers are losing \$1,000. A few are going to get some help, some short help. A few are going to get some. Your loan program last year helped so few, so few that they said it was a total failure. I hope this one works this year. I really hope it's going to help some. But a \$100,000 income has to pay 600 measly bucks, for a \$100,000 income. And yet a farmer with zero income, zero income, is asked to pay \$1.00. Do you square that? Do you consider that fair? That was my question.

HON. MR. DEVINE: — Mr. Speaker, I make the point to my hon. friend that people that have had low incomes are the very folks, and particularly young people, who have accepted to get the 8 per cent money, that have got 8 per cent money. Or it's those very people with low incomes that we've worked out with the financial institutions and say, look it, we'll go to the wall for these people. We'll go up to \$200,000 at prime plus one-half for these folks. It's the very people that you're talking about. That's the reason that we've gone to helping those.

And then we said, well, what about people that are making a great deal of money? That's when you turn to tax reform, and you say, these people have to begin to pay. They have to begin to pay. And they will, through tax reform, and they know that they will.

Third, when they start looking at the rebate business, they look at rebates, and they say, a good fraction of that rebate business was taken up in administration. They don't like the paper shuffle that's going back and forth. Secondly, they know that it's going to be taxable anyway, the rebate thing. Third, they said, why not pay it directly, and let's see that mill rate begin to be influenced so that a stable tax basis, so that people can look forward to more stable taxes in difficult times, as opposed to these constant increases.

So the combination of those need to be taken into consideration when you're talking to your friends about the increase in the 1 per cent flat tax.

MR. KOSKIE: — Mr. Premier, you indicated that the rebate program was very costly administratively and, therefore, that was one of the reasons for dismantling it. I would ask you: how do you justify, on the other hand, a minister in SGI who takes the money out of the pockets of the people by overtaxing them and overrating the rates, and then sets up administrative detail of sending out individual cheques to every individual driver in Saskatchewan? Where is the consistency in this so-called efficiency of management?

HON. MR. DEVINE: — Mr. Speaker, obviously the members opposite have said many times that they don't like the Public Utilities Review Commission. But I can tell you, the public of Saskatchewan . . . I'll tell you, Mr. Speaker, the public of Saskatchewan enjoys the public review commission. They like to see those rates watched carefully. And they look at SGI rates, they look at power rates, and they look at telephone rates, and they say, "If those aren't there, then, Mr. Government, you've got to roll those rates back."

And that's exactly what the Public Utilities Review Commission has said to SGI, said, "You didn't have the accidents you thought you would. We want you to roll the rates back, and we want you to return some money." And that's never happened in the history of Saskatchewan before. And the Public Utilities Review Commission is now looking after the consumer of Saskatchewan like no other government ever did in its history.

SOME HON. MEMBERS: Hear, hear!

By-election Regina North East

MR. SHILLINGTON: — I have a question to the Premier. My question deals with the by-election, or the possibility of it, in Regina North East, and the shabby treatment that your government . . . (inaudible) . . . to the people of Regina North East.

First of all, your member, who indicated that he had better things to do than represent them — and there's your treatment of your cabinet, Mr. Premier. It's been common knowledge around Regina for many months that the Conservative MLA in Regina North East did not intend to seek re-election. And we assume he had informed you of those plans, as he informed everyone else.

Knowing that, why did you not ask the member about his plans before setting the date for a by-election in Thunder Creek? If you had of, you could have had two by-elections, and the 12,000 voters in Regina could have had an MLA representing them here.

As it turns out, how we have . . . There is every suggestion, Mr. Minister, that you manipulated the date for those by-elections. And you had a by-election in Thunder Creek where you thought you could win it, and you avoided one in Regina North East where you thought you'd lose it.

HON. MR. DEVINE: — Mr. Speaker, my hon. friend says that we held a by-election because we thought we'd lose it. Now when I listen to the response of the members opposite on their by-election in thunder Creek, everybody won. I heard that the NDP said, well, they won. They did very well. They held their vote. So they must have thought it was a fairly good decision. I heard the Liberals say, well, they won. They were happy that they were the big winners because the vote went up. And of course, we were happy, and I'm sure Mr. Swenson was happy. So everybody was happy,.

SOME HON. MEMBERS: Hear, hear!

HON. MR. DEVINE: — So if everybody was happy with the results of the election, all I can say to the hon. member, trust me on this one. Okay? We'll make you happy. Okay?

SOME HON. MEMBERS: Hear, hear!

HON. MR. DEVINE: — Mr. Speaker, if everybody won in the last by-election, and they want to extend that right across the province, I'll take the same results in Thunder Creek, and I'll put them in 63 ridings right across . . .

SOME HON. MEMBERS: Hear, hear!

MR. SHILLINGTON: — Mr. Premier, will you show the courage of your conviction and will you hold a by-election in Regina North East before the end of the session?

HON. MR. DEVINE: — Well, Mr. Speaker, we'll give Regina North East the same serious consideration we gave Thunder Creek. People said that we would never call one in Thunder Creek or we'd delay it or something else. We will look at it seriously and conscientiously. We want to give every particular party a chance to do what it has to do. The public has to be comfortable. And, Mr. Speaker, seriously I'll make that decision in due course, and I'm sure the people of Saskatchewan will see it as a fair decision.

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

ANNOUNCEMENTS

Birth of Son to Member for Shaunavon

HON. MR. BLAKENEY: — Mr. Speaker, before orders of the day, I beg the indulgence of the

House to make a brief announcement and to advise the House that my colleague, the member for Shaunavon and his wife, Marie, are the proud parents of a baby boy born today.

And I know all members of the House would like to extend our congratulations to him and to Mrs. Lingenfelter and to wish both of them and the baby the very best in the days ahead. Some will wish that he grows strong and at least reaches the age of 18 years.

HON. MEMBERS: Hear, hear!

HON. MR. DEVINE: — I am pleased to join with the Leader of the Opposition in congratulating the member from Shaunavon. It's great to see families working in the province of Saskatchewan, and indeed the population on an increase. We congratulate both Mr. and Mrs. Lingenfelter and wish them the very best.

HON. MEMBERS: Hear, hear!

ORDERS OF THE DAY

SPECIAL ORDER

ADJOURNED DEBATES

MOTION FOR COMMITTEE OF FINANCE (BUDGET DEBATE)

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

MR. LUSNEY: — Thank you, Mr. Speaker. I am indeed very pleased to get into the budget debate today. People in my constituency over the weekend have been asking me a lot of questions regarding this budget. They've been asking a lot of questions, Mr. Speaker.

Several of my constituents phoned me and said: are all of these tax increases true? Is this what this budget contains? Mr. Speaker, one would have to say that this budget certainly did contain that. And I can assure the PC members opposite that the people in rural Saskatchewan are very concerned about what was in the budget.

That budget was big news in rural Saskatchewan, Mr. Speaker — real big news — because everyone knew exactly what was happening in that budget. They knew that there were big tax increases; in fact, the biggest tax increases in the history of Saskatchewan.

And they also know, Mr. Speaker, that these taxes were not fair. This was not a fair tax increase, but simply just a tax increase on senior citizens, on farmers, on ordinary wage earners, and for small businesses. And, Mr. Speaker, not a tax increase for big oil companies or the big resource corporations of this province. No tax increases for the CPR, Mr. Speaker. Mr. Speaker, the banks have been making record profits. The CPR is making record profits. The oil companies were making record profits, and now are making an even extra \$1.3 billion because of the new energy agreement.

But did they pay more taxes in this budget, Mr. Speaker? No, no, they don't. But do ordinary low and middle income people pay more taxes? Yes, Mr. Speaker, they do — the biggest tax increase for those people in the history of Saskatchewan.

Let's just take a couple of examples, Mr. Speaker. These are real examples of constituents in my area. First, Mr. Speaker, a neighbour of mine, a farmer, he will lose, through this tax increase, about \$375 through the property improvement grant, \$300 for the home quarter education tax rebate, about \$400 in extra sales tax because he is planning on buying a reasonably good used

truck, another \$100 on that flat increase, Mr. Speaker,. Add those together and we're looking at about \$1,175 that this farmer is going to lose, that he is going to have to take out of his pocket this year — \$1,175, Mr. Speaker.

The Premier, today, talked about the benefits of the fuel tax rebate that this government put in. Well that farmer maybe got \$175 benefit from that tax rebate, the fuel tax rebate. But what did they hit this same farmer with today, Mr. Speaker? \$1.175 in increased taxes. That's what it cost him to get that \$175 in the fuel tax rebate, or the fuel tax decrease.

Second, Mr. Speaker, I'd like to give you an example of a businessman in a local town. He also loses in this budget. He loses \$230 in the property improvement grant on his home. He loses \$250 in the property improvement on his business. And he loses about \$500 in extra sales tax on his used vehicles that he is planning to get for his business. Mr. Speaker, he also is going to lose about \$200 in extra income tax because of that flat tax increase. In total, this businessman is going to lose about \$1,180 — \$1,180 taken out of the pocket of a small-business person in rural Saskatchewan. That's what this budget has brought for rural Saskatchewan, Mr. Speaker.

Finally, there's a case of a senior citizen, a 72-year-old woman. She's enjoying fairly good health, still very active. She lives in a small town. This year she loses \$510 in her property tax rebate. She still lived in her own home, so she's going to lose that \$510 in that tax rebate. That was the education tax rebate which . . . the school tax rebate which they didn't have to pay.

This is what the budget has taken from this senior citizen — again, one of the largest tax increase in the history of Saskatchewan.

Mr. Speaker, the message I bring to the Minister of Finance is clear, and it should be clear to the rest of the members of this government. It should be clear to what rural Saskatchewan is saying. They are saying that we do understand this budget. The people of rural Saskatchewan do understand the tax increase that this budget has brought to them — the big tax increases for ordinary people. And, Mr. Speaker, people are saying that it's not fair.

That's not what this government had promised when they got elected. They promised to eliminate the 5 per cent sales tax, and they promised to do that in the first term of office, Mr. Speaker. Those were their promises, and they've broken that promise, Mr. Speaker. They've broken that promise, and they've gone and, instead of eliminating that tax, they've expanded that tax, Mr. Speaker.

And they promised to cut the personal income tax by 10 per cent, Mr. Speaker, and they've broken that promise, and they've raised the personal income tax on ordinary working people. But Saskatchewan people are now saying those broken promises, the broken Devine promises, and they are saying: how can we believe what they are saying? How can we believe what this government is saying when we see what they are doing? That, Mr. Speaker, is what the people of rural Saskatchewan are concerned about.

Mr. Speaker, farmers in rural Saskatchewan are very concerned. Agriculture has had some tough years, and those years have been extremely tough since the Conservatives came into power in this province. They were certainly disappointed with this budget, Mr. Speaker. The farmers of rural Saskatchewan were certainly disappointed. They expected a little more.

One thing that this government does not do, it does not understand the financial crisis facing farm families today. It does not understand the serious situation facing rural Saskatchewan at a time, Mr. Speaker, when commodity prices are at their lowest point in several years; when the wheat board paying initial payments are down; at a time when interest rates, fuel costs, property taxes, and other input costs are rising and putting pressure on the farmers.

What does the Devine government do for farmers, Mr. Speaker? What does this budget contain

for farmers? Is there any in put cost relief? No, there isn't. Is there any plan to reduce fuel costs? No, no plans at all. Is there any support for parity pricing, Mr. Speaker? Do we hear this government talking about parity pricing?

A MEMBER: — Not a word.

