

**LEGISLATIVE ASSEMBLY OF SASKATCHEWAN**

**April 18, 1985**

**EVENING SITTING**

**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 and the amendment thereto moved by Mr. Engel.

**MR. KOSKIE:** — Thank you very much, Mr. Speaker. I, too, am pleased to have this opportunity to participate in the fourth budget debate since the members opposite came to power. And I want, before getting into my major portion of my remarks, to join with others to take this opportunity to congratulate the newly elected member from Thunder Creek.

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

**MR. KOSKIE:** — Some have congratulated him for his win, and I join with those that have congratulated him. I just want to say to him, you're lucky you ran before this budget, because you may not have been here. I would say further to the member for Thunder Creek, I certainly enjoyed my work that I did down in the constituency. There's a great number of people down there, and I looked at the results of the vote, two polls that I was in, and we did increasingly better. And I can assure you that in the polls that I was in, I'm telling you that we did a great job and a substantial improvement.

**AN HON. MEMBER:** — How about the Tory vote?

**MR. KOSKIE:** — The Tory vote disappeared. I want to say, Mr. Speaker, that this is, of course, a very important document, for it illustrates clearly the profound differences between the Conservative philosophy and the philosophy of the New Democratic Party. The Minister of Finance claims that this budget is the most intelligent budget document tabled in Canada, and I note in his remarks . . .

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

**MR. KOSKIE:** — Ah, don't clap too early. I haven't finished. In his remarks, he claimed that the Leader of the Opposition will feel obligated to stand up and criticize everything that he said. And he was sort of crying that night. Perhaps he thought that this was inevitable. And I must reply, yes, it was inevitable — not as he thought, because it was a overly formal and ritualized political process — but for a more important reason. And that's because this was indeed a very bad budget.

I want to say that this budget was bad because it was deceitful to the people of Saskatchewan. It attacked the pocket-books of hard-working people throughout this province. This budget was riddled with cliches and slogans and misrepresentation. I want to say that this budget really was a bureaucrat's dream, and really a nightmare for the people of this province.

Mr. Speaker, this is indeed a very, very bad budget. And worse still, it follows the heels of three other very bad budgets: budgets which have given us some of the delightful slogans like open for business, later amended slightly — hoping for business; and still later amended — there's no business like no business; and the budgets which have mortgaged the future of the people of this province is enormous.

Look at the record. Deficit has been piled upon deficit: in 1982, \$220 million in deficit; in 1983, \$342 million; in 1984, \$395 million; and in 1985, \$291 million. And I suggest to you, don't believe that it's only going to be 291.

Mr. Speaker, in the short space of four years this government has managed to create over one and a quarter billion dollars worth of debt, and that's not all. It was not enough to place a burden of paying for this billion and a quarter deficit on the backs of the taxpayers of Saskatchewan. No, in this budget they came up with a five-year plan to take directly from the people of Saskatchewan another billion dollars. A billion and a quarter dollar deficit and a billion dollars worth of taxes in abolished rebates, and they call this budget, in the words of the Minister of Finance, an intelligent budget.

The people of Saskatchewan, I must say, are paying a high price for this so-called intelligent budget. Farmers have lost their home quarter grant and that will mean about \$80 million over a five-year period. They will not be able to spend over the next five years on seed, and inputs, and machinery.

Business people and farmers, and home owners, and renters, have lost their property improvement grants, and that will mean \$400 million that they will not be able to spend on household necessities over the next five years. And this afternoon we had the Minister of Agriculture spending about five or 10 minutes telling a joke, and making fun out of the losses that the farmers are going to incur as a result of this budget. He thought it very funny. You know what the average farmer has taken away from him? On the property improvement grant, \$375; on the average home quarter, over 225 to \$300 a quarter; and if he goes and buys a second-hand piece of equipment — anything around 8,000 or so — 5 per cent sales tax on it now. About \$1,000 from every farmer they have taken directly from.

But that's not all. This intelligent budget doesn't stop there. This is a two-pronged budget. Those were the cuts in this budget.

Now, Mr. Speaker, we come to the second prong of this budget — we come to the grab. We used to say about the tax man, the taxman giveth and the tax man taketh away, but not any more. Not any more, because now we have the so-called Tory intelligent budget, and now the tax man just simply continues to take and take and take more, and the sad part — the really pathetic part about this exercise — is the method used, the intelligent part of the budget.

The minister stood up in the House, and I want to quote him. We must, he said, have a tax system which has three principles. The tax system has to be "simple to understand and (easy) to comply with." The tax system has to be "fair to people in all income groups" and, finally, ensures that no one escapes paying his or her fair share of taxes.

I want to say, Mr. Speaker, that no one would disagree with these three fundamental premises. No one, I am sure, would take offence to these essential principles.

But, Mr. Speaker, this, as I said, is, in the words of the Minister of Finance, a very intelligent budget. How then did the minister utilize these principles in what he calls a major step towards tax reform?

Let us see, Mr. Speaker, how an intelligent budget, so-called and reported in the press, how he used these principles which he enunciated: simplicity, fairness, and universality of application.

Well, Mr. Speaker, the proposal, I guess, is relatively simple. What he does is take 1 per cent of net income will be deducted. Commencing on July 1st of this year, 1985, off of every pay cheque in Saskatchewan comes 1 per cent. And I guess that seems to be relatively simple.

I think we should point out that in setting up his so-called innovative reform in taxation, that

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Saskatchewan people are unique because now they really pay two types of income tax.

They pay their regular income tax just as it was before, and now along came this intelligent Minister of Finance and he slapped on a surtax. And he says, well, it's very simple.

Well, it's understandable where this here intelligent reformed taxation came from, because one of the candidates for the federal Tory leadership, Peter Pocklington — he is Peter Puck — from Edmonton was enunciating these principles, and I suspect this is where the Minister of Finance got his great ideas, this innovative idea.

Let us turn to the other two principles on which sound tax system must be based: fairness and universality. And let us look at first of all, the fairness of the tax that is imposed. The 1 per cent flat tax, so called by the Minister of Finance, and I want to, Mr. Speaker, read briefly from the *Financial Post*, "Revenue, not reform." It indicates:

The Saskatchewan tax is really a minimum levy, rather than a flat tax, because other deductions are not eliminated. But far from catching those high-income earners who pay little tax — the essential purpose of a minimum tax — it's tougher relatively on those with lower incomes.

Indeed, there will be even more incentive now for Saskatchewan taxpayers to use every conceivable deduction and tax shelter that cuts in before net income. At the same time it will hit those with large families, the elderly, and those with high medical expenses because net income is calculated before personal exemptions . . .

And finally the article goes on to say:

This impost is a straight revenue-producing measure; it's not, as the province's Finance Minister Robert Andrew claims, a major step toward tax reform.

*Financial Post*, Mr. Minister. So, Mr. Speaker, this so-called tax, flat tax, cannot be considered fair unless each and every resident in Saskatchewan has to pay their 1 per cent on the money they earn. This so-called flat tax is not based on the ability to pay, it's based on the ability to evade, and the finance minister claims that this tax would make the rich pay, and the Premier came into the House yesterday and alluded to the fact that he was, tax reform was going to get the rich. I want to say, as is confirmed in the *Financial Post*, that that is misleading the people of Saskatchewan.

Mr. Speaker, any individual who presently does not pay provincial income tax in Saskatchewan — and according to the finance minister there are many earning 100,000 a year or more who don't or won't have to pay one cent — and I want to say that those people, \$100,000 who weren't paying any tax under the previous system, will not be paying any tax with the levy of the flat tax. The reason is simple and the finance minister knew it. These people do not pay taxes now because before you calculate your net income for the purpose of the flat tax you're allowed to make deductions — deductions, Mr. Speaker, that I suggest are not available or not utilized by many of our farmers, our businessmen, our civil servants, teachers, nurses; deductions that are not utilized by many taxpayers, ordinary taxpayers with families whose income only stretches to cover those expenses.

(1915)

Yes, this so-called intelligent budget, it's intelligent for some, but not for very many. No, there is no fairness in this so-called innovative tax program outlined by the Minister of Finance. And I want to suggest, Mr. Speaker, he knew it when he delivered it here in the House Wednesday last.

This intelligent piece of tax reform was merely a camouflage for the greatest raid on the

pocket-books of the ordinary people of Saskatchewan that this province's history has ever seen. I want to say that it's also another major deception, because do you realize that if he had not gone with the 1 per cent flat tax and he wanted to get about the same revenue, same effect, he would have had to increase the basic rate by seven points to get the same revenue? And that would have put us probably at the highest rate in all of Canada. It's not, as the *Financial Post* has indicated, it's not a tax reform; all it is is a revenue tax.