MR. LUSNEY: — As my colleague says, not a word. Not a word.

Is there any property tax relief, Mr. Speaker. No, none at all. Nothing, Mr. Speaker, nothing in this budget except higher taxes, higher taxes for farmers. The Devine government clearly does not understand that when Saskatchewan agriculture is strong, Saskatchewan is strong. When agriculture works, Saskatchewan works.

The PC's promised in their campaign in '82, real programs for real people, Mr. Speaker. Well, Mr. Speaker, farmers are real people, and they are looking for some of those real programs. And why didn't this government come up with some real programs for those real people? Where are the real programs for agriculture? Why didn't they offer some assistance for that high cost of energy that the farmers are facing? Why didn't they provide some assistance, possibly for the high cost of fertilizer, so they can be productive and continue to produce food for a hungry world. Why doesn't this government come up with some of those real programs for farmers, Mr. Speaker?

Oil companies can get assistance. They can dig an oil well and they don't have to worry about paying taxes until they get their cost back. But did this government, Mr. Speaker, offer the farmers who try to increase production, increase production so there would be food available for those who are hungry in this world? Do they provide assistance to the farmers so they can get back their cost, their investment costs before they have to start paying taxes? No, Mr. Speaker, they don't apply that to the farmers, only to the oil companies. The farmer pays more tax. That's what we saw in this budget. More tax for the farmers instead of giving him some hope and some opportunity to get his investment cost back.

Mr. Speaker, they do this to farmers. They are doing the same to business people. The small-business people in this country, or in this province, have the same problems as farmers do. The Devine government used to brag and boast about the open for business policy. They were going to open Saskatchewan up for business.

Remember that slogan, "we're open for business"? Remember how every day and every speech that they made they would boast about the open for big business policy that they were going to pursue? Well, Mr. Speaker, they boasted that the banks and the New York and Toronto investors were going to flock to Saskatchewan. And they promised that open for business would mean jobs, prosperity, and government revenue.

Well, Mr. Speaker, they don't talk about their open for big business policy any more. In fact, they didn't even mention it once, not once, in their budget speech the other night. And that's because it has failed, Mr. Speaker. Open for business has been a big disappointment. And that should have been expected.

That was tried before, Mr. Speaker. It was tried by the Liberals, the same slogan — open for business and we're all going to prosper. It didn't work under the Liberals, and now the PCs have proved that it isn't going to work under their administration either.

All that their open for business policy has produced is record unemployment, record bankruptcies, record farm foreclosures, record welfare rolls, and record tax increase, Mr. Speaker. That's what open for business has delivered. That's why they don't talk about it any more, because it's been a disaster.

(1445)

So they don't talk about the policy any more, Mr. Speaker. Now they talk about small business. The only thing is, when they talk about small business, there's no action, no help, just a lot of talk. But, Mr. Speaker, this Devine government does not understand small business. They simply do not understand that small business in rural Saskatchewan or rural communities all across this province are very important.

They are the ones that are still hoping for business, Mr. Speaker. They're hoping for business — the implement dealers, the fuel dealers, the retailers, the businesses that serve and serve very well, the people of rural Saskatchewan. The Devine government does not understand them, and small business does not understand this Devine government any more.

In Kamsack, Mr. Speaker, small-business people are saying, why are the Tories in Regina always giving more money to the oil companies? Why does Devine only rely on the big foreign investors from the outside? Why was Devine so eager to help the big shareholders of Pioneer Trust, but he won't help the small businessman, and the retiring farmers who put their funds into Pioneer hoping to have a guaranteed income for the next 10 years? And every one of these lost their deposits now. Why doesn't this government help those people, the small people who were trying to plan for the future? They're not helping them. I think they should consider doing something, Mr. Speaker, along those lines. Why don't they help some of these small depositors?

Why do they keep raising the taxes on small business? This is what the business people are asking. Why don't they raise the taxes on the large resource companies, and some of the wealthy investors? Why only on small business? Mr. Speaker, if there's one central factor about Saskatchewan and Saskatchewan communities that the Devine government has failed to understand it's this: when Saskatchewan local businesses prosper, Saskatchewan prospers. For it is our small local businessmen which provide the service to the people. They produce the most employment, and they produce the most creative and innovative ideas for the future. But this government cares more about the businessman from Arizona, like their former colleague, Dick Collver, and his very dangerous idea, I think, about cutting back on medicare. They care more about people like that than they do about our small-business people of Saskatchewan, Mr. Speaker.

And when they've looked at some of these . . . When the people of Saskatchewan look at what this government has been doing, Mr. Speaker, they have some real question and real concerns about this government. Then today, the Premier stands up and says, trust me. They've done that. They've done that before. They did it in '82. But I don't think they'll trust them again.

Mr. Speaker, not so long ago Saskatchewan people thought of unemployment as a purely urban problem, only in our cities. But not any more, Mr. Speaker. Unemployment is now a critical problem right across Saskatchewan — every community, and in the rural areas too. And I know that the rural members of the Devine government opposite have begun to realize this problem as well. I know they've begun to realize it. However, they haven't been able to convince this government to do anything about it. It would be easier to bring out all of the stats that are available, Mr. Speaker, all the figures which clearly prove that the Devine government has done a bad job in providing employment.

It has broken its promise to provide jobs for all. It has broken that promise. But the figures only tell us one part of the story, Mr. Speaker. The figures are too cold and too impersonal. And so I ask every rural member of this Assembly to look in his own communities to look at his own constituency, and to see how serious the unemployment problem is. Look at all the families of young men and women in rural Saskatchewan who are sitting at home, either in the small towns or on the farms. Look at the young people that are well educated, well trained, and still unemployed.

More education, more university, or further skills won't help them. They have them all. What

they need is jobs. That is what they're waiting and hoping that this government will somehow provide in this province — provide because they proved that the private sector wouldn't do it. So I think it is incumbent on any government to then see that employment is created in the province, but it doesn't happen and it hasn't been happening with this government.

My neighbour has a 22-year-old son, a university graduate. He had some work for about a year. That ran out. And now he hasn't been doing anything since. And it's not because he doesn't want to work. He's prepared to go anywhere and work. But the jobs aren't there. He has the energy. He has the ability, and he's ready to work. But there is no job. And I think you'd see this, family after family, if you go through rural Saskatchewan and talk to the people, talk to these young people that are sitting there unemployed — young people hoping that something will change, and that they will be able to find a job. Mr. Speaker, this government has promised jobs for everyone in Saskatchewan, and another promise which this government has broken.

Mr. Speaker, there are many ways in which jobs could be created, and I think one we can look at could be the Department of Highways. And that's one department who, rather than creating jobs, has been reducing the amount of employment that it could have. It's been laying people off and telling them, "Go to the private sector if you want to work. Let them create the jobs." That hasn't happened. And those are all aware of it.

Mr. Speaker, nothing better illustrates the Devine government's lack of understanding of rural Saskatchewan, nothing better illustrates its broken promises than their poor performance in highways. Mr. Speaker, the people of Saskatchewan need a first-class highway system — a first-class highway system for its highways that bind our communities together. They link the farm to the town, the cities to cities, and family to family. And how has the Devine government performed in respect to our highways? Well, -Mr. Speaker, I think it's a bad joke indeed, a bad joke. The Minister of Highways runs up almost \$100,000 in travel expenses flying back and forth to his constituency, flying . . . I suppose maybe he'd be flying because the highways are in such poor condition that even he doesn't want to drive over them.

Mr. Speaker, I understand that the rural back-benchers in his own party don't call him the Minister of Highways any more. They call him the minister of potholes, or some refer to him as, "golfin' Jim Garner, 18 holes to the mile."

Mr. Speaker, what about the Devine government's budget for highways? Well last year they froze the highway construction budget in their estimates, and they didn't even spend what they said they would last year. And, Mr. Speaker, in fact I believe when the Minister of Highways enters this budget debate, if he does enter it, he will have to admit that he was not only allowed to spend 80 per cent of his construction budget last year, but he will also have to say that even with that frozen budget that he had last year which he didn't spend, and with the increase, I suppose the only increase that one would see in that budget would have to be the public relations part of his budget. The public relations part of the budget is the only area where the Department of Highways has had increase, Mr. Speaker. And it's been a fairly hefty increase — fewer highways, more press releases, Mr. Speaker.

And what about this year? Well he didn't freeze the highways' budget this year, Mr. Speaker. He cut the budget for highways this year. That's right. He cut the budget. An actual cut in highways construction budget of more than \$15 million — \$15 million less for highway construction, Mr. Speaker, most of it cut from rural highways construction, from the rural highway construction program. Rather than trying to create more jobs, even through the private sector, the Department of Highways has cut their budget and it's going to mean less jobs, less roads, and more potholes for us to drive through.

Mr. Speaker, he has cut his budget all across the piece. Well I shouldn't say all across, not quite across the piece, for he doubled his planning budget. And can you believe it, for those members opposite who maybe didn't look at that budget close enough, and they should be a little

sceptical of what's in it, and I invite them to check the minister's own figures in the estimates. And his figures state, and on page 56, highways construction cut by \$15 million; and on page 53, subvote 4, highways planning doubled from 1.9 million to 4.3 million.

Mr. Speaker, what is the Minister of Highways planning? That's what Saskatchewan people would like to know. What is he planning? And I suspect a few of his own rural colleagues will probably want to know that too. Is he planning more airplane trips? Is he planning to make more press releases? He certainly can't be planning more highways, because he's cut the budget for highways.

And, Mr. Speaker, the Devine government I think in total has been a very big disappointment to Saskatchewan people. A big disappointment because once again they broke even another promise to provide some of the best highways, the safest highways in Saskatchewan. And what they usually talk about is not only good safe highways, but world class. Everything that they do is supposed to be world class. Well, Mr. Speaker, if potholes are world class, we've got them.

Mr. Speaker, in conclusion I'd like to sort of summarize just what this Devine budget really consists of, and I think one would have to say that it's a very big disappointment. It's a disappointment budget because it has some of the biggest tax increases in the history of Saskatchewan. Hundreds of dollars taken from every family in this province, but more give-aways to the big resource companies. cuts in important programs for rural Saskatchewan. An actual cut of the \$15 million in the highways construction budget. Promises made, promises broken.

And, Mr. Speaker, that is not the Saskatchewan way. The Minister of Finance, the other night, spoke about co-operation and partnership. But in his partnership the ordinary people pay more taxes. The big oil companies get the tax breaks. That's the Devine approach.

But there is another way, Mr. Speaker — the Saskatchewan approach. And the New Democrats are proud of that approach. Its basic principles are pretty straightforward — partnership and co-operation where everyone carries his fair share of the load. That's what we believe in — respect for rural Saskatchewan and the services rural people need. A real commitment to jobs — not just for the favoured few, but jobs for all. Compassion for those in need — for farm families in financial stress, for seniors, for young families, and for those who need health care — compassion, that basic principle for New Democrats, but not part of the Devine approach. Solid stewardship of our provincial economy. Competence, that basic principle for New Democrats. But, Mr. Speaker, just look at the Devine deficit, and it's clear that competence is not part of the Devine approach.

(1500)

Some pretty basic principles that the New Democrats have — the fundamental principles by which Saskatchewan people have lived for generations, the basic principles that form the basis for the New Democrat's positive policies — principles, Mr. Speaker, not polls — principles, not patronage.

And because, Mr. Speaker, this budget is in violation of all of those principles because it imposes on ordinary Saskatchewan people the largest tax increase in the history of Saskatchewan, because it is so unfair in its tax increases, Mr. Speaker, that I find it very difficult to support this budget, and I will be voting against the main motion.