And I want to say that I think that there's a sinister underlying reason why the minister did this. I think really what he is doing here is imposing a straight levy on the people of Saskatchewan, which is equivalent to a premium on medicare — \$256 a year the average citizen pays. He didn't dare put on a premium and call it a premium on medicare. And so what he did is to finance it he has gone to every citizen of Saskatchewan and he has extracted on the average \$256, which is equivalent to the commencement of a premium on medicare. Let's take a look at the flat tax on net income for what it really is — a means of removing \$350 million out of the pockets of ordinary people over the next five years.

Mr. Speaker, last year the Minister of Highways gave over 200 people the opportunity to transfer their services to the private sector. This year the Minister of Finance is giving the people of Saskatchewan an opportunity to transfer over \$350 million to the public sector. This is truly a very intelligent budget. So much fairness, Mr. Speaker, so much incredible fairness in this budget.

But let us turn now to the reason the minister claimed why he is introducing this tax. He said he wanted to make the rich pay. And if that was the case, we would commend him. It is always nice to hear a Tory say that the rich should pay their fair share. But unfortunately, Mr. Speaker, you have to remember that when a Tory says he wants to make the rich pay, that he might have a different definition of who in fact the rich is. Most people would define rich as having a lot of money. And I think that's a reasonable belief.

But this is an intelligent budget. And this is an innovative program of tax reform, Mr. Speaker. The Minister of Finance has his own particular definition of rich — the true blue definition of rich, a truly Tory definition of rich, Mr. Speaker. According to the Minister of Finance, you are rich and therefore you must pay this flat tax if you have children. Yes, in calculating your net income for the purpose of the flat tax you cannot claim the deduction for your children. No, if you have children under this system, you're rich.

Second, Mr. Speaker, in calculating your net income for the purpose of the flat tax, you cannot claim the deduction for your donation to charity. If you give to the United Way, under the flat tax you're considered rich and you pay.

Third, Mr. Speaker, if you are extra billed for health care or you have some extraordinary medical bills, you know what, Mr. Speaker, you cannot claim these deductions for these costs. No, if you incur medical costs you must be rich, Mr. Speaker, because you pay the tax.

Yes, ordinary people calculating their net income for the purpose of the flat tax have suddenly become, in the actions of the Minister of Finance, suddenly rich. It's like winning a Lotto 649 and finding out that you have to pay.

They call this an intelligent budget, Mr. Speaker. Well, Mr. Speaker, if you and I have suddenly become rich, who are the poor according to the Minister of Finance's definition? Who are in need of tax relief or evasion? The answer is obvious. This is, after all, a Tory budget.

And let's look now at who the Tory poor are. Who are these poor and miserable creatures, struggling to get along in life? How did the Minister of Finance protect them from paying their fair share of tax on his new, innovative, flat tax scheme?

It's simple, Mr. Speaker. The Minister of Finance, by calculating the flat tax on net income,

allowed them to deduct for the purpose of flat tax, the following necessities: their houseboat; a garage is deductible against a flat tax; their apartment building, or MURB, is deductible under the flat tax. Their frontier oil wells are deductible against the flat tax; their film ventures, investment in films, are deductible against the flat tax.

Yes, Mr. Speaker, the Minister of Finance claims that the flat tax will prevent the rich from not paying their fair share. All you have to realize is that if you have children you are considered rich; if you have medical bills you are considered rich; if you can contribute to a charity or a church, you're considered rich; and you must pay and pay more.

But, Mr. Speaker, if you own an oil well, you're poor. If you own a yacht, you are poor. If you own an apartment building or a MURB, you are poor. If you invest in movies, you are poor, and you don't have to pay the flat tax. Yes, Mr. Speaker, senior citizens who have lost their property improvement grant will have to pay the flat tax. But someone who has just purchased a luxury condominium in the Ramada Renaissance will be able to deduct that from their fair share under the flat tax scheme.

I say, Mr. Speaker, so much to universality and so much for fairness under this new, innovative flat tax scheme.

Yes, Mr. Speaker, this is a truly intelligent budget because the minister himself said it was. In the guise of fairness and equity, ordinary people will continue to share an onerous tax burden.

Yes, there's a real difference between what Tories say and what Tories do. And I would like now to turn to yet another innovative innovation in this budget, the tax on pornography. Now here we have an interesting idea, a tax on the distribution and the purchase of pornographic materials.

Conservatives like to tell us about how much they believe in the sanctity of the family. But it's what they do for the family that is even more interesting. First, what did they do? They legalized liquor advertising. Now that certainly will help families in Saskatchewan, the constant parade of beer commercials across our screens. Alcoholism is probably the major cause of family breakup in Saskatchewan, and yet they allowed the legalization of liquor ads as one of the first acts of this government. Some contribution to the family life they made there.

But this is the year of the intelligent budget so they have moved in on new and innovative ideas. Now we are to have a tax on the distribution and the purchase of pornography. Mr. Speaker, are we in such financial sorry state that we need the revenues from pornography in order to meet our ends? If we wanted to control pornography, why in fact do we not legislate to restrict the distribution of pornography?

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

**MR. KOSKIE:** — Has it come to this, Mr. Speaker, that we, in fact, here in Saskatchewan, must make money off of smut and filth? Or is it, Mr. Speaker, the fact that the only growth industry in this province, since the Tories came to power, is pornography? Of all the intelligent ideas in this intelligent budget, this, I think, is the most shameful. If the province is so badly in need of money that you have to stoop to this level, perhaps you should look in another area to see whether you haven't neglected another area.

I would like to examine now, Mr. Speaker, the budgetary policies in the resource area. We know that for tax purposes in intelligent budgets that if you are rich you are considered poor and if you are poor you're considered rich. Tory budget. And let us see now if the same perverted logic applies to the taxation policies of our resources.

The first assumption that you must make if you are drafting an intelligent Tory budget is that the natural resources of the province belongs not to the people of this province, but to the

corporations that developed them. It follows from that, that in an intelligent budget — Tory style — you have to realize that these companies are doing the people of Saskatchewan a favour by even developing these resources. And if you are Conservative, and if you are a finance minister, you will have no trouble accepting that logic. After all, you have just created a new class of rich for tax purposes in Saskatchewan.

So Mr. Speaker, let us look at how our oil companies are doing in Saskatchewan, let us see how they are treated by the Minister of Finance and the Minister of Energy and Mines.

Well, Mr. Speaker, in 1982 the value of crude oil production was \$1 billion — \$1.189 billion. And the tax revenues, the flow to the people of this province, was approximately \$700 million. 1.2 billion, the value of oil; \$700 million to the people of Saskatchewan. In 1984, the value of crude oil production, based on approximately the same amount of oil, was \$2.169 billion. 2.4, that's twice as much value of oil. Twice as much. And do you know what the revenues are? Approximately \$700 million, about the same.

The value of the oil has doubled — from 1.2 to 2.4 billion — and the revenues to the people of Saskatchewan have remained the same.

(1930)

Mr. Speaker, the oil companies' share of these revenues has increased from \$500 million in '82, to \$1.4 billion in 1984. The provincial share of oil revenues has stayed the same, but oil companies' share has almost tripled to over \$900 million. And, Mr. Speaker, their profits will get even larger because, Mr. Speaker, the Tories at Ottawa just handed over another \$2.5 billion to the oil companies.

Why, Mr. Speaker? Why do they do this type of thing which is of no interest to the benefits of the people of Saskatchewan? Do the oil companies really need these vast amounts of profits? Well, let's take a look. Let's take a look at the records here of the oil companies. Imperial Oil profits for 1984, \$535 million; Texaco profits, 1984, \$423 million; Gulf Canada profits in 1984, \$308 million; Shell Canada profits in 1984, \$158 million. Look at Husky Oil. Its profits jumped over 150 per cent, but unfortunately they still have to come to the government here in Saskatchewan and get nearly a \$400 million loan guarantee for an upgrader. And according to Husky Oil, that unless they receive a substantial tax benefit, that that upgrader will not proceed, and in fact the royalty structure will have to be virtually nothing.

Yes, Mr. Speaker, but these are intelligent Tories that set these policies. You just have to realize two things to know just how intelligent a budget it truly is. You just have to understand that for tax purposes in so-called Tory intelligent budget, that if you are poor, as I said, you're really rich; and if you have large profits, you shouldn't have to be taxed.

I must admit that I was surprised that the Minister of Finance didn't indeed tell the people of Saskatchewan why he didn't, in fact, tell them to show a little initiative, go out and inherit or find an oil well, so you can share in the prosperity like the oil companies. Then they too would become the big winners under this new and innovative budget.

Mr. Speaker, I would like to turn to a couple of specific areas to comment: in agriculture and education in this so-called intelligent budget, they were among the areas singled out for special attention, for five-year plans, they said. And I must admit that I was a little surprised to hear Tories talking about five-year plans. I thought only the Bolsheviks had five-year plans. But then you have here, as I say, a very intelligent budget, so nothing should really surprise anyone.