SOME HON. MEMBERS: Hear, hear!

HON. MR. LANE: — Thank you, Mr. Speaker. It's a pleasure to participate in the budget debate. It's always a pleasure to follow the member from Kamsack . . . Pelly, I'm sorry. I know that he doesn't tend to take my advice, but if you want to win the nomination in that happily contested

nominating convention out there, come up with another speech. Because I know that the people in Pelly are saying for the first time that they have had a government budget which tells them the direction of the province, where the province is going over the next four or five years, that is honest with the people of Saskatchewan, and a budget that makes it clear that those areas of government — health, education, jobs, and agriculture — need be supported by public funds, and funds to be increased in those areas; and the rest of government will have to tighten its belt and show restraint.

For the first time we've had a government that has made it clear to the people of Saskatchewan that there is a direction, that there is an opportunity in many cases to rebuild, and in other cases to renew major institutions. For the first time a government has said, if we are doing to take the province of Saskatchewan into the 1990s and into the next century, there has to be a major rebuilding of our major institutions, and that commitment was made.

I find it strange that the hon. member from Pelly would pointedly ignore in his remarks, Mr. Speaker, a commitment to the small business community. And I know that he'll be honest — he'll be honest next Thursday when the Minister of Small Business and Tourism announces the nine and five-eighth program for small business — another election promise made, and another election commitment made.

Mr. Speaker, I know that he will be fair and will see all the business men in Kamsack and the communities in Pelly and say, "I have to say to the business men that this is a good program for you, and I urge you to take advantage of it." And I know the hon. member will do that.

The hon. member talks about compassion. That's the same party that talked about the compassion of putting the uranium miners in northern Saskatchewan out of work — and I know that that's endorsed by both members from the two northern seats — that they are going to put people out of work, some 10,000 in the uranium mines. That's compassion? That's not the type of compassion that the people of Saskatchewan wish to hear, Mr. Speaker.

They have made the commitment to the people of Saskatchewan that they will shut down the oil industry, as they did prior to 1982, and put out over 5,000 people out of work. And they call that compassion? That's not the type of compassion that the people of Saskatchewan want to hear, Mr. Speaker.

He just made it clear that there's no room for the private sector, that it has to be government that creates the jobs, and that's precisely what he said. He said that private sector's failed and that it has to be the government.

Well, let me tell you, if I thought the hon. member was standing alone, I would have some faith in their nominating process. But he's not. He's not. Let's give an indication of what the New Democratic Party policy is in terms of the private sector. And let's take a look at a candidate nominated in Regina Rosemont. Let's see what he says when he holds up New Democratic Party policy.

We're going to create a provincial Crown construction corporation to bid as the primary contractor for all publicly-funded construction projects.

That's what the New Democratic Party stands for. That's put out, so-called Policies for People, typical of the NDP, another policy for government, not a policy for people.

That's the true story of the New Democratic Party. And the public of Saskatchewan that doesn't believe that any political party would come up with that type of policy, all they have to do is look at the Bob Lyons', New Democratic Party Policies for People brochure.

And I'll come back to it. I'll come back to it because when the construction industry in

Saskatchewan finds out what your true policy is, they're not going to be very happy, and they're not going to say that setting up a government Crown corporation to do all of the government construction projects is a very compassionate policy. Let me tell you Mr. Speaker, compassion is the last word that they'll attribute to that particular policy.

The hon. member says he does not want the Government of Saskatchewan to bail out Pioneer. That's what he said. So he's critical of the government for not bailing out Pioneer. Can someone figure out the logic of the statement of the member from Pelly? I certainly cannot.

The NDP took so many different positions on Pioneer that there's one for every depositor. They've got a different policy for every depositor. The first one is: don't help out Pioneer. So the government doesn't help out Pioneer — "Oh, you should have bailed out Pioneer." That's what the NDP said. That's what they said.

So, then the NDP said, "Don't bail out the depositors, don't help the depositors," said the NDP. And then, on the other hand, some of them get up and say you got to help the depositors, but don't help Pioneer. So, Mr. Speaker, the NDP buzz word is not compassion, the buzz word for the NDP is confusion. It's confusion, Mr. Speaker. Their policies will confuse the people of Saskatchewan because they try and say they're in the mainstream and, on the other hand, they want a government Crown corporation to do all the construction work. On the one hand they say, don't bail out Pioneer, but then criticize the government for not helping Pioneer.

They talk about jobs, and yet every single policy that the New Democratic Party has come up with has been to put people out of work — every single one of them. Their gas policy would have put people out of work at Ipsco. They were against government assistance to Ipsco. They were against government assistance in the royalty policy for the oil industry. Every single tax incentive to the private sector has been opposed by the New Democratic Party, and opposed, I might say, quite vigorously.

Their policy is: if there is to be a job created — and I say if — it has to be through government. And that is the policy that they have made so very, very, very clear.

When they talk about tax increases, let me remind the people of Saskatchewan, Mr. Speaker, of the New Democratic Party budget in 1977 when it gave the biggest tax increase in the history of Saskatchewan — \$200 million a year from the average taxpayer. The, during the course of their activities, they added, Mr. Speaker, an increase in the personal income tax of some 17 point . . . some 17 per cent, Mr. Speaker.

Realistically, Mr. Speaker, in the years that the New Democratic Party was in power, personal income tax doubled from 34 per cent, a 50 per cent increase, from 34 per cent to 51 per cent — a 17 per cent total increase and, of course, in fact, an actual 50 per cent increase.

They slapped the gasoline tax on every SGI . . . every person's automobile insurance had to make a contribution because they couldn't run SGI. They talk about patronage. They put in Don Cody — Don Cody, famous adjuster, to run SGI, and the rates went up and up and up and up, and the gas tax went in to subsidize SGI, and they got in trouble to the tune of \$100-and-some million over in Ireland. Mr. Speaker, that's not compassion. That's confusion and mismanagement. And that's what the NDP gave the province of Saskatchewan.

We made it clear, Mr. Speaker, that we would begin to rebuild and renew our basic institutions so that they can be taken, and they will take the people of Saskatchewan into the 1990s and into the next decade. And it's innovative. For the first time a government has had the political courage to say here is a five-year program. Here's what's going to happen. Mr. Speaker, any community that has heard the initial results of that five-year commitment says we're so very happy that finally we know that projects are coming, that projects are coming, and that, in fact, things will begin to happen.

Mr. Speaker, a \$1.5 billion program was laid out in education, employment creation, health, and agriculture. It is a long-term commitment to Saskatchewan's future and to our children's future — the partnership for progress, as the Minister of Finance has called it. By recognition, that the Saskatchewan way is all of us working together to build the province that we all want.

The world economy is changing so very rapidly, Mr. Speaker, and Saskatchewan, as the province that exports more per capita than any other province, must keep up to survive. To be left behind would mean that our markets and our jobs would go elsewhere.

In education, the necessity to compete, to innovate, and to adapt, requires us to rebuild and strengthen our education system, and to build upon achievements of the past: a new four-year \$120 million program to expand technical institutes; the creation already completed of the advanced technical training centre; and the provision of 3,500 additional spaces in our community college. The education endowment fund announced in the budget will build upon these very bold moves for our future, our children.

(1515)

For the primary and secondary school system, a \$275 million fund that will provide another \$1,400 per child over five years over and above our current spending. In 1985-86, this translates into a \$35 million incremental funding made up as follows: \$17 million in increased school operating grants; \$8 million to partially retire the capital debts of many school divisions, so that now 100 per cent of the cost of debt is picked up by the province.

It's interesting, Mr. Speaker, that the \$17 million I indicated in increased operating grants now, in fact, goes to operating grants, because under the NDP system, many units were forced to pay on their debt; and so that those funds that they were receiving weren't going to operating, were in fact going to debt retirement or payment on the debt. Now, that 100 per cent of the cost of debt is being picked up by the province. When we say that more moneys are going to operating grants, not only are more moneys, in fact, going, Mr. Speaker, they are truly going to operating. Ten million dollars for new innovative programs and educational initiatives.

But above all, Mr. Speaker, a clear signal to the educators in our province that this government and the people of Saskatchewan are prepared to make a firm commitment to our educational system, and for the first time this government is reversing the NDP trend of reducing provincial share of education costs, and the provincial contribution is going from 51 per cent to 54 per cent — a significant commitment, Mr. Speaker.

And finally, a message to the educators that the NDP policy of transferring education costs to the taxpayer is over, and that a new system of reducing those costs is now in place, and that a commitment to education has, in fact, been made. For our children this means a quality education, and for our parents it means a renewed confidence in their children's future. And for the educators it means, finally, more resources.

Our second education thrust is aimed at our universities. Over the next five years \$125 million will be allocated to university renewal and development fund. This will provide \$15 additional million in 1985-86. Two: increase the operating grant 5 per cent, or \$6.6 million.

For new projects, mainly of a capital nature, \$8.4 million. For each university student this represents \$6,000 over a five-year period. This will enable our students to be better equipped to meet the province's future challenges. For university educators it means improved facilities for training and research.

Again, Mr. Speaker, in education not only does it mean a new commitment, but it means an end to the NDP policy of reducing university education expenditures as a share of governmental

expenditures. And if we take a look, if we take a look through the history of the NDP funding of university, it dropped every year as a percentage of government expenditures, so universities took a smaller and smaller role from government expenditures under the NDP. Another significant reversal of NDP policies and New Democratic trends.

We compare, if I may, Mr. Speaker, to what the NDP had promised in education, and here is what they said. This is from the member from Quill Lakes, Mr. Koskie. "New Democrats unveil university policy." And this was March 18, 1985. And it was a collective decision because I can see the intellectual content, Mr. Speaker. It had to be, it had to be a collective decision, not only of the members in the Assembly, but, I suspect, many others in the New Democratic Party, Mr. Speaker, because here's what they say. Here's what they say: the NDP were prepared to say that annual university operating grants would be above the inflation rate. They didn't say how much, very pointedly.

Well, if we look at an inflation rate of 3 per cent, and I'll give them the benefit of the doubt, based on their track record of reducing educational expenditures, here's what their commitment at absolute best would have been — at the absolute best would have been a 3.24 – 25 per cent, 3.25 per cent increase to university funding. Compare that to 5 per cent by the Progressive Conservative budget, Mr. Speaker, a significant different and much appreciated by the universities.

SOME HON. MEMBERS: Hear, hear!

HON. MR. LANE: — Now the NDP also made the commitment, and the member from Quill Lakes did this, and it's been well circulated to the universities, and I will make the commitment to the members opposite that I will ensure that there will be wide distribution. There will be wide distribution of the New Democratic Party's commitment to the university funding, because then they go on to state "a special emergency" (a special emergency recognizing that they had underfunded universities), "a one-time grant of \$2 million to be shared equitably between the two universities.

So now they said they would go \$2 million one-time emergency funding. We commit to five years, and in 1985-86 that would be \$6.6 million, three times, three times what the New Democratic Party was prepared to commit to the universities.

Mr. Speaker, the NDP said that they would start on the new ag college. They have promised that, Mr. Speaker, since 1944 — 1944 the New Democratic Party promised an ag college. Mr. Speaker, do you know in all the years that they were the government, do you know what they did for the College of Agriculture? They built a new barn. They built a new barn, Mr. Speaker. That's how much, one, they understood agriculture, and secondly, how much of a commitment they were, in fact, prepared to make to the College of Agriculture in the province of Saskatchewan.