The Minister of Finance and the Tories are always talking about how they have helped agriculture. They say it's one of the top priorities. Well, let's see what they're doing for agriculture in this new budget.

The last year in agriculture they budgeted \$92.7 million. This year they budgeted \$64.1 million for agriculture, and another 21.3 for agricultural development corporation.

So even with their new fund, their five-year plan, they are actually spending about 7.3 million less than last year in the Consolidated Fund. And if you take into account the Heritage Fund, the total amount that they're spending extra in agriculture, which they say is a priority, is 2.9 per cent, and inflation is 4 per cent. Yes, Mr. Speaker, what they say and what they do are often two different things in this Tory intelligent budget.

Let us look at another of the four corner-stones of this so-called intelligent budget, and that is education.

The minister is proud of his government's commitment to education. He speaks in glowing terms of the extra moneys they found in education. How much, Mr. Speaker, did he find? Where did it come from, and what it will be for education? The answers to this question are revealing of the Tory attitude towards education.

These operating grants included, last year, about 3.5 per cent increase for teachers' salaries. These grants represented an approximate increase of 5 per cent over the previous year, 1984. And you and I know the results of that budget. The school boards across the province were forced to go to local taxpayers for huge increases in their property tax. Urban school boards were forced to increase class size, cut back on maintenance, restrict the purchase of new resource materials. And the quality of education suffered badly.

And now it's a new budget. Now the minister says he's concerned about education. In his words he says, "So now is the time to act. What is required is a major commitment to a new start in education.": Let us examine the major commitment, Mr. Speaker.

Last year the operating grants totalled about \$300 million. This year the operating grants is \$317 million, for a grand total of about \$17 million. This is suppose to be the major commitment in education. And that does not allow for the inflation of 4 per cent, 4 per cent increase in inflation which would reduce the \$17 million to about \$5 million in real purchasing power, and I'm saying that's not much of a commitment to education. And even more cynical is the fact that the minister has budgeted a zero increase for the teachers' salaries in this budget. And in fact when he stood up in this House the other night, in delivering the budget, he indicated that the teachers must have their salaries frozen and all of the money must go to the quality of the students. He singled out, I want to say, one group of individuals to share in developing the quality of education and solely he placed it on the backs of the teachers themselves. He did not, in fact, include the doctors, or the lawyers, or other members of society. He zeroed in on the teachers.

**AN HON. MEMBER:** — The docs got 10 per cent.

**MR. KOSKIE:** — The docs got 10 per cent, as I am informed. In fact, Mr. Speaker, the major commitment to education is not being made by the Government of Saskatchewan. It really has . . . The minister has required sacrifices made by the teachers of this province. This government, Mr. Speaker, is committed to committing others to projects and they call it consultation. Some commitment and some consultation. But then, Mr. Speaker, you have to realize that this is a Tory intelligent budget.

I want to turn to one other aspect of the budget and that is the sales tax on used vehicles. Now this is the other fair tax that was included. This is really a fair tax, and I want to give you a couple of examples here, Mr. Speaker. Let us suppose that you go forward and you purchase a brand-new automobile and let's say it's a 1979 Chrysler Newport, and you go into the dealer and you pay cash and you pay your 5 per cent education and health tax. E&H tax, so you've paid on the total price. Now if you want to get rid of that car, which you have already paid the full

amount on the full price, even if you want to give it to your son who is going to university, you'd have to go and . . . You couldn't give it to him, you'd have to pay some tax on it.

**AN HON. MEMBER:** — That's crazy.

**MR. KOSKIE:** — I know it's crazy. You're right on. That's what I was going to say, just what I was going to say. Any car that is purchased and all the tax has been paid and there has been no trade-in, 1979 Chrysler . . . I could give you my own example. All of the tax was paid, \$9,700 was the price of it in 1979, tax included. And if I want to deliver that car, give it to my brother, say or to my son, they say no, you've got to give another tax to Grant Devine. The Premier of this province wants yet another tax. And you have already paid full purchase price.

And I want to say you can't register it. You want to give it to . . . And so what's happening here is that if you had, say, a 1979 Chrysler Newport as I'm indicating, you want to be charitable and give it to your son, or to a relative, you know what? You have to pay another tax. Double taxation. Double taxation. That's the fairness of the new proposal that is set forward in this so-called intelligent and innovative budget.

I want to say that when you are drafting what is termed the most intelligent budget delivered in Canada this year, one must realize that it was not a real exercise in humility. One must also realize that in order for a budget to be intelligent that there have to be certain principles that one must remember, and one might call these principle the conservative commandments.

The first is, if a conservative proposes tax reforms in an intelligent budget, that means ordinary people pay.

If a Conservative proposes management efficiencies in an intelligent budget, that means that civil servants lose their job and pay.

Three, if a Conservative seeks to protect agriculture from cost-price squeeze, in an intelligent budget, the farmers pay \$1,000 a year.

Four, if a Conservative proposes welfare reform in this so-called intelligent budget, that means that the weak and the helpless will pay.

The fifth, if a Conservative proposes job creation policies in their so-called intelligent budget, that means that the unemployed must pay.

Six, if a Conservative proposed commitments to education in an intelligent budget, that means that school-boards, teachers, and taxpayers at the local level must pay.

Seven, if the Conservative promises highway improvements, Mr. Speaker, in an intelligent budget, that means that highway workers lose their jobs.

Eight, if Conservative seeks to improve university education in their so-called intelligent budget, that means that students and the faculty will pay.

Nine, if a Conservative seeks to improve business climate in this so-called intelligent budget, that means that small business must pay.

And ten, if a Conservative has his priorities correct in this so-called intelligent budget, big business will never pay.

(1945)

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



**MR. KOSKIE:** — Mr. Speaker, this budget qualified as an intelligent budget for all parties, because it obeys all the 10 commandments of the Tory budgets. In fact, Mr. Speaker, this budget is truly intelligent, because it reflects that the one important principle which the 10 commandments are drawn on is greed, not need. This, Mr. Speaker, is the Tory way. And this is why they have placed such enormous burden upon the ordinary, working people of Saskatchewan in this budget: taxes and taxes; taxing items twice or three or four times; debt charges of over \$500 for every Saskatchewan family; cut-backs in services.

The Tory slogan — there is so much more we can be — do you know what it reads now? There is so much more we can pay; so much less we shall receive. The people of Saskatchewan are already talking about a new era, an era of prosperity that preceded your time in government.

Mr. Speaker, if you are so proud of the intelligent budget, I say to the Premier, the Deputy Premier, to call a by-election in Regina North East and test it. Consult the people of Regina North East. Let them render a verdict on your budget. Better still, Mr. Deputy Premier, call a general election. Consult all the people of Saskatchewan. Let them render a verdict on the budget and the actions of this government.

Mr. Speaker, the people of Saskatchewan have had a long and honourable tradition of working together for their mutual advantage. They have created a great province through individual initiative and mutual co-operation. And I say that the people of Saskatchewan will reject your policies, your politics of misery, your politics of confrontation, your politics for exploitation of individuals of Saskatchewan society. I want to say: that is your dismal prescription for the future.

The people will look once again to a political party that measure success not in terms of greed, but in sensitivity to the rights and the needs of others, especially the weak and the helpless in society. They will look once again for a new deal for people of Saskatchewan. They will look for a new decade of progress. They are looking for a new dimension of purpose. They are once again looking to the New Democratic Party.

I want to say, Mr. Speaker, they will reject a future determined by men who face the past with closed minds. They will reject a future determined by an allegiance to the blind traditions of the past. The people of Saskatchewan will reject a future determined by men trapped by blind reliance on failed dogma. They will reject a future determined by men who substitute slogans for substance, and prattle for programs. They will reject the future determined by men who live by exploiting the misery of others.

Mr. Speaker, the people will choose a future with security, with dignity for all. The people will choose a future where exploitation of man by man will end. The people will choose a future where security is based on the ability to pay, not on the ability to pay, but upon simple need. The people will choose a future where reward comes from effort; where security is a right. I want to say, Mr. Speaker, the people will choose a future where they work for peace at home, peace abroad, and for brotherhood of mankind. The people will choose a future where power is used not to enrich the few by exploiting the many, but rather is used to change men and institutions, to change governors and governments, to change nations and to change the world.

The world based on three ideas: individual worth; absolute moral standards; and human dignity. A world based on these three qualities: honesty; caring; and commitment. And out of such ideas and such qualities, I see a new society evolving. A society based not on hate, but one of love. A society of systems changed and lives changed. A society based not on despair, but on hope. A society based not on greedy competition, but on co-operation. A society that will truly be a new world, a new world rising out of a million new hearts.

Mr. Speaker, this budget is based upon discredited dogmas of the past. This budget creates new and onerous burdens on the people of this province. This budget mortgages the future of our children and their children. This budget preserves the past at the expense of the future.

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Mr. Speaker, I have no hesitation in voting against the original motion and in supporting the amendment.

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

**MR. PETERSEN:** — Thank you, Mr. Speaker. After listening to that sanctimonious diatribe, I really don't know where to begin. But I'll make a brave attempt at it, Mr. Speaker.

The member of the opposition who just finished speaking, spoke long and lovingly about a future society, a Utopia, and a thing for which I feel all of us in this Assembly would struggle and work to achieve. Mr. Speaker, he is in the category of people that I classify as wishful thinkers, visionaries. And we need those people, Mr. Speaker. We need those people. But at the same time, Mr. Speaker, while it's nice to stand in front of this Assembly, and the people of Saskatchewan, and talk about a Utopia to come, a new world in the morning, as it were, we have to face some cold, hard facts.

These cold hard facts, Mr. Speaker, face farmers everyday. They face the average working man everyday. They face us in this Assembly everyday. These cold, hard facts, Mr. Speaker, are very simple. There are only so many dollars to go around. People's expectations have been raised over the years. And we have been trying to maintain programs and indeed enhance them as a government. And we've succeeded. We have succeeded.

But, Mr. Speaker, it cannot be done on wishes. It cannot be done by standing up and talking about a new world in the morning. One must have the courage to take action. And sometimes, occasionally, programs that have to be instituted to try to make this new world, this Utopia come about are a bit unpopular.

But, Mr. Speaker, if they are fair, if they make sense, if they are spread out across the entire population, Mr. Speaker, I can live with that. And I cannot understand why the hon. member in the opposition cannot. People demand that we, as a government provide services, and we do. But they can't expect the money to come off some imaginary money tree. It has to come out of taxes that we raise as a government.

Mr. Speaker, I had intended to delve into agriculture as the main theme for my speech this evening, but I think after listening to the Minister of Agriculture earlier today, it would be hard for me to even come close to the eloquence that he put into his speech. So perhaps I'll only touch lightly on some of the areas of agriculture, and then perhaps I'll touch on some of the areas that this budget has affected in my constituency.

This brave new world, that the member for Quill Lakes has envisioned and talks about, is coming true out there, little by little. In the last three years, in my constituency of Kelvington-Wadena, we have had 72 — 72 — new nursing home beds either built, or announced to be built, or are in the process of being built at the present time. Seventy-two, Mr. Speaker. That is more than the aggregate total of all the nursing home beds in my constituency for the previous 25 years.

Is this not working towards that new world, that Utopia, providing a needed service for our pensioners and our pioneers? Then why does the member for Quill Lakes condemn the actions that we have taken?

Mr. Speaker, in my constituency in the last three years, all the school divisions have managed to receive an increase in their basic operating grants. Mr. Speaker, that is not reductions; that is not cuts; that is not going in reverse. That is planning for tomorrow; putting money in there, building schools, putting programs forward, so that our children who are now in those schools can go into that brave new world armed as well as we can possibly arm them, with a good education, a good academic education, and good morals, Mr. Speaker, which is something that perhaps some

members of the opposition are lacking.

In the school division of Wadena No. 46, for example, this year there was a \$109,000 increase in their basic operating grant. That's \$109,000, a 2.66 per cent increase, Mr. Speaker. That's not a cut. That's not a reduction. On top of that, they received 119,000 from the education development fund. That's a very, very substantial increase in my opinion.

As well, the Minister of Education announced that in the town of Wadena, there would be a new elementary school built. The last one was built there just about 35 years ago, maybe 40 years ago.

And it was done, Mr. Speaker, under the auspices of the CCF government who, I might add, in disagreement with the Minister of Agriculture, like the '44 Massey, were a darn good piece of equipment in their time. They certainly were.

Unfortunately some people took some of the basic designs — like the '44 Massey and the CCF — and they proceeded to dismantle it. They proceeded to make what was called improvements, and, lo and behold, we came up with the NDP, that I would rather compare to the Edsel.

So, Mr. Speaker, these thrusts for tomorrow in my constituency are going to help the children that are there, that are going to school. They are going to help the seniors that we have there, who have had a productive life, who have worked hard, and who deserve the care and consideration of a government that cares. A compassionate government. Not a government like the previous NDP administration, that slapped a moratorium on the building of nursing homes. And I can show you that letter, Mr. Speaker. It's disgusting. And to hear the sanctimonious whining and moaning of the members opposite comparing their record to ours, makes me want to throw up. It may be rather blunt, Mr. Speaker, but it's the truth.

Let's take a look at agriculture, Mr. Speaker. Agriculture is the backbone of my constituency. Right across the board. We're a totally rural area. We have about 15 small towns. Agriculture is it.

(2000)

We were fortunate, Mr. Speaker, last year, to be just south of the flood and just north of the drought. We got average crops. Our farmers are surviving. They're doing as well as can be expected. But with low world prices for our commodities, they're having a rough time too. It isn't easy. They're perhaps fortunate the weather was kinder to them than to other places. But they're not having it easy.

Mr. Speaker, those farmers now have the assurance this spring that there will be a pay-out under the Western Grains Stabilization Program. A pay-out that this government, that this MLA, worked very hard to convince the previous Liberal administration in Ottawa to put into gear, to put in place. They didn't do it. We had to get a Conservative government in there to finally come around to our way of thinking and realize that there's more to Canada than a little chunk in the middle. Any how, they will receive perhaps as much as \$12,000 from the Western Grains Stabilization Fund this spring, when they need it, in time for the spring seeding.

Mr. Speaker, we work in conjunction with the federal government. We consult with the federal government. We don't go fight with them. We don't beat on them. We try to talk to them and work with them. Ours is a government of consultation, not one of confrontation — unlike the previous administration.

And it's one of the changes to our tax system that was announced in this budget, Mr. Speaker, was a flat tax. And that tax came about because of consultation between the province and the federal government. And it's the first time in North America it's come about. And, Mr. Speaker, it's a very fair tax. I would personally like to see a flat tax travel even further into our taxation system. But it's a start. And as Saskatchewan has been known for being the leader in things in the

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past, we are continuing that tradition.

But speaking about the past, Mr. Speaker, I guess we should go back to the NDP for awhile because that's exactly where they live and exactly where they are. In the past they've had policy resolution meetings. They've had some wonderful conventions, Mr. Speaker.

1982 NDP policy: Be it resolved that the NDP adopt policies that would tend to limit the average farm size in Saskatchewan. What exactly does that mean, Mr. Speaker?

Just yesterday we had the occasion in this Assembly to see the provisions of the Charter of Rights enshrined, if you would, into many of our laws, many of our rules. And here we have an administration — pardon me, an opposition — that says it wants to limit one of my rights, the right to own land, or to operate land, or to rent land.

I don't know what they mean by "tend to limit the average farm size." Do they mean I'd only be able to own 10 quarters? Do they mean I'd only be able to rent 5 quarters? How would they do it? Would they tie it to the assessment? Would they tie it to my personal income? Would they tie it to the price of grain? Would they . . . I don't know what they'd tie it to, Mr. Speaker. I wonder if they've got anything to tie it to. It's just an idea that popped out of the blue on them. It sounds like a good idea, and it sells out there for the moment to a few non-thinkers. And away they go. As the Minister of Agriculture said, they read the newspapers, and that's the NDP policy for the rest of the week.

1983 NDP policy: Be it resolved as NDP policy that an inheritance tax be introduced. An inheritance tax — taxing what my grandfather or what my father worked for, taxing the families in this province who have tried to work to pass something on to future generations, who have tried to build the family farms, family businesses. They want to put an inheritance tax in.

Oh, here's an excellent one, Mr. Speaker: Be it further resolved that the NDP support a limit on coverage under the Saskatchewan crop insurance program of 18,000 land assessment per bona fide farmer. That one takes a little bit of doing to explain it, but what I get out of that is that they're only going to allow me to ensure part of my crop. Here they say \$18,000 worth of land assessment; maybe next year they'll say 10,000, then the year after that 5,000. Where will they stop? They want to see farmers go broke, Mr. Speaker, so that those farmers have to be dependent on the state. It's the way they think. If big brother government doesn't do it, it's not right. That's their thinking, and it's backed up by their policies. Again, some of them really are interesting, Mr. Speaker. And it frankly makes me quite ill.

In comparison to these doom and gloom and future full of ideas (if I can coin a phrase from the Minister of Agriculture) we, as a government have put in some common sense programs. Yes, we have got programs that protect farmers and help them. Yes, Mr. Speaker, we have programs that some would consider to be a little bit socialistic, if you would. But, Mr. Speaker, we believe in putting a safety net in place to protect farmers when times are tough, not having the government come and buy their land from them and rent it back to them, but provide a safety net for them. Not an iron-barred cage, Mr. Speaker, but a safety net.