The nice thing, Mr. Speaker . . . We heard the Leader of the Opposition, in his remarks the other day, indicate what he was going to do. It was very short of specifics, very long on rhetoric. But here is a concrete example of where the NDP were, in fact, prepared to be specific, where they laid it out in some detail. And it was found wanting by the universities then, and it's found triply wanting when they see the Progressive Conservative budget.

Mr. Speaker, in the field of agriculture this province must remain competitive. Saskatchewan has over 65,000 farmers working in this \$4 billion industry, and since 1984 this government has introduced important financial assistance programs for farmers — a farm purchase program, which provides 8 per cent interest rates to new, developing farmers.

And I was very interested to read . . . The Leader of the Opposition, the Leader of the New Democratic Party, who, when he denies he has any responsibility for the operation of his election team, was saying that they thought maybe 7 per cent would be an interesting number,

but they weren't prepared to commit to it. And if we look through his response to the budget, the NDP would not even commit to a firm figure of assistance and loan guarantees for the farmers.

An investment tax credit has been introduced to the livestock industry and an 8 per cent interest rates on livestock purchases. New farm loan guarantees were announced by the Minister of Agriculture on April 4 of 1985. And the major changes to these programs were as follows: a provision for guarantees on loans to consolidate debts to trade and service sector businesses, including fuel, feed, fertilizer and chemical dealers. For the first two years, only payments on interest are required; a provision for a second operating loan guarantee for individual farmers where circumstances warrant; the inclusions of multiple operators to receive operating and consolidation loan guarantees; and the interest rates on loans will be prime plus one-half percentage points.

In a two-year period, if I may detail, Mr. Speaker, an individual farmer may receive up to \$300,000 in operating and consolidation loan guarantees, and multiple operators, up to \$600,000. It's estimated that 1,500 Saskatchewan farmers will receive loan guarantees averaging \$80,000 each, for a total of \$120 million in government guaranteed loans this year.

It is anticipated that an additional 1,000 loan guarantees in 1986 will bring the total to \$200 million. Eligibility criteria were changed, and this change will open the program to more farmers who are viable, but are facing difficulties.

Mr. Speaker, it's been very interesting; in all of the NDP speeches on the budget not a single one has mentioned the newly-announced agricultural loan guarantees program. And do you know why? Do you know why, Mr. Speaker? Because it is so well accepted by agricultural Saskatchewan that the NDP don't want to run into the mistake that they made when they went around this province and told the farmers there would be no more rural natural gas under the NDP, and they voted against that policy. And how they went around and told the farmers it was too expensive, and they made the commitment to rural Saskatchewan that if they were the government they would stop the rural natural gas program. And they realized, and Thunder Creek told it to them, that was a terrible mistake, Mr. Speaker; that in fact rural natural gas is popular, well accepted and much desired by the farmers of Saskatchewan. They've been quiet on the new program, Mr. Speaker, because they don't want to make the same mistake again.

Mr. Speaker, we brought in a Farm Land Security Act, supported by the farmers of Saskatchewan; opposed by the New Democratic Party. The farmers of Saskatchewan are facing the challenge of continued low prices and very competitive export markets. To compete, Mr. Speaker, we need to be more productive, to produce more, and to do it for less. We have announced a new \$200 million agricultural development fund. And I think it very interesting, Mr. Speaker, not one — including the Leader of the Opposition — made a single criticism of the \$200 million agricultural development fund. Don't want to make the same mistake again.

This new fund will finance research and demonstration activities to help our farmers become even more competitive. This research will be related to meaningful areas that can be expected to help our farmers, including crop intensification, soil conservation, irrigation, on-farm use of computers, greater use of compressed natural gas to name but a few.

For our farmers this will mean new farming techniques, new equipment, improved crop yields, more productive strains of grains or other crops, and this is the key to competitiveness and confidence in our future.

Agriculture is at the base of our economy. And many of our small businesses, manufacturers, retailers and wholesalers, will benefit from a more vigorous and productive agricultural economy. And this will lead to more employment opportunities, benefiting all in Saskatchewan. Mr. Speaker, for the first time a government has made a long-term commitment to regenerating our

health-care system. The health care field is facing changes, most notably, new and costly technology, and a rapid ageing population.

(1530)

To meet the challenges, we must provide the new technology where needed, provide effective care for seniors, and to maintain and enhance our medicare system. The Progressive Conservative's response, Mr. Speaker, was to provide an additional \$300 million over five years.

The NDP response, who rested on the laurels of medicare for so long, was to eliminate 400 nursing positions and to put a moratorium on nursing homes. It was interesting . . . I suppose in a situation like this, it's not a good phrase to use, but it's kind of a deathbed repentance by the Leader of the Opposition who stood up the other day and said: "The NDP will spend more on nursing homes." The only ones who didn't laugh were the seven other potential leadership candidates over in the corner, Mr. Speaker, the New Democratic Party members. They didn't want to laugh because there's a rout on the leadership review that they're all generating and spending their time and efforts on this summer. They didn't want to say anything, but in their hearts, in their hearts, they knew, they knew that for the first time since the founding of medicare a government has made a commitment to the renewal and regeneration of medicare.

This will allow the people of Saskatchewan to renovate and build new hospitals and nursing homes. Compare that to the NDP moratorium on nursing homes. It will allow us to provide better care and better housing for our elderly. It will give our health care workers improved facilities in a better working environment; in short, for every man, woman, and child, world class health care into the next century.

Mr. Speaker, the fourth cornerstone was employment development, and I would like to concentrate on this vital issue. It's a complex problem intertwined with our economy and our social fabric. The recession of 1982 drove unemployment rates up across Canada and around the world. Unemployment rates also rose in Saskatchewan, but not as much as anywhere else.

And let's set the record straight, Mr. Speaker, particularly for those NDP who seem to enjoy bad mouthing of Saskatchewan's performance. Saskatchewan has had the best employment record in Canada for the last three years. In 1984, 92 per cent; 1984, 92 per cent of our work force was employed. Our rate of employment growth has been one of the fastest in the country. In March of this year, Mr. Speaker, I was pleased to announce that there were 14,000 more people employed in Saskatchewan than March of 1984, and that's an impressive 3.3 per cent growth rate.

Let's compare Saskatchewan's 3 per cent, 3.3 per cent growth rate with NDP Manitoba. Formerly second place, now third place, and rapidly falling off the charts — Manitoba, Mr. Speaker. Mr. Speaker, after three years of mismanagement of the NDP their growth rate is dropping, and it just proves, Mr. Speaker, which every sensible person knew, that without Lloyd Axworthy the NDP in Manitoba wouldn't have created a single new job but for the people that they took from the Government of Saskatchewan, Mr. Speaker . . . (inaudible interjection) . . . Only once. Without Lloyd Axworthy the NDP in Manitoba couldn't create a new job.

Fourteen thousand new jobs in Saskatchewan, Mr. Speaker. The gains in Saskatchewan have been made primarily in the service sector. Six thousand more people working in that sector, 5,000 new jobs in manufacturing, and 2,000 more people working in the transportation sector.

Mr. Speaker, participation in our labour force is near the record high. In March of 1985 more than 66 per cent of our population over the age of 15 was considered part of our labour force, and since March of 1984 Saskatchewan's labour force has grown by 16,000, a 3.5 per cent increase. Manitoba's grew by only 2.2 per cent.

And we should keep in mind, Mr. Speaker, that Saskatchewan went through a severe drought which cost us many jobs. Manitoba was not faced with that situation. And, Mr. Speaker, the unemployment rate for young people in Saskatchewan continues to be the lowest in the country.

These statistics have some meaning to all but the naysayers, and they mean, Mr. Speaker — and I challenge the New Democratic members to go to Saskatoon and many communities and talk negatively, because the public does not want to hear that and does not believe it. Mr. Speaker, most people in Saskatchewan are optimistic. As a matter of fact, I would suggest all people of Saskatchewan, Mr. Speaker, except the New Democratic Party are optimistic, and more than 60,000 people have come to Saskatchewan since 1982, pushing our population over the million mark for the first time.

This is an admirable record, Mr. Speaker, and one that did not come about by accident. The record of this government is clear, and one of success, and let's review it.

This government has taken strong measures to help the economy and our people. We've brought in imaginative programs like a venture capital program; tax reductions for small business; a mortgage interest reduction which gives security to home owners and stability to an industry; assistance to farmers such as the farm purchase program, and operating loan guarantees; a new oil royalty provision program which has stimulated record well production and record lease sales and, Mr. Speaker, has increased the assets of the province because more reserves are known today than ever before.

Mr. Speaker, our oil royalty policy is recognized by everyone but the Saskatchewan NDP as the most imaginative, and the most effective, and the most cost-effective program ever introduced in this area. What do the NDP in Alberta say about the Saskatchewan policy? Here's what the New Democratic Party in Alberta says about Saskatchewan's policy and what they want the Alberta government to implement. Here's the Alberta New Democratic Party:

The New Democratic official opposition proposes that the current incentive program which is activity-oriented be replaced by a success-oriented system providing royalty relief until well pay-out.

Doesn't that sound very familiar, Mr. Speaker. Everybody else in the country recognizes the effectiveness of the Saskatchewan program and wants it, including the NDP outside of Saskatchewan. But in Saskatchewan they say, "No, we will cancel that program. We will stop further oil development. We will stop further oil exploration. We will stop further oil exploration." And the NDP, of course, has made it clear from time to time that they will stop oil upgraders in the province of Saskatchewan.

We have brought in new assistance for high-tech firms. Mr. Speaker, where necessary, we have not been loath to implement direct job creation programs for our young people, for natives, for those on social assistance.

Through welfare reform we have given more money to families and seniors. At the same time more than 2,100 employable people have joined the work-force through the employment development program.

When the Progressive Conservatives brought in welfare reform a year ago, over the opposition of the New Democratic Party, one of the questions we asked ourselves when we said that 16- and 17-year-olds were no longer automatically eligible for welfare as under the NDP system: are we really doing these young people a favour by letting them leave their homes and their schools and go down and pick up a welfare cheque and set up an apartment and abandon, as I say, their homes, their families, and their schools? We said no. We brought in welfare reform.

We believe that it is better for these young people to be working, and we have given them thousands of new opportunities to become part of the work-force. Thousands more are upgrading their skills through the community colleges as part of this government's emphasis on preparing a skilled and adaptable work-force for the future.

Because of the unusual seasonal problems we encountered last year, we established a winter works program — a winter works program that the NDP said wouldn't work. The NDP said it can't work, and they opposed it every step of the way, and we all are aware of the member from Regina Elphinstone speeches.

Mr. Speaker, the NDP made it clear that it wouldn't work. We set out to create 4,500 winter works jobs. The final result of that program, I'm happy to announce, Mr. Speaker, was that over 6,000 jobs were created through out winter works program. And if our past experience is any indicator, many of these will be permanent jobs.

Through the new employment development fund, which is the fourth corner-stone of our budget, we have announced an ambitious new program which will create or sustain 22,000 jobs for Saskatchewan people. It introduces more innovative measures to stimulate the economy, costing a total of \$21 million.

The most notable new initiative is the program to lower interest rates on approximately \$400 million in small business loans down to a rate of nine and five-eighths, a political commitment made in 1982, and a political commitment being kept in this budget.

Mr. Speaker, as well we recognize that opportunities need be created in the private sector for those students who are graduates, who need that first opportunity, that first job, to establish a track record, and we will be moving very aggressively in that direction.