And those programs are counselling and assistance for farmers that the Minister of Agriculture spoke about today. We've enhanced it this year. We've fine tuned it. We've made it reflect some of the problems we had out there. But we've got faith in farmers. We're willing as a government to do that. We've got faith that farmers will be able to work themselves out of their problems with a little bit of help, not a complete takeover, just a little bit of help.

We've also helped about 3,800 young farmers start farming in this province in the last three years through our farm purchase program. Mr. Speaker, that's a phenomenal number, in three years, of young farmers who have started farming. That's almost 1,500 a year; let's say 1,200 a year. The members opposite, when they were in government, lost a 1,000 farms a year. Down the tubes.

And they were the government that proclaimed that they were out to save the family farm. And they lost a 1,000 farms a year; a 1,000 farms, Mr. Speaker. They couldn't of cared less so long as their ideas of state ownership and state control continued and were fostered. They didn't care about the ordinary family, s long as their family of Crown-operated businesses flourished.

Mr. Speaker, we've put in programs targeted to various areas of agriculture. We have programs in irrigation, and I'm sure my colleague from Morse could explain them much, much better than I could, since his is the part of the country where those types of programs are most often used. My part of the country tends to be blessed with an over-abundance of water most times. But there are parts of Saskatchewan that require it, and we've put those programs in place for those farmers to use.

We've put in feeder associations loan guarantee programs, trying to get groups of farmers together to work in a co-operative fashion to enhance the cattle industry in Saskatchewan.

Those things, Mr. Speaker, are positive programs, not negative-type programs. They're not meant to limit anyone. They're not meant to hold back someone from engaging in what their rightful place in society should be. They're not meant to put iron bars in front of people. They're meant to get people moving, get people going, get people working, stimulate the economy, generate some money, generate some funds out there.

And maybe if we can do enough of these, that brave new world, that Utopia that the member from Quill Lakes speaks about, will come to pass. But it won't come to pass with wishful thinking, Mr. Speaker. That I can guarantee you.

My constituency, Mr. Speaker, has got a lot of small businesses in it, and they're related to agriculture. They're tied into the processing, the handling, the supplying of various farm products and agribusiness related products.

Mr. Speaker, we lived up to our promises we made in 1982 for small businesses with a program of nine and five-eighths interest. The members opposite sat there and said, no good; the budget's no good.

Mr. Speaker, I have touched on four of the basic corner-stones of our society in Saskatchewan, four of the basic corner-stones for my constituency, which are education, health care, small business, and agriculture, Mr. Speaker, millions of dollars were committed to these particular areas, these four corner-stones, and the members opposite call this budget a flop. I can't quite follow their reasoning, Mr. Speaker, and I don't think I'll even attempt to. Maybe some day one of them, in a really lucid moment, could explain their theories to me, but I rather doubt it.

Mr. Speaker, I could continue for hours and hours on end, talking about the initiatives that this government has put into place; about the programs that we have started and initiated; about the people that we have helped; about a plan for the future — not just living from one budget to the next or one election to the next, but a comprehensive plan, Mr. Speaker. But I'm sure there are other members on this side of the House who would wish to have a few words on the budget.

And with that in mind, Mr. Speaker, I can only say I will be supporting the budget. I will be opposing the amendment.

Thank you, Mr. Speaker.

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

**HON. MR. SANDBERG:** — Mr. Speaker, it's a great privilege for me to rise in the House this evening and speak on the 1985 budget.

Before I get into the text of my remarks, I'd like to recognize in the Speaker's gallery two people who are very dear to me this evening. Of course I name my wife and my mother.

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

**HON. MR. SANDBERG:** — Mr. Speaker, Annie Sandberg is a true pioneer of the province of Saskatchewan. She was an eight-year-old little Norwegian girl when her and her parents homesteaded near Sheho, Saskatchewan . . . (inaudible interjection) . . . Yes, it's in your constituency. And I want to say that I'm going to enjoy a trip back to Sheho this weekend with my mother to look at the sights and the things that are familiar to her many, many years ago, almost 80 years ago. So it's good to have them here tonight.

It's a pleasure, as I said, for me to speak on this most innovative and practical budget, Mr. Speaker. It's innovative because of the new ideas and long-term planning it displays. And it's practical because it meets realistically the challenges facing Saskatchewan today.

I'll speak more on the 1985-86 budget later, but first I want to speak on behalf of my constituents in Saskatoon Centre. Saskatoon is often referred to as the city of bridges, the hub city, or Saskatoon the beautiful. And it is indeed beautiful with its well planned streets, its abundance of trees, its beautiful river and river banks, its good water, and its many green and shady parks. Saskatoon's people are industrious, Mr. Speaker. They have great community pride, exhibited by the tremendous spirit of volunteerism that is displayed in the many community events and charity works that they carry on in a yearly basis.

Mr. Speaker, my city — Saskatoon — is on the move. The population has expanded at 3.9 per cent over the past 12 months and now stands at 171,000, and that's the best in Saskatchewan, better than Regina. This represents one of the fastest growing rates in the country, for my colleague from Regina.

(2015)

Total building activity reached \$204 million worth in the last six years. Building activity exceeded 1.22 billion. On a per capita basis, that's one of the healthiest climates in Canada.

In retail sales, Mr. Speaker, within the last two year, retail sales have exceeded the \$1 billion mark. In 1980, retail sales were 750,000, so that's 250 million in the space of four years, an increase. Through cities 100,000 population or greater and on a per capita basis, Saskatoon leads the nation and has done so for the past two years.

Saskatoon's per capita disposable income ranks number three of the seven western Canada major cities. Calgary is number one, Saskatoon is number three.

In business starts, by the end of 1984, there were in excess of 300 net new businesses. Total net new business starts for the past five years were in excess of 1,200. These new businesses, the vast majority of them small, service, retail-oriented, plus expansions to existing businesses, have been responsible for an excess of 18,000 new jobs. Between March, 1983 and March, 1984, 71 per cent of the provincial labour force growth occurred in Saskatoon.

Of major projects in 1984, Mr. Speaker, there was 3.6 million for establishing the new advanced technology and training centre at Kelsey, directed here by my friend and seat-mate; \$2 million for a new Mer-lin Motors plant north of Saskatoon; \$15 million completion of a 26-storey Hallmark Place in downtown Saskatoon, in Saskatoon Centre constituency; \$30 million Scotia Centre Building, nearing completion on 2nd Avenue; a \$15 million geology building, well under way at the university, and a \$15 million hydrology building well under way at the university; a \$2 million Du Pont Plastics, well under way in the CN industrial area at the south end; and two new high schools.

Now, Mr. Speaker, a quick look into 1985. There's a mood of optimism in Saskatoon, Mr. Speaker. The province is expected to lead the nation in rural growth at 2.9 per cent, as predicted by the conference board. Saskatoon will play a dominant role in this growth as the city is recognized as the provincial centre for education, health, manufacturing, commercial financing, resource development — particularly mining, new technology, food processing, distribution, agricultural business and fast developing as a tourism centre. When compared to the major centres of western Canada, Saskatoon offers one of the most positive and dynamic attitudes towards our business community and, of course, one of the lowest in business tax.

In 1984, Saskatoon had the lowest inflation rate in Canada at about 3 per cent, and one of the most stable and reasonably priced labour forces in the nation; consolidated utility rates for water, gas, electric, and sewer are one of the lowest; and a recent survey by Canada Mortgage and Housing Corporation indicates Saskatoon tied for third out of 25 cities surveyed for quality of life in Canada. Victoria, B.C. was number one, Saskatoon was number three. I'm proud of Saskatoon.

We have positive indications for growth in potash, and oil, and gold development, and a good crop year coming up, God willing. Our population will exceed 175,000 by the end of this year, and there will be no question that it will be larger than Regina then.

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

**HON. MR. SANDBERG:** — New business starts will exceed 250, and real growth should approach two and a half per cent.

Now a brief look at projects, major projects for 1985, Mr. Speaker. We are looking at a 1.6 million expansion to the Northern Telecom plant. They employ 800 people. Five million dollars for a new University of Saskatchewan administration building is in the planning phase, \$2 million for a new Boychuk office complex, 9 million for a new Park Town office complex in the middle of Saskatoon Centre, right next to the Park Town motel at the foot of the 25th Street bridge. \$15 million for a new Tide Water office and residential complex, \$5 million expansion to the Sedco Centre at Innovation Place. I just want to tell you folks how great Saskatoon is, and how it's part of this growing province.

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

**HON. MR. SANDBERG:** — Ten million dollars for a new Circle Drive Alliance Church senior citizens' complex; 2 and a half million to the Lawson Heights mall; \$27 million expansion to County Fair Plaza. It will make it the largest shopping centre in the province of Saskatchewan. A \$21 million new level care home, referred to by my colleague from Saskatoon Fairview; \$9 million for a new Grand Centre Mall; 1 million for a New Worlds Restaurant; and a \$2 million expansion to the Kilburn Hall for juveniles.

Mr. Speaker, we can underscore all of these things I've mentioned with the health minister's budget announcements of last Friday, and again Monday. A new city hospital for Saskatoon at a provincial commitment of \$86,000,900. Now that's performance. The mayor just said the other day that he expected a start on that new hospital within four years. Renovations to the former nurses' residence to a psychiatric care facility worth 1.9 million, and major expansion to St. Paul's Hospital, 43 million — beginning this year. A second-floor addition to the University Hospital — 300 beds, 23 million — beginning this year. Major renovations to the old part of the University Hospital worth 24 million. The cancer clinic, as mentioned by my colleague, the Minister of Health, for \$14,000,300. And two new CT scanners, one of them for Saskatoon.

And of course — and of course, Mr. Speaker, last but not least — a new multi-purpose, Saskatoon arena.

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

**HON. MR. SANDBERG:** — . . . a much needed and long sought after facility for Saskatoon, with provincial funding estimated at 14 and three-quarter million dollars.

**AN HON. MEMBER:** — All of them, eight of them shaking their heads over there.

**HON. MR. SANDBERG:** — I notice them shaking their heads. I want to add that the people of central and northern Saskatchewan, which are some of your people who will make use of this facility, deserve this injection.

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

**HON. MR. SANDBERG:** — We of Saskatoon have long looked with a jaundiced eye, Mr. Speaker, we've looked with a jaundiced eye at Regina's skyline, silhouetted by the high-rise office towers of the Crown corporations which those people built, and the Centre of the Arts, and the Agribition, and so on.

And, Mr. Speaker, I want it known where the NDP of Saskatchewan stand. I want the people of Saskatoon to know what the socialists on Regina's city council think of Saskatoon.

The headline: "Provincial government cuts blamed for higher property tax." Two of the socialists on city council said that. They said, "Rather than spending 12.6 million on a skating rink in Saskatoon, the province should distribute that money amongst the municipalities," and so on. Those folks over there are against Saskatoon, and I want my friends and constituents in Saskatoon to know that — just where they stand.

Mr. Speaker, this new multi-purpose facility will make Saskatoon competitive with the rest of Canada for major sports events, for conventions, trade shows, and entertainment shows. Saskatoon has shown a 6.9 per cent increase in job growth for March, 1984, to March, 1985, as I mentioned. So this project, with its estimated 250 construction jobs and 500 spin-off jobs, augurs well for employment growth in Saskatoon.

Mr. Speaker, some say, why build the arena now in a time of restraint and tough economic time? Well, now is the time to build. They built the old Saskatoon Arena in 1934 in the middle of a recession. Costs are reasonable now, and the jobs are needed now. To build now is a statement of faith and optimism for the future.

At this time I'd like to say congratulations to the people of the YWCA that's located right in the heart of Saskatoon Centre. That new facility has just opened recently. They were conducting tours this week. And I say "good luck" to all the many women, and a few men, who were involved in the operation and financing of Saskatoon's brand-new YWCA.

Mr. Speaker, a final comment on employment. This government has committed over \$600 million to employment programs over the next five years. We're going onward with good planning. Saskatchewan is forging ahead. Recent statistics show Saskatchewan's unemployment rate at 8.6 per cent. That's the best in Canada. Saskatchewan has been consistently number one in employment in these recessionary times.

Mr. Speaker, 14,000 more people were working in Saskatoon in March 1985 than in March 1984 — that should be 1984; 14,000 more jobs in one year and, of course, many more to come. Continued expansion on the high tech front is seen for Saskatoon also. There are more than 100 firms in Saskatoon engaged in advanced technology, and they directly employ about 3,000 people.



Mr. Speaker, back to the topic of health for just a moment. We, the Progressive Conservative Government of Saskatchewan, led by Premier Grant Devine, are committed to excellent health care — well over \$1 billion to health. They, those people over there, can't use the medi-scare word any more. It just doesn't work. There will be no user fees here.

Mr. Speaker, I again want to quote from a newspaper article, from the *Globe and Mail*, dated April 2nd. "Manitoba, a socialist government, to levy user fees." To levy user fees on hospital patients. That's your brothers and sisters, the flag burners of Manitoba. As of May 1st, the Manitoba government will charge chronic care hospital patients a daily fee of \$15.25. Shame on you.

Back to the budget for a moment, Mr. Speaker. \$1.2 billion in new money; a well-planned, five-year program with \$400 million for education; 300 million for health, 600 million for employment development, and 200 million for agriculture. In education, the 275 million is for kindergarten to Grade 12.

... (inaudible interjection) ... If I can start again, Mr. Speaker. 275 million of that education funding for kindergarten to 12, \$1,400 for every child in the province of Saskatchewan, and 124 million of that by my colleague for the universities. That's a 10 per cent increase of 15 million for 1985-86.

I would strongly suspect this means a new College of Agriculture, which is long overdue at the University of Saskatchewan. That decision, of course, is now up to the Board of Governors.

In employment development, 600 million, Mr. Speaker, focused on education and skill training; incentives to employers to help young people find their first job; and promotion of long-term economic development.

In 1985, the fund will provide 50 million for employment incentive programs, and 70 million for longer-term initiatives, including an exciting new nine and five-eighths interest reduction program for small business announced by my colleague from Regina North. That is going to augur well for business and economic development in Saskatchewan.

Mr. Speaker, this budget will ensure more jobs for Saskatchewan people. Saskatchewan will continue to grow and prosper under this budget for the next five years.

In agriculture, 200 million, Mr. Speaker, under the five-year program. In the short-term the Agricultural Credit Corporation, as mentioned by my colleague, will see the loan rate reduced from 14 per cent to 12 per cent. The Farm Purchase Program is extended for one year, plus programs for loan rate reduction and loan guarantees for farmers. The funding increases nine and a half per cent.

And in health, I alluded to that earlier: \$300 million in the capital fund. As mentioned earlier, it'll permit a major program of hospital and nursing home construction.

Mr. Speaker, at this time I would like to offer a salute to my colleague and friend, the minister from Regina Wascana. Three of his programs are working to help our youth find jobs.

Number one, the Opportunities Program. The PC government, under the leadership of Premier Grant Devine, has run three successful summer employment programs to create career-study-related and practical work experience for Saskatchewan students.

During this three-year period, the Progressive Conservative government, in comparison with its former predecessor, has budgeted 8.6 million — or four times more than the NDP. They've sponsored 9,930 employees — or two times more than the former government; created 24,811 work-months — or two and a half times more than those people over there.

This year the Progressive Conservative government has embarked jointly with Canada on an even greater program. A total of \$8 million has been budgeted with a target of 8,000 jobs to be created for Canada-Saskatchewan Opportunities 1985.

(2030)

And then there's the Saskatchewan Access Youth Employment Program for youngsters between the ages of 15 and 24 that can't find work. And, of course, also the Saskatchewan Skills development program, a joint undertaking of Advanced Education and Manpower and Social Services, involving persons on social assistance in academic upgrading and/or skills development through the community colleges and technical institutes. A total of \$11 million has been budgeted to train 3,500 people.

Mr. Speaker, I just want to take a bit of my time to salute co-operatives. As we all know, Co-op Week is in October each year. But, as a co-operator — and I've said that many times in this House — I believe co-operatives should be recognized every day for their contribution to the economy of this province.

Ten of the top 25 Saskatchewan-based firms are co-operatives — the Wheat Pool, number one; Federated Co-operatives, number two. More than 1,200 co-ops are currently operating here. Approximately 200 retail co-ops are located throughout Saskatchewan. And they handle about 15 per cent of the total market, employ 4,300 people. We have 220 credit unions. They handle about 50 per cent of the financial transactions and employ 2,600 people. The co-op sector as a whole employs 14,000 people, and pays salaries up to about one-quarter of a billion dollars, Mr. Speaker. Nobody can tell me that co-operatives aren't important to this province. Sixty per cent of our population belongs to a co-op of one kind or another. They have a proven success record in business ventures of all sizes.

My department's top priority is to encourage and facilitate the development of co-operatives here. We have two particular challenges in the area of agriculture and employment co-operatives. My department is also working closely with the Saskatchewan Housing Corporation and other government agencies to promote and facilitate housing alternatives. Saskatchewan has 12 continuous housing co-ops, providing a total of 549 units.