Our program expands and builds upon our successful direct job creation program such as the Students in Industry program, Canada-Saskatchewan Opportunities '85, the Saskatchewan Employment Development program. The new fund announced in the budget will allocate \$41 million for direct job creation programs, including \$20 million to assist social welfare recipients to enter the work-force.

Also, funding for direct job creation programs for youth will total \$16 million — more than double that of 1984.

Mr. Deputy Speaker, capital projects of a long-term beneficial nature to the province will create much-needed construction jobs. And these do not include the \$1.2 billion that was spent on other capital projects in numerous government departments and Crown corporations.

And I might add that the construction industry feels the five-year commitment to rebuilding health and education means that, for the first time, the construction industry has long-term stability in our province, Mr. Speaker, and they welcome the courageous move of this government to commit funds over a period of five years, and to give that direction for a period of five years.

In total, \$120 million will be spent this year and guaranteed for the following four years. In total, \$600 million in additional funds, and 22,000 jobs, Mr. Speaker.

These funds are earmarked to create jobs in Saskatchewan for Saskatchewan people — those who are here now, and those who will return to share in our prosperity.

For young people, this budget means jobs. For women, it means jobs. For the disabled and for construction workers, it means jobs. For tradesmen, and those in the retail sector, this budget means jobs. In the manufacturing sector and the resource sector, this budget means jobs.

Mr. Speaker, our budget commits this government to a five-year plan of progress that cares about people. The April 10th budget laid out the broad outlines of our plan, and we are committed to working with the people of Saskatchewan to plan our future.

(1545)

We have made some tough choices, but we are meeting the challenge of the future head-on. This government has made the conscious and deliberate decision to maintain and strengthen the services which have made Saskatchewan a caring society and a good place to live.

In his speech on the budget last Friday, the Leader of the Opposition complained about the size of the deficit. Mr. Speaker, I would refer him to the report of the New Democratic Party action group on jobs. As a matter of fact, he should specifically read the section in the New Democratic action group report, "Myths about the deficit." And here's what the NDP say about the deficit. Here's what other NDP say about the deficit because again, that word "confusion" comes back. In the 1970s the NDP said they wouldn't hesitate to have deficit spending. When the member from Elphinstone was the Premier, his minister of finance said, got up and said, "wouldn't hesitate to have deficits."

So the NDP elsewhere in Canada say, and I quote: "Deficit spending can be a powerful tool to reduce unemployment." The NDP outside of Saskatchewan say the deficit bears little relation to inflation. The NDP outside of Saskatchewan say Canada's deficit is historically low relative to international standards, and the NDP outside of Saskatchewan say the deficit has not hampered corporate investment.

Mr. Speaker, above all, the NDP say that, "Deficit spending can be one of the most positive approaches to take to rebuild our economy." And I am quoting. Mr. Speaker, the NDP who outside of Saskatchewan talk about the myths about the deficit and indicate they are not concerned; that it's only the NDP opposite who having taken over a billion dollars in resource revenues and put them into potash and uranium; that said when all of Saskatchewan expected those funds to be there for a rainy day, and they of course weren't, and that led to deficit spending.

They stand up and complain about the deficit and want all kinds of grand schemes to spend money. Typical of the NDP.

The public have already made their choice clear and reaffirmed their choice, Mr. Speaker, in Thunder Creek, and I would like to join with all members in welcoming the New Progressive Conservative member from Thunder Creek.

SOME HON. MEMBERS: Hear, hear!

HON. MR. LANE: — I recall in that by-election, Mr. Speaker . . . And it can't be repeated often enough how the NDP leader stood up and said that the Conservatives are afraid to call the by-election because the NDP would win it. That's what he said. And then he repeated it, Mr. Speaker. Then he repeated it, Mr. Speaker, and he said the NDP will win. There's never been a better chance to win Thunder Creek than the last time, and their vote went down, Mr. Speaker. The Liberal leader got up and said the Tories and the Liberals were running neck and neck. As I said, the problem that the Liberal leader has, he didn't know which end of the horse he was comparing himself to, Mr. Speaker, because we weren't neck and neck.

And the NDP opposite say, call an election, and they've just seen the polls which we know don't take into account rural Saskatchewan where they were down 10 points. Even the NDP in Manitoba said the NDP in Saskatchewan were far behind. Mr. Speaker, they said, call one in Thunder Creek. And we did. And we won. And at an appropriate time, Mr. Speaker, this government will again take this budget and other budgets to the people of Saskatchewan as

proof of sound and good management, and a commitment for the first time in our history to the future of the province of Saskatchewan, Mr. Speaker.

It's with pleasure that I support the motion.

SOME HON. MEMBERS: Hear, hear!

MR. GERICH: — Mr. Speaker, I'm proud of the budget introduced by our finance minister, and I'm really proud of the economic common sense that he used in his budget. But before I address the budget, I would like to review some of the positive programs that put Saskatchewan in such a healthy economic state.

Back in the winter of 1982, all of Canada was facing double-digit inflation. Some of the people were losing their homes — yes, their homes. The inflation was hurting everyone where it really hurts — in the pocket-book. And you will recall at that time that the man who is now the Leader of the Opposition in this legislature, told Saskatchewan there was nothing that the provincial government could do to help to protect the people. He was wrong — very wrong.

It takes initiative, leadership, and innovation to bring about a mortgage interest reduction program. We showed the nation that here in Saskatchewan we're going to help protect the home owners, and we did. Soon after that other provinces copied our plan.

We took action by taking the gas tax off the gasoline. We saved the Saskatchewan families over (per family) \$275 a year. Yes, Mr. Deputy Speaker, we all remember how it was back in the winter of 1982. Well I'll need to cite a few more positive examples of what happened here in Saskatchewan.

We had a record in job creation from April 1982 to August 1984. We had an increase of 44,000 new jobs. In 1984 we had the lowest level of unemployment, on the average, of any other province in Canada, and even with our population growing.

In the oil industry, we had a record production and record revenues because of the oil industry recovery program.

A record amount is being spent on health care. It is now over \$1,000 per man, woman, and child — over \$1 million in Saskatchewan. It is the best health care in Canada.

We had record nursing home construction. We've got a new 12-bed integrated facility for Rabbit Lake through this budget. And I should mention that all the NDP opposition could do in the past was put a freeze, a moratorium on nursing homes. Shame on them, I say.

Our population has grown to over 1 million strong since 1982. People are coming back home to Saskatchewan.

This government has provided many record tax reductions — tax removed from gasoline, power bills, child's clothing.

We have provided the lowest utilities in Canada, when during a time when other parts of North America were weathering an international recession, in Saskatchewan we were fortunate to have a government with economic talent.

And during that time, Mr. Deputy Speaker, let us look at the kind of statements that were coming from the NDP opposition. What would they have done if they had been running this shop? Heaven forbid. Just look at their policy. They would have likely nationalized down-town Saskatchewan, then they would have leased it back to the shopkeepers. Why? Because they would make the small businessmen serfs of the state. They want to establish a provincial land

agency like the land bank. In 10 full years, the land bank turned only 151 tenants into farm owners. Our family farm purchase program has created more than 3,600 new farmer owners in just over the two years.

Now I want every member of this House to hear the next item. The NDP wants to bring back the tax on gasoline. Yes, they do. They want to make sure that Saskatchewan has one of the highest prices in gasoline and not the lowest, as it has now. These same people want to restrict the farm size. They want to impose capital gains tax on that land.

Now here's a classic example of political hypocrisy. They want to close down the uranium mines. That means 10,000 people would be out of work. And they call that economic common sense. I call it being out of touch with reality. Mr. Speaker, that is why they sit in opposition. Again, the voters in Thunder Creek have sent them a message. They told them that they wanted no part of a socialist experiment.

Mr. Deputy Speaker, the oil industry now provides the largest single source of government revenue in this province. We all know that this was not always the case. We also know that the NDP opposition in this province has been very critical of the oil industry recovery program. We should take a look over in Manitoba's Manoil company.

Recently that political columnist with the golden pen, Dale Eisler, wrote about our oil policy. In his column, Eisler wrote that there can be no argument that the activity in Saskatchewan oil fields is proceeding at a record pace. Estimates are, at this year alone the government will earn \$700 million in oil royalties. Yet the NDP continues to criticize economic growth.

Yet over in Alberta, the NDP in that province have cast their policy resolution calling on Alberta to establish an oil industry program like Saskatchewan's. Mr. Deputy Speaker, the significant growth in oil industry is part and parcel of this government's economic leadership.

The government's annual economic review showed that in 1984, our economy grew despite drought that hit our province very hard. Inflation was down. Unemployment stayed at the lowest level in any province. Potash production is up.

Most importantly, this government has placed a very high degree of emphasis on job creation. Jobs and job creation is a priority with this government and this is why they have established the Employment Development Agency. There are few things more fulfilling in life and as psychologically satisfying than a financially rewarding job. Employment is one of our foundations of our province's daily life and we are committed to strengthening that foundation. Our "Partnership for Progress" will do just that.

So many of our residents can remember when jobs were virtually non-existent. Those times were so real to us that successive Saskatchewan governments have made job creation a priority, and this government is no exception. Some 44,000 more people are working in Saskatchewan today than three years ago when this administration was elected. Now our unemployment rate continues to be lowest in the nation, and we intend to keep getting it lower.

And that's why we've created this economic development fund with a mandate to look at employment creation from a long-term perspective, and with the financial resources to grasp opportunities wherever and whenever they appear.

With \$600 million at its disposal, and a five-year term, the employment development fund is an initiative the like of which has never been seen in our province before. In 1985-86 alone, the fund will pour some \$120 million into employment-creating endeavours. The 1985-86 commitment to job creation includes some \$50 million earmarked for employment incentive programs — a 50 per cent increase on fast funding in this area. We anticipate this move will help create 15,000 new jobs. New endeavours in this area will open such programs to younger residents and social

welfare recipients. A total of 70 million will be committed to longer-term economic development initiatives.

Heavy stress will be placed on boosting strong business activities, a major area of new creation in Saskatchewan and Canada.

(1600)

Tied directly to job creation will be the 9 and five-eighths per cent loan interest program for small business. The small business sector is the largest creator of jobs in Canada and the loan program is expected to create a half a million dollars in economic activity in '865 and '86.

Our aim in Saskatchewan is to help create a job for every Saskatchewan resident who wants one. Nothing short of that achievement will satisfy us, and nothing should. Our province, our country, simply cannot afford to see such skills, talents, and energy of our residents ignored or wasted. We must create an environment in which every resident can reach his or her potential and turn their dreams into reality.

In Canada on a national basis, we have reached a situation in which every year some \$10 billion in UIC handouts have been tossed at our unemployed. Yet this immense amount of money has created not one single job. It didn't put one single individual on the road to fulfilling their hopes or dreams. We say this isn't good enough, and we are glad that the new federal government feels the same. Only an all out attack on unemployment will bring us into a new era. Our strategy is nothing less than a fully integrated plan aimed at marshalling every asset that we have. And that is the one reason our government has stressed educational improvements at every level, be they grade school, technical institutes, or universities. Together we provide our residents with opportunities they deserve.

Job creation is not a stop-and-go endeavour. It is an ongoing enterprise. That is why we have instituted a five-year plan, and it is why we are urging the co-operation of all those involved in unemployment in our province — business, labour, and educators. Our residents need their insight and their help and their encouragement. We can surely rely on them.

Mr. Speaker, the budget introduced on Wednesday by the Minister of Finance marks a milestone in Saskatchewan history in the four corner-stones on which this great province of Saskatchewan are built: agriculture, health, education, and jobs.

I've spoke of the exciting and realistic job creation efforts proposed in this budget. We believe the children of this province are the real future of Saskatchewan. We see spending on education as an investment. That is why university funding has been increased 30 per cent in the past three years. That is why we refuse to cut back on educational funding. And that is why in this budget we have committed a further 400 million in funding over the next five years with the new educational endowment fund. The educational endowment fund will provide an additional 275 million on financing to our primary and secondary schools over the next five years.

This same educational endowment fund will provide an additional 125 million over the next five years to help restore two universities to world-class condition. That represents in additional revenue, expenditure of \$6,000 for every student in this province. This represents \$35 million to schools, and \$15 million to universities in '85-86. I would call that a sound investment in Saskatchewan's future.

We all face the future together, and the budget is another step in keeping Saskatchewan as the economic bright spot of Canada. The budget spells out what we're doing: we're putting \$600 million into new job creation efforts, 400 million into additional funding for education, 300 million in extra funding for health, and 200 million into agriculture.

Yes, Mr. Speaker, the Minister of Finance presented an excellent budget to the people of our province. The budget is the blueprint for the continued building of Saskatchewan. In business and in industry nothing today is more constant or more fashionable than change. And when we point with pride to new products and services we call it innovation, and when change is far more reaching we call it progress. This budget has real progress and makes it possible for us to continue the prosperity we've been developing over the past few years.

Our programs and policies are transforming the very foundation of Saskatchewan. People perceive this government as one that has a sense of compassion — that we are the government that is determined to improve our health care system, our educational system, and create jobs, and help our farmers. The people see this as a government that listens and a government that cares, and we are a government that is playing a key role in the confederation of Canada.

Our province is on the threshold of becoming a driving force in the Canadian federation. We have the land, the resources, and we have the people. We have the belief in traditional values, the family, hard work, and optimism. Our pioneer forefathers came to the land today we call Saskatchewan. They came here because they wanted freedom. They wanted to have a government as the servant and not the master. Now in our 18th year in confederation our province is strong — 80th year.

As we look to the future I can sincerely say that this Assembly, that the Minister of Finance has done our province proud. He didn't take the easy way out, nor did he jump on the bandwagon of retreating. The Minister of Finance has presented a creative and a constructive and progressive budget. It is, without a doubt, a budget for all the people of Saskatchewan. It doesn't cater to any special interest groups. It doesn't feed the growth of bureaucracy. Rather, this budget stimulates the economy of Saskatchewan.

On that note, Mr. Speaker, I wish to conclude by saying that I have no hesitation from me or my constituency to go out on coffee row and visit with my constituents about his budget. I support the budget.

SOME HON. MEMBERS: Hear, hear!

MRS. BACON: — Mr. Speaker, thank you. As the MLA for Saskatoon Nutana I'm going to break with some of the tradition in my speech in reply to the budget as introduced by the finance minister from Kindersley.

I have recently taken offence to some of the comments made by the Leader of the Opposition. He constantly refers to people in Saskatchewan as ordinary people, and I would like to have it recorded in Hansard that in my constituency of Nutana each person is very, very special.

It would be very easy for me to speak for a long time and in glowing terms about the attributes of this budget. It would be easy for me to come into the legislature and talk about statistics and numbers, but my colleagues will take care of that. It would be easy to do this, because the economic performance of this government is excellent.

As the MLA for Nutana, I want to approach the budget from another point of view. I want to ask some questions about the budget, and I want to address them. I want to see whether or not the 1985 budget really measures up to the needs of the people of Saskatchewan. Is it the right kind of budget to be producing at this time of Saskatchewan history? Does the budget seriously address the problems of creating meaningful jobs? Does it live up to Saskatchewan's tradition of being a leader? How does this budget measure up in terms of spending on education? Does it take a reasonable course of action in spending and approaching a deficit?

Simply stated, Mr. Speaker, I took a long and a hard look. I have given it careful thought. There is a sense of confidence and optimism all over Saskatchewan, and a stable future. Since 1982

Saskatchewan has been the economic bright spot in Canada. Our population has increased to over a million. It's a far cry from the days when people were evacuating the province of Saskatchewan under the previous administration. We have got the lowest unemployment average across the nation — at a time when over a million people are out of jobs, at a time when the Maritimes and Quebec have made unemployment a way of life.

And things like this, Mr. Speaker, are not a coincidence. They do not just happen by accident. They happen because there is good planning and leadership. It took the planning and the leadership of a Progressive Conservative government in Saskatchewan to restore this province's economy.

We've restored the confidence in the housing sector by the Mortgage Interest Reduction Plan, the first time anywhere a government in North America had the courage to step up and protect homes, and the idea has caught on elsewhere. We brought in the Build-A-Home program, so that young people could fulfil their dreams of owning their own home, and other governments have followed. We made job creation a priority, and we established the Employment Development Agency. The Premier and his ministers have worked hard to establish confidence in the Saskatchewan economy. As a result, the respected Conference Board of Canada called Saskatchewan an economic bright spot. It says Saskatchewan will again be the growth leader in 1985.

So, in replies to my own questions as to whether or not the budget introduced last Wednesday meets the needs of Saskatchewan, my answer is in a resounding yes.

As a matter of comparison, let us take a look at what the NDP opposition would have done in these circumstances, or what they will do in the future, should they ever become government again. Number one, the NDP opposition will abolish the uranium mining in Saskatchewan. We will take a loss of \$630 million investment and a loss of 10,000 jobs.

They would abolish the oil recovery program. That would result in a loss of over \$300 million. And yet the Alberta NDP are calling for Alberta to set up an oil industry recovery program like we have here. The NDP opposition would destroy the oil industry, which is now the largest single source of revenue for the Saskatchewan government.

And, on that point, I would like to refer back to Hansard, and the comments of the Leader of the Opposition on Friday last. He said the only reason that the oil industry is the largest contributor to the coffers of government is because people aren't making as much money as they were before. The income tax is not the largest contributor. And perhaps that's true. Our government has gone through a recession that is world-wide. We have gone through a flood, and we have gone through a drought. The farmers have not been able to have the income they had previously. And so I say to the Leader of the Opposition, if this government has the power to order a flood in the North and hold the rains from the heaven in the south, then I hope the people will keep us here forever. With the NDP's policy towards the uranium mining and the oil industry, it would be \$930 million lost to the people of Saskatchewan.

They also want to bring back land bank. They want to reinstate the tax on gasoline. They have our future all mapped out for us. Thank goodness for the wisdom of the voters.

And I would like to take this opportunity to congratulate the new member from Thunder Creek, Mr. Rick Swenson.

Mr. Speaker, I would like to talk a little bit about the provincial deficit. We, on this side, are not afraid to talk about the deficit. Leading economists all over Canada agree that there are only two mature options available to fight a deficit: you either cut expenditures, or you increase taxes. These same economists also warn against harsh measures in reducing deficits.

The provincial deficit in Saskatchewan is down \$100 million over last year. Yet, there is no slashing, no massive layoffs, or any other Draconian measures in reducing our deficit. We have taken a sane and common sense approach.

Last week I listened to the Leader of the NDP talk about the deficit. And that's what it was — talk, talk, talk. He offered no solutions, he offered no proposals, and he offered no new ideas. He made the false claim that during his administration the NDP had balanced budgets.

So I checked on this, Mr. Speaker. In 1971 the NDP introduced supplementary estimates. In 1972 the NDP introduced supplementary estimates. And so was the case in '73, '74, and '75. But was that the end of it? No, Mr. Speaker. They introduced supplementary estimates in '76, '77, '78, '79, '80, and '81. This means additional spending in each case. And so much for their balanced budgets.

We all know about the hocus-pocus of the NDP, and how they played with their budgets, how they did their little mathematical gymnastics, and borrowed money from the Crowns to balance the coffers. It was creative bookkeeping, Mr. Speaker. But those of us in Saskatchewan who live on fixed incomes do not have the luxury of creative bookkeeping. We could get into deep trouble.

We have wanted to be truthful with the people of Saskatchewan, and so we have been. It is a time when the people of Saskatchewan will want their tax dollars spent wisely. They want their money invested into good programs that will be good for themselves and their children and will build for the future. And that is exactly what this 1985 budget does. We focus on the social needs that clearly identify what it takes to have a healthy and optimistic society.

Mr. Speaker, I stated earlier that I wanted to break a bit with tradition. I wanted to ask some hard questions about this budget, and answer them. The budget did not settle for stopgap measures. The budget did not take the easy way out.

Ever-changing technology is changing the world economy. To keep Saskatchewan an economic leader we must keep up with the times, and that is why the taxpayers wanted their money invested in education and job creation. The same taxpayers know that health care is important. And that is why this government is offering first-class service in the health field.

I can tell you sincerely, Mr. Speaker, that this budget met the test. It stands up to the needs of 1985. It's practical and innovative, and it meets a challenge.

(1615)

And I, at this time, would also like to personally congratulate the member from Shaunavon on the birth of his son. I, too, share the glow with Mr. Blakeney, the Leader of the Opposition, that it's nice to see someone on that side of the House becoming productive.

In closing, Mr. Speaker, I would like to tell you that my family and I will also be one of those ordinary people or ordinary families that will no longer have access to the property improvement grant. So be it. To quote the Star-Phoenix, "\$300 annually for the ordinary people will come out of their pocket."

Well, Mr. Speaker, I take that \$300 and I look at it this way. I think of the \$300 that I won't be getting back on Monday when I send my children to school.

I think of that \$300 on Tuesday when I visit the doctor and pay no deterrent fee, do not pay for X-rays or lab work.

I think of that \$300 on Wednesday when I go to have a prescription filled and do not have a fee

on that.

And I think about it on Thursday when I put gasoline in my car, and I will think about that for every year as long as there is no gas tax.

And I think about it on Friday when I go to the bank and pay my utility bills and know that there's going to be no sudden surprises after the next election because the NDP are back in power.

Any week, Mr. Speaker, the people of Saskatchewan can take the \$300 so-called tax hike and apply it to their day-to-day lives and realize that they are getting the best investment for their tax dollar they have ever had.

It is with pleasure that I support the budget.

SOME HON. MEMBERS: Hear, hear!

HON. MR. MAXWELL: — Thank you, Mr. Speaker. It gives me great pleasure to join in the debate on the budget speech, but before I begin my remarks I too would like to join in with other members of the House in the congratulations to the member from Shaunavon on the birth of his child. I know it's understandable he's not here today to hear nice things being said about him. I promise I will repeat them all to him in person as soon as he's back in the House, Mr. Speaker.

But, at this time, I would also like to congratulate the Minister of Finance for presenting an innovative and a comprehensive budget. This not only looks to the year ahead, but it lays out concrete plans for the next five years. The budget speech expands on the four corner-stones of development for our province — education, employment, agriculture, and health care.

It lays a groundwork for building a better Saskatchewan, and the PC government of Grant Devine recognizes if Saskatchewan is to continue to grow and lead the country in economic development we must pay our way. We must be prepared to put more money into the areas of education, employment, agriculture, and health care.

Across the country, provinces are making cuts in funding to education, but not so in Saskatchewan, Mr. Speaker. Our Premier, Premier Devine, has said many, many times that education is a key to Saskatchewan's development. This government believes if our young people are to be leaders in the work-force they deserve the best education possible. While other provinces are making cuts in education funding, this government has committed a 10 per cent increase to education in 1985-86.