My ministry is holding ongoing meetings with the chief officials, the presidents and chief executive officers of Saskatchewan's major co-operatives. In an effort to identify new and innovative ways that the co-op sector can stimulate economic growth. I've met with these executives to discuss development opportunities, and we've covered topics from business opportunities and an organization particularly comprised of major co-ops to identify, research, and develop new co-operative enterprises in Saskatchewan. So we'll continue working on that one.

And in the field of new legislation, Mr. Speaker, we brought in the new Co-operatives Act in 1983 and a new credit union Act is on the way. It's going to be a good, excellent Act.

Fifty-five new co-operatives were incorporated during the past fiscal year, a record number, a record number of co-ops. Twelve thousand eight-four co-ops and credit unions are registered here.

And, Mr. Speaker, the New Grade Energy upgrader is coming on stream soon. This heavy oil upgrader, adjacent to the co-operative consumers' refinery in north Regina, is a joint venture between Federated Co-ops and the Saskatchewan government. It's a first, and a beacon of co-operation between the co-op sector, the people of Saskatchewan, the Government of Saskatchewan. It is something that that former administration couldn't accomplish, although they often wished they could get into bed with the co-op sector. They tried to court the co-op

sector, but it was a courtship they couldn't fulfil.

The co-operative business sector has always had a mandate to serve the needs of its members — no politics involved. Co-op business has asked no favours. They ask to be treated as equals to private businesses by governments.

Mr. Speaker, I say the NDP tried in vain to play political football with the co-ops, but they didn't score a touchdown, a field goal, or even a single. An example of that ill-fated courtship, and I want you to pay attention: I have here a document called "Reference and discussion paper for education and policy seminar, March 27 to 29, 1981." Who was in power then? This was to take place at the Echo Valley Centre, and I want to point out to my colleagues and those seven little folks across the way that this document is signed or initialled by Grant C. Mitchell, Deputy Minister of Co-operation and Co-operative Development, March 10, 1981. Grant Mitchell, who I understand is now working in Manitoba.

But what I want to point out about this document to my colleagues is that he had made up a questionnaire, and question number 12 is, now listen to this: How should the New Democratic Party respond to the co-operative challenge? This is a government-paid-for seminar, and he says how should the New Democratic Party, not how should the government of the day respond to the co-operative challenge? If one of my officials put something like this in one of the documents that came out of my department — well, he might be working elsewhere. Not so, under an NDP government.

Question number 13 was: What can the co-operative model and experience teach the New Democratic Party about itself, its evolution, its needs, in the 1980s? The New Democratic Party, not the government of the day, the New Democratic Party. And again, I point out this is signed by the Deputy Minister of Co-operation and Co-operative Development of the day, March, 1981.

That's the kind of politics they've played with co-operatives in the province of Saskatchewan. We don't play those kind of games as the Progressive Conservative government of Saskatchewan.

And Mr. Speaker, I understand the member for Regina Centre brought up some questions about my travels — about my travels as the Minister of Co-operatives on behalf of the people of Saskatchewan.

Mr. Speaker, if I could — and I don't think I'll be unparliamentary — I'd like to compare the member for Regina Centre to a jackal who comes out of his lair and nips at the hind quarters of his intended prey and then slinks off into his feated lair in the rocks. He's not even here tonight, he slunk off like a rattlesnake into the rocks. I want that member, even though he isn't here, to know that since April 26, 1982, the Progressive Conservative government, under the leadership of premier Grant Devine, has committed itself to keeping in touch.

**MR. SPEAKER:** — Order, please. The member continues to refer to members by their names. If you'd refer to them by position or constituency.

**HON. MR. SANDBERG:** — My apologies, Mr. Speaker. The Progressive Conservative government under the leadership of the Premier, the member for Estevan, has committed himself to keeping in touch. That was something you people failed to do, and that's why you were booted out on April 26, 1982.

Countless people, including many civil servants, have told me that it is gratifying to be able to speak to a minister, one on one. They indicated to me that the ministers of the former administration didn't visit with them. They were too ensconced in this great marble palace planning and conniving how to make governments bigger, more repressive and more entrenched into our people's lives.

Well I can tell you, Mr. Member from Regina, wherever you have slunk off to, this is one minister of co-operatives who hasn't sat on his fanny in this marble palace.

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

**HON. MR. SANDBERG:** — I tell that member from Regina Centre that he has insulted, he has insulted the 600,000 members of the co-operative sector in this province by saying he doesn't understand how a Minister of Co-Ops can travel so much. Well, you've insulted the leadership of the co-op sector by telling them they aren't important. Mr. Member from Regina Centre, you tell Ted Turner, the president of Saskatchewan Wheat Pool; call Vern Leland, president of Federated Co-ops; tell Les Tendler, president of Credit Union Central; tell Harvey Wessner, president of Co-Op Trust; tell Gordon Sinclair, president of The Co-Operators; and tell Jeff Strudwick, president of Dairy Producers. You tell them that their membership in all corners of this province isn't important; that I am not supposed to visit with them. You dare tell them that. I'll tell you that the Progressive Conservative government of Premier, the member for Estevan, regards co-operative people as important and vital to the economic and social well-being in the province of Saskatchewan.

Mr. Speaker, I speak for and represent the Progressive Conservative government here virtually every week, and sometimes I speak more than once a week — two, or three, or four times a week. I'm at the Saskatoon cabinet office every week to discuss concerns that people have about our government. That takes a lot of my time and necessitates the use of government transportation vehicles, and that takes money. That's the reason my expense account is where it's at.

I want to tell the member sitting over there — you tell the people, you tell the people of the credit union in Bjorkdale that they're not important, you tell the people at the credit union in Duck Lake that they're not important. Yes, and I want to cover the four corners of the province where I've been as Minister of Co-operatives. You can start at Pinehouse Co-Op. You know where that is. You can start at Cumberland House; you can start at La Ronge; and then you can go down to Waskesiu where I attended a conference of the National Association of Co-Operative Legislatures. You can tell the people at the credit unions at Pierceland, at Lloydminster where I visited the co-ops. Ask Leo Doucet, the general manager of the Lloyd Co-Op if it's worth my time to come out there and visit him. Ask John Vinek, the general manager of the credit union at Lloydminster if it's worth my time and some expense to come out and visit those co-operators there. Ask the people of Spiritwood, of Prince Albert, of Cut Knife where I went out to open the hospital there, and visit the co-op. Ask the people in North Battleford and Battleford. Ask the people at Waldheim, at Prince Albert, at Saskatoon, at Kindersley. Ask Bob Perkins at Kindersley and ask John Mazzei, the manager of the credit union. Ask the people at Kyle. Ask the people at Young and Watrous. Ask the people at Prud'homme where I visited with the member from Kinistino. Ask the people at Melfort and Tisdale. Ask the people at Yorkton, and Melville, and Strasbourg. Ask the people at Bethune, Moose Jaw, Regina. Ask the people at Fort Qu'Appelle and Qu'Appelle. Ask the people at Swift Current and ask the people at Weyburn. And indeed ask the people at Estevan. Now, if that . . . (inaudible interjection) . . . if that jackal from the constituency of Regina Centre still wants to say that this minister isn't doing his job and isn't speaking to the people of Saskatchewan, let him ask them at the next election. Let him ask them at Thunder Creek.

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

**HON. MR. SANDBERG:** — Mr. Speaker, the jackals are starting to flap over there. I think I've said enough; I've hit a nerve. I just want to say at this time that I welcome my brand-new colleague from the constituency of Thunder Creek. I know he's going to be an excellent member.

And I want him to know that I enjoyed talking with the people of Caron and Caronport. I

understand there are even some relatives of the member from Regina Centre out there somewhere. I think they voted for you. At least, they told me they were going to, because, they said, they had no respect for that turkey any more and what he stood for.

Mr. Speaker, I want to commend my colleague, the member from Kindersley, the Minister of Finance, for this truly innovative budget that is going to totally redirect where Saskatchewan is going from here on in. It is an excellent budget, and I support it without question.

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

**HON. MR. SCHOENHALS:** — Thank you, Mr. Speaker. I would like to pick up where my colleague, the member from Saskatoon Centre, ended his discussion, and start by joining with the other members of the legislature on both sides of the House who have welcomed the newest member, the member from Thunder Creek. I was very impressed with his maiden speech the other day, and I'm sure he's going to be an excellent member of our caucus and an excellent representative of the people of that constituency.

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

**HON. MR. SCHOENHALS:** — I would like, as well, to join with all the other members of the caucus in congratulating the Minister of Finance on an outstanding budget which he delivered in this House approximately a week ago.

I think there are two key points that have to be mentioned. I would like to express congratulations on the process that led to this budget, the consultation process which has become a hallmark of this government: back to the days of the water tour leading to the Water Corporation; the process my colleague, the Minister of Health, has gone through in the health areas; the consultation that has led to the many agriculture programs that have been introduced. It's simply become a standard modus operandi, and I think the Minister of Finance also carried it on very well.