While other provinces, Mr. Speaker, are charging hospital user fees such as those recently implemented in socialist Manitoba, we are committing more money to health care spending.

While unemployment is sky-rocketing in other provinces. Saskatchewan has the lowest unemployment rate in Canada and is investing \$600 million in the employment development fund.

We are also taking innovative measures to insure a healthy future for our farm economy, Mr. Speaker, I'll expand on these areas a little later.

I'd first like to comment on some of the things that have been heard from the NDP opposition over the last two or three days. Two members of the opposition spent Thursday and Friday chastising the government for introducing a new flat tax and a sales tax on used vehicles. They're saying that this budget will cost the average Saskatchewan family \$1,000. Do they forget, Mr. Speaker, that while they were in government, they borrowed \$415 million for potash corporation purchases at a cost of \$1,600 per family in Saskatchewan, or that they're willing to throw \$630 million into the uranium industry at a cost of \$2,430 per family, or that they spent the

last 10 years in constructing office buildings, monuments, edifices to their own glory.

Let me remind the hon. members of the opposition of the tax cuts we've made since we took office. Elimination of the gas tax, elimination of the processing and manufacturing tax, elimination of a sales tax on power rates, implementation of the livestock tax credit, and Venture Capital Tax Credit. I believe that record speaks for itself, Mr. Speaker.

If I may, Mr. Speaker, I'd like to turn to the Department of Parks and Renewable Resources for a moment. Over \$60 million has been allocated for that particular department for 1985-86. Mr. Speaker, while this a hold-the-line allocation, that is in recognition of the fact that we have to pay for the long-term security of health, education, agriculture, and employment programs. Our Progressive Conservative government will be undertaking important initiatives in the area of parks and renewable resources this year. Forest management licence agreements with the major operators will be concluded, and small forest operators now in business will be assured tenure. Together with industry, 11 million seedlings will be planted. This will help ensure the long-term viability of our forest resources.

Under the Canada/Saskatchewan forest resources agreement, emphasis will be placed on stand tending, growth enhancement, nursery development, and enhanced forest protection, and \$600,000 will be included in the employment development agency capital program for a new forest fire cache in La Ronge.

As follow-up to the white paper on proposed legislation which was supported by 85 per cent of the responses received from the public, park reserves will be established and the provincial park system will at long last have an easily understood classification system.

Under a special projects fund, \$295,400 will be provided for the completion of the swimming pool at Cypress Hill Provincial Park. In addition, \$432,000 is being provided for a swimming pool at Pike Lake Provincial Park. To complement the new pool complex at Cypress Hills, roadways, parking lots, and landscaping in the core area will be upgraded at an estimated cost of some \$200,000. As Loch Leven Lake reaches full supply level, rainbow trout will be restocked.

Park visitors have expressed strong support for more electrified camp sites. Six hundred twenty-five campsites at eight locations will be serviced with electricity. Estimated cost — \$700,000. Expansion of the campgrounds at Wapawekka, and Greenwater, Good Spirit, and Moose Mountain provincial parks will also be undertaken. The estimated cost — \$200,000.

Major renovations of the recreation hall at Moose Mountain Provincial park — estimated expenditure \$100,000 — is another project to provide wholesome recreation opportunities for residents and, of course, for out of province visitors.

Private investors are responding positively to the private investment opportunities program introduced in April of 1983. To date, \$2.8 million of private capital projects have been approved for expanded facilities and services in the provincial park system. An additional \$2.15 million of capital investment proposals are being negotiated.

Funding to the 101 regional parks will be continued in 1985-86, providing support for their capital programming and ongoing maintenance. Approximately 700 families and 100 business, primarily in northern Saskatchewan, are expected to benefit from the new program for sale of Crown resource lands currently under lease.

Consultation has been ongoing with wild rice producers to develop a policy for allocation of wild rice permits. The new policy is expected to be in place for the 1985 growing season. Wild rice, Mr. Speaker, is a significant industry in northern Saskatchewan, producing 61 per cent of the Canadian market share.

The most significant step to protect Saskatchewan's wildlife heritage was the passing of The Critical Wildlife Habitat Protection Act on June 1 of 1984. Additional agriculture Crown lands are to be designated shortly. This budget provides for increased funding for the wildlife component of the fish and wildlife development fund, moving from \$366,000 up to a maximum of \$650,000.

Twelve projects are programmed for 1985-86 under the fish enhancement component of the fish and wildlife development fund, to a maximum expenditure of \$650,000; \$30,000 is included in Employment Development Agency capital program for completion of outdoor pools at the Fort Qu'Appelle fish culture station.

Mr. Speaker, I'm proud of developments in the Department of Parks and Renewable Resources, and I was very thrilled when the Premier took steps to name me minister of that department.

I'd like to turn, Mr. Speaker, away from my own department and take a look for a few minutes at some other areas that government is attempting to ameliorate in the next five years.

Mr. Speaker, once again I want to compliment the Minister of Finance on his foresight. Before the election of a Progressive Conservative government in Saskatchewan, health services were in fact deteriorating.

Mr. Speaker, let's take a look at the record of the previous administration. They did, I acknowledge, some good things in the field of health care. But then, Mr. Speaker, their thoughts turned away from health care and started to turn more towards potash mines, uranium mines, and buying up farm land in Saskatchewan. The NDP forgot about the health of ordinary families, and they turned their attention to the family of Crown corporations, the true beneficiaries of their attention.

In the area of cancer treatment services, Saskatchewan was lagging behind British Columbia, Alberta, Manitoba, and Ontario. There was no long-term planning. Hospital staff and cut-backs became a regular occurrence. Mr. Speaker, in 1976 the previous administration cut 400 positions from Saskatchewan's hospitals, and yet in 1977 they increased personal income tax from 34 per cent to 51 per cent. Mr. Speaker, where did the money go? We know it didn't go to construction of special care homes. We see it didn't go to expansion of the hospital service. Mr. Speaker, members of the Assembly, where did the money go? The family of Crown corporations, Mr. Speaker, at the expense and to the detriment of the true families of Saskatchewan.

In the area of mental health services, the NDP depleted 150 nursing positions and 19 psychiatric positions in the period between 1972 and 1982. My constituency of Turtleford is a good example of what is happening since the Progressive Conservatives formed government.

In Spiritwood, 15 new beds and 21 replacement beds in the special care home were approved at a cost of \$500,000. As well, the hospital received a grant of \$64,000 for roof replacement. The Minister of Health also announced the other day that Big River will receive a new special care home in 1985-86. And Leoville will get an integrated facility in 1987-88.

(1630)

I was also pleased to note, Mr. Speaker, that the town of Rabbit Lake will receive an integrated facility in 1985-86. While this is not in my constituency, I'm aware of all the hard work that was done by my colleague, the member from Redberry, in obtaining this facility. Quite a large number of my constituents do, in fact, use Rabbit Lake for their medical care, and it is the shopping centre for a number of them, Mr. Speaker. And I'm happy to say I did support the member when he was looking to put an integrated facility into that town.

In the NDP's last term in office, no major hospital projects were approved outside of Regina or Saskatoon. In fact, Mr. Speaker, they spent less than \$2 million outside of Saskatoon and Regina

on hospital facilities during their last term in office — less than \$2 million.

. . . (inaudible interjection) . . . I always enjoy, Mr. Speaker, when the member for Regina Centre joins in the debate from the seat of the pants. There are some people, members of the Assembly, I've heard say he's a pain in the back. Mr. Speaker, others have a lower opinion of him.

Back to special care home construction, Mr. Speaker. This government spent more in its first two years than the previous administration did in seven years. Mr. Speaker, the NDP claimed health care was sacred under their leadership. They claimed, and they still claim, that they are the protectors of our health care system. Mr. Speaker, it scares me to think what our health care system would be like if the NDP was still in power. Perhaps it would be like that of their left-wing counterparts in Manitoba. As of May 1, the socialist Manitoba government will be charging chronic care hospital patients a daily fee of \$15.25, and this goes for patients of mental health institutions as well, Mr. Speaker. The only people exempt will be individuals with a very low personal income, and there are probably very few people who would in fact qualify for the exemption.

Mr. Speaker, during the last three years this government has tried to turn the dismal record of the previous administration around. Major hospital and special care home projects are under way. Adult day care programs have been introduced and home services expanded. Cancer services have been improved through the construction of a new cancer facility in Saskatoon. And our Minister of Finance indicated in his budget speech that this is not enough. He indicated that we have to look ahead in order to protect our services and to expand them. He has acted with foresight, with wisdom, and Mr. Speaker, I would submit, with compassion.

In 1984-85, over \$1 billion was allocated to health care in this province. Over \$1 billion will be spent again this year, and \$300 million over the next five years through the health capital fund. We cannot afford to lag behind. The people of Saskatchewan deserve first-class health services. The Progressive Conservative government of Grant Devine is building those services.

I'd like to turn for a moment, Mr. Speaker, to education. Having taught at the elementary school level, the secondary school level, and having been a school principal at those levels, and having taught at university level, education has always been a priority with me. It is imperative that our young people receive the best education possible. I was therefore very pleased, Mr. Speaker, by the Minister of Finance's announcement that grants to schools and universities will increase by almost 10 per cent in 1985-86 . . . (inaudible interjection) . . . Mr. Speaker, I crave the House's indulgence with the ember from Regina Centre. Please bear in mind, folks, he was kicked in the head by a butterfly this morning.

Mr. Speaker, it has long been this government's firm belief that education is a key to the future, and we recognize the necessity of a first-class educational system. If we're to continue to be leaders in Canada and the world, we must continue to provide adequate funding to our schools.

Across this country, Mr. Speaker, we see educational funding being cut, but the Progressive Conservative government of Grant Devine has maintained and increased funding over the past three years. Contrary to a popular belief, perpetuated by the opposition, university funding has actually increased during the first three years of our administration.

Mr. Speaker, I'd like to share some figures with my colleague and the opposition about funding for post-secondary education. In the last three years, \$160 million more in funding has been provided to the universities by a Progressive Conservative government than the NDP provided from 1978 to '81. That's a 44 per cent increase in funding. During the same period of time, Saskatchewan's technical institutes received \$80 million more funding — a 55 per cent increase under the Progressive Conservative government. Our community colleges have received a new mandate and \$9 million more in funding — a 25 per cent increase. The Progressive Conservative government has provided \$22 million more in aid to students. This is a 76 per cent increase in

funding. As you can see, Mr. Speaker, it is a policy of this Progressive Conservative government to provide the best education possible to our youth.

I'd like to remind the NDP of their plans with regard to post-secondary education when they were government. I'd like to quote from a memo. It's a memo from the Hon. Allan Blakeney, premier, to former minister of education, continuing education, Doug McArthur, dated February 28, 1980. And this is their NDP policy, Mr. Speaker,. Quote:

I want the planning committee to take a look, at some point during the next several months, at the position that the government intends to take in the longer term (please note, in the longer term), with respect to the universities and vocational institutes. I am particularly interested in knowing how we intend to organize our relationship (there's a fine socialist comment), organize our relationship with the universities and the manner in which we intend to reduce the rate of growth of university funding.

That, Mr. Speaker, was the NDP policy of funding to universities.

Mr. Speaker, I'm also thrilled about the increase in funding to our school system. School divisions have been saying that they need more money. But we've listened to their concerns and we've responded to their requests. We've responded with the largest announced increase to schools of any jurisdiction in Canada to date.

In my constituency this government has spent \$2,083,390 in capital costs and over \$34 million in operating grant support since 1982. And I know that my constituents appreciate this support.

Turning to another issue, Mr. Speaker, most Canadians see unemployment as a major problem facing this country. Saskatchewan continues to have the lowest unemployment rate in Canada. People in other jurisdictions may ask: why is Saskatchewan's government spending so much money on job creation when their unemployment rate is the lowest?

The answer is simple, Mr. Speaker, and the answer is because we care. Because, Mr. Speaker, we believe on this side of the House that every individual should have the opportunity to work. Because the people of Saskatchewan have always been hard-working, industrious people who value their employment. Because appropriate training, appropriate education, and appropriate employment can make us leaders, leaders in Canada, and yes, leaders in the world.

The Progressive Conservative government of Grant Devine has committed \$600 million over the next five years to job creation. In 1985-86 we will commit \$120 million, and this will result in 22,000 direct jobs. And I submit, Mr. Speaker, our record to date has been excellent. There were 14,000 more people employed this year than last year, going March to March. The labour force stands at 490,000 on a seasonally adjusted basis, up from 474,000 in March of 1984.

We've been attacking the problem of unemployment. And, Mr. Speaker, we're winning. But we can do better. And we will do better with the help of the people of Saskatchewan and through innovative new programs like the employment development fund.

Mr. Speaker, coming from a rural constituency, an agrarian society, I'd like to spend a moment or two touching on agriculture.

I was pleased to note in the budget that there is more money going to our farmers. Everyone realizes the valuable role farmers play in Saskatchewan's economy. When the farmers do well, the province does well. Unfortunately, Mr. Speaker, last year flooding in the North and drought in the South hurt our agricultural sector. That's when this government stepped in with programs and aid for the agricultural community. In 1985-86 over \$131 million will be spent on agriculture — a 54.1 per cent increase over 1981-82, and a 9.5 per cent increase over 1984-85.

Mr. Speaker, I'm proud of this government's commitment to agriculture. Over the last three years we have developed numerous programs to assist our farmers. I know, from talking to farmers in my constituency, that these programs have been well received. The farm purchase program, The Farm Land Security Act, and the Livestock Investment Tax Credit are examples. Last year the federal and provincial governments spent more than \$700 million to assist farmers with the cost-price squeeze, flood, and drought. And this is a record of which I am proud.

As a result of last Wednesday's budget, the Agriculture Credit Corporation clients will have their loan rates reduced from 14 to 12 per cent. And the farm purchase program will be extended for another year. And, Mr. Speaker, we will be offering an extensive new program of loan guarantees. As well, the agricultural development fund has been set up to make \$200 million available over the next five years for agricultural research, development, and demonstration projects.

Mr. Speaker, I could go on at some length, lauding and applauding the commendable efforts of the Minister of Finance in producing this innovative, this far-sighted, forward-looking budget. I know we have other speakers who would like to avail themselves of the opportunity to stand up in the House. It's rather difficult, given the mandate and the majority handed to us by the people of Saskatchewan, for all of our members to get the opportunity to speak, so when they do have the opportunity they want to take it. And I compliment the people of Saskatchewan on their good sense, Mr. Speaker, for giving us the overwhelming majority, and for giving us a victory in Thunder Creek.

Mr. Speaker, it's a pleasure to support the main motion. Thank you.

SOME HON. MEMBERS: Hear, hear!

MR. SMITH: — Mr. Speaker, it's a pleasure for me to rise in the Assembly this afternoon to speak a few moments on the budget. People in Moose Jaw are very much like the people in the other constituencies throughout the province which are . . . The people of Moose Jaw want good government, and they want responsible government. Good government for the people is meaning spending your money as wise tax dollars as everyone wishes us to do. Good government for the people means using common sense in spending in every form of program in which we have.

(1645)

Listening to the people is another area in which we must remember, and caring for the people. Good government to most people in Saskatchewan in 1985 means Progressive Conservative government.

Mr. Speaker, first of all, for good government you need good leaders like leaders like the Premier, Grant Devine, and the finance minister, Bob Andrew. You need leaders who put people before politics.

MR. SPEAKER: — Order, please. Order, please. Order, please. The member is using names of individuals in the Chamber, and I would ask him to address them by their position or their constituency.

MR. SMITH: — Thank you, Mr. Speaker. Second, I feel that tax dollars which we are spending are sacred, and they must be spent wisely. They must be aware of today's needs, while at the same time planning for tomorrow — building like our pioneers did in the past. Mr. Speaker, I dare say that most people in Saskatchewan today would agree with me.

The budget introduced last Wednesday night is the example of good government. Take a look at

the health spending for an example. In Moose Jaw South and in Moose Jaw as a whole, St. Anthony's is going to get increased special care needs — 80 bed replacements in 1986-87, and in phase II another 80 in 1987-88.

All we ever got under the previous government was neglect. In this budget we see \$300 million health capital fund. Health care spending is over the \$1 billion mark, much higher than the health care programs in Manitoba.

Mr. Speaker, the concern Saskatchewan people feel about health care goes back to our pioneer days — in tradition is that good health care is important. The Progressive Conservative government is proudly to say: one, the PC government of Saskatchewan has been spending more on health care than any other government in the history of this province; two, as government we . . . two, we as government are opposed to user fees. We have not introduced them, and I'm quite sure we will not. As a Progressive Conservative MLA I'm proud on the record of the health care in Saskatchewan at the present time.

At this point, Mr. Speaker, in time, I would like to congratulate the health minister, Graham Taylor, for the leadership he has been providing — medicare, good health care in Saskatchewan. More important, though, is the fact that we, as government, are improving health care.

Mr. Speaker, allow me a few moments to talk about the cost of living in Saskatchewan. Since 1982 there has been significant tax reductions by this government. Take the removal of the gasoline tax. In Quebec it costs a family of four 348 extra dollars a year in taxes. In NDP Manitoba it costs a family of four an extra \$216 a year in taxes. In Ontario it costs the same family an extra \$216 a year. So when we look at those numbers we can see that in just four years this government in Saskatchewan has reduced our costs from \$1,000 down to \$600. That is a big saving, Mr. Speaker.

We saved over 40,000 families the heavy burden of double-digit mortgage rates by bringing in the Mortgage Interest Reduction Plan — 13.25 per cent rates. And our Premier, Grant Devine, has announced this program will be extended to the 1958 deadline. That means if world economic conditions drive interest rates up Saskatchewan home owners will be protected. It takes leadership, and I believe in the people to achieve such programs.

I, for one, am getting tired of the negative speeches coming from the opposition side of the legislature. Mr. Speaker, all they preach is doom and gloom, the politics of fear. Mr. Speaker, the NDP policies are failed policies. The NDP policies are rejected policies. They must bring back the tax on gasoline if they are going to form government again. Saskatchewan NDP wants to nationalize most everything they can, and this is why the people of Saskatchewan are not interested any more. This is why they sit in opposition. They cannot match the leadership of our government today, and they do not inspire the same trust and confidence as our Premier and that government. The budget, once again, is an example of the shared trust in the people.

Allow me to review the budget for a few moments. Take a look at education. Mr. Speaker, we believe the young people are the future of our province. We look at education spending as an investment. Mr. Speaker, that is why \$400 million in an education endowment fund was established — money for new computers in class-rooms, money for new library facilities, money for enriched programs. Yes, education spending is an investment in the future.

Regarding jobs, we have not sat back and rested just because the unemployment in our province is the lowest in Canada. Now we took a look and said, "We need to do more." That takes leadership and vision of the future. We don't talk about ordinary people, like the NDP. We believe in Saskatchewan people, like extraordinary people. We believe, given the opportunity, all of our people have an extraordinary ability. Throughout Saskatchewan, people have an extraordinary ability. I believe, Mr. Speaker, it is an insult to the people of our province when the NDP calls them ordinary people.

Mr. Speaker, now as I was saying, we have established a five-year \$6 million employment development fund. That is much more than is being done by NDP Manitoba. Mr. Speaker, jobs are an investment in the province of Saskatchewan, an investment in family, and investment in the people.

Mr. Speaker, less than one month ago in the neighbouring riding of Thunder Creek, there was a by-election. People in Moose Jaw South followed it very closely. There was a message that came out of that by-election. Come to think of it, if the NDP was telling the people in Thunder Creek to send a message, well, Mr. Speaker, the message was this: they elected a PC member and I'm proud to see the member sitting in here today. Thunder Creek's message was that they agreed with the Premier and the PC team. For three years now I've sat in this House and it has been an honour for me to sit in it. They have been three good years.

As I said at the start, that we have an innovative program and I believe there are four main points to that program. Mr. Speaker, these four main priorities are health, education, farm program, and small business. I'm quite sure that the people in small businesses will be very interested to cite our new small-business program when it's put in place, Mr. Speaker, I'm sure that if the NDP had have put a program like this in when they were in, probably they wouldn't have been sitting in quite as small an opposition today. Because, Mr. Speaker, of the programs and leadership of the Progressive Conservative government, because of the leadership of our Premier, because of the physical wisdom of the finance minister, these are exciting times for Saskatchewan.

Mr. Speaker, I'm proud to be speaking in this budget speech. The budget will help build Saskatchewan into the next decade. I'm proud and I will support that budget.

SOME HON. MEMBERS: Hear, hear!

MR. GLAUSER: — Thank you, Mr. Speaker. I want to begin by first congratulating my colleague from Thunder Creek for taking his seat in this House. I'm sure he will enjoy a lengthy stay, as we all will.

I also want to congratulate the member from Kindersley, the Minister of Finance, for putting forth such a . . . (inaudible interjection) . . . I'm hearing quite a bit from over in the boondocks here, the rump party.

There may be less of that after the next election . . . (inaudible interjection) . . . You could be very right. Yes, we would sit well with 64 members. I think that would be very good, indeed. They do it in Alberta, so there's no reason why we shouldn't do it in Saskatchewan.

Anyway, I would also like to mention the constituency of Mayfair. It is a constituency which embodies a large number of businesses, and I see nothing but good for the business community coming out of this budget.

You know, there's a saying that if you don't know where you're going, any road will take you there. And that was the order of the day under the NDP in all their previous administrations. In a short three years, Mr. Speaker, this province and its people have chartered a new course. The blueprint is clear, and it has been developed from the bottom up rather than from the top down, as was always the experience under the NDP administration.

This is a province with the most stable economy of any across this province. The leadership is the key. We have a Premier who roams this world, who roams the continents in search of new markets. Manitoba has a Premier, as they say, whose ideas of fun, his idea of fun, is going down to Eaton's on a Friday night and trying on gloves.

We have a Premier who directs people, makes them faster, more responsive, and less . . . (inaudible) . . .

averse. And he nurtures entrepreneurship. Thus, Mr. Speaker, we are entering an age of a new type of leadership. That leadership has been provided by the Minister of Finance. It has been provided by the Premier of this province, and it will serve us all well. It will lead us through to prosperity and stability. It has been proven with our recorded records, recorded records in the oil fields, potash sales, job creation, population increases, and certainly in housing starts.

This fourth budget brought down by the finance minister is the key to achieving those desired ends of continuous growth, prosperity, and stability.

Mr. Speaker, I want to say something about forward planning. In the past it has been an accepted practice of the previous NDP administrations to plan for one year. This practice is no longer acceptable, as it impedes the ability of departments to plan effectively for the long term.

MR. SPEAKER: — Order, please. Being 5 o'clock I leave the Chair until 7 p.m. this evening.

The Assembly recessed until 7 p.m.