(2045)

As well, Mr. Speaker, I would like to congratulate the Minister of Finance for his courage. I think he showed courage in three ways. I think it took a great deal of courage to make a budget that leads to planning for the future, a budget that lays out a five-year plan, allows the people who depend on government funding to plan over a five-year period — something that was never possible before because of the four or five-year budget cycle of funding and grants that were the habitual mechanism of the previous administration. And I think the people of the province that I've spoken to are very pleased to see that happen.

Secondly, I'd like to commend him on his courage in taking a first step in taxation reform in this province — something that is long overdue, something that will lead to further reform. And I think he's to be roundly congratulated on that point.

Thirdly, I would congratulate him on the removal of a rebate program that probably should have never been put in place. I think the press have quoted the Minister of Finance as saying that it's silly. I think that's probably a fairly accurate description of the rebate program.

I think, as well, that the fact that senior citizens who need the money will now receive a grant that is larger than they would have received before, is another reason for commending him.

So, all in all, I think the Minister of Finance is to be roundly congratulated for an outstanding effort.

I would like to, Mr. Speaker, spend a very few minutes tonight setting some elements of the

record of this debate straight. There have been some misconceptions, some less-than-truths, uttered in this debate, and I would like to straighten out a couple of them.

I know that later this evening the members of this Assembly will be voting on this budget speech. I know they've listened very carefully and attentively to the debate that has taken place on both sides, and I would like to indicate what has happened in some of the discussion.

The Attorney General, speaking the other day, indicated very clearly the confusion that existed in the benches of the party opposite. The Premier, speaking yesterday, spoke about the inconsistency that is so obvious in their policies, referring particularly to their resource policies, the area that I am entrusted with.

The Minister of Agriculture today spoke about the knee-jerk reaction that has become customary in their spoken policies on agriculture. If it's in the media tomorrow, it's part of their policy. If it's in the media today, it's part of their policy tomorrow, and so on.

I would like to point out, Mr. Speaker, some of the places where the party opposite tend to stray away from reality in the things they say.

I probably could have chosen examples out of any one of the speeches of the members opposite. I have chosen, very simply, to go to the second page of *Hansard* in this debate and quote a couple of things from the Leader of the Opposition and then I will attempt to straighten out the record on those points.

I am reading from page 852 of *Hansard*, the very top of the page. The quote says:

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

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

Mr. Speaker, the Leader of the Opposition said, no, oil companies shall be free of all taxation. I would make two points, Mr. Speaker. First of all, in this fiscal year, the returns to the provincial government from oil will be the largest single provider of revenue to provincial treasuries.

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

**HON. MR. SCHOENHALS:** — Roughly speaking, one out of every four dollars that have flowed into the provincial treasury this year have come from the oil and gas sector. The actual costs, the actual dollars that the Government of Saskatchewan contributed to build the Geological Sciences Building was \$18.75 million. If the oil industry is providing one in every four dollars, we divide that figure by four. It would seem rather logical to suggest that 4.68 million of that money came directly from the oil and gas sector. Now that is a fairly obvious part of the funding of that building.

The second point that has to be made, Mr. Speaker: once the building was built, it's necessary to furnish it and to supply it with equipment. In an attempt to do that, the university went on a private sector funding mission. They needed \$1.8 million to furnish and to supply that building. They have collected to date 1.7 million, and of that total, of that total, Mr. Speaker, \$1.3 million had been donated by the oil and gas companies who operate in this province. And I think when the Leader of the Opposition says that the oil and gas sector have done nothing to contribute to the Geological Sciences Building, he is either misleading the House or is ill informed.

I would go on, then, Mr. Speaker, and pick up the next three short paragraphs that the Leader of the Opposition used in his budget speech debate. And I quote:

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

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

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

Mr. Speaker, I think the question is not whether that's fair; the question is whether that's accurate. The member from Quill Lakes, speaking earlier this morning — or earlier this evening, excuse me — referred to the same figures. I don't think he knows any better, but I believe that the Leader of the Opposition is well-informed on the inaccuracies in that comment. And I would like to take a moment or two to clarify the record on that point.

The Leader of the Opposition claims that oil revenues today are no greater than they were three years ago, although the price has nearly doubled from \$17 per barrel to \$30 per barrel.

Let's separate the fact from the fiction. To begin with, the actual numbers for the fiscal year '82-83 show that 53.6 million barrels were produced, for a total volume of \$1.4 billion — a total value of 1.4 billion. The average price was \$26.73 per barrel. That's a considerable amount higher than the \$17 per barrel that the Leader of the Opposition chose to use in his discussions earlier in this debate.

For the most recent fiscal year, for '85-86, we estimate that there will be 72.9 million barrels produced, an increase of 36 per cent from three years ago. In his comments, the Leader of the Opposition said that there had been no significant increase. I think a 36 per cent increase in production is indeed very significant.

The corresponding value of production is estimated to be \$2.4 billion. The average price will therefore be \$33.17 per barrel, or an increase of 24 per cent from three years ago — not quite the doubling that was inferred by the Hon. Leader of the Opposition.

Now let's look at the revenues to the province, which is really the crux of the issue. Indeed, total oil revenues three years ago were about \$700 million. But, if you want to compare apples to apples and orange and oranges to oranges, there are some adjustments that have to be made in those numbers, as I'm sure the Leader of the Opposition is very well aware.

To begin with, 217 million of the total was due to our share of the federal export tax, a tax which the province has absolutely no control over. The federal export tax was the difference between the price in the United States — which is a price set by market trends — and the regulated price which was set in Canada. And, as we're all aware, as the Canadian price has gone up the world price has gone down, and that federal export tax has decreased. So 217 million of that cannot be included.

Furthermore, and this is interesting, the oil revenue figure is not net — not net — of the \$57.8

million in incentive grants which were paid to the oil companies under the old NDP program — 57.8 million, Mr. Speaker — almost \$60 million simply handed to the oil companies under the old program. If we make those adjustments, the true net oil revenues, which the province was responsible for, amounted to \$425 million. If we look at the comparable oil revenue numbers for '85-86, it would be \$622.4 million. That's nearly \$200 million higher than three years ago, and in percentage terms it's an increase of 46 per cent. In my books, Mr. Speaker, that would seem very fair.

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

**HON. MR. SCHOENHALS:** — That is only considering the direct benefits to the province from the oil industry. As well this year there will be higher corporate income tax revenues from the oil industry. We can't forget though about the spin-off benefits: increased investment capital has been flowing into the province and, of course, the most important element of all has been the hundreds and hundreds of new jobs that have been created. I think the question may be how the Leader of the Opposition defines fairness, in what type of numerical poetic licence he is prepared to take in order to make a political point.

Mr. Speaker, the Premier yesterday spoke at some lengths about the policies that have been enunciated by the NDP in Alberta, policies that are basically a copy of the very successful programs we have in Saskatchewan. He spoke, as well, about the budget in Manitoba where a tax was placed on consumers and a department official indicated that since their incentive program wasn't working, incentive program higher than ours, or excuse me, lower than ours, they didn't want to change it. It's been documented what the members opposite think about the oil industry.

However, one small statement that I would like to bring out spoken by a member of the caucus of the NDP, a member opposite, a member that some members of my department call the "salt-water sheikh of Shaunavon". He's quoted as saying in an article in the *Leader-Post* in Tuesday March 26th:

The NDP conversely argues against the need for a royalty holiday once a well has been drilled and oil produced, "The least problem an oil company — either small or large — has is paying royalties on a producing well," says the NDP's Dwain Lingenfelter, who is involved in a small oil company that has producing wells in the southwest oil fields. "What people need is a break to reclaim some of their costs when they drill a dry hole."

Mr. Speaker, that short statement probably sums up the NDP's resource policy to a "T". No acknowledgement of the fact that once oil is producing, you still have to have economics in order to recover your investment. And in order to possibly earn a profit, which I know is not a word in their vocabulary, Mr. Speaker, that statement probably explains why.

When we came to government in May of 1982, roughly 50 per cent of the wells that existed in this province were shut in because of policy like that. The exploration and drilling industry had simply left the province because of policy like that. And I'm very proud to be part of the government that has changed that policy and brought that industry back and to the point where today it is our largest single revenue producer.

(2100)

Mr. Speaker, I would make only one point on this. The members opposite continually talk about big oil companies — big business. They never define that title, but I have here a list of the top 20 companies, as far as wells drilled in the province last year are concerned. In eighth place is Gulf Canada — I think you would accept that as a major — Esso resources are nine, Petro-Canada is 18, and Mobil is 20. There are no other integrated in the top 20. Listen to these



companies though and tell me if you believe these are big oil companies — companies like Tri Link, Ukla, Bedford, Voyageur, Urscan, Golden Eagle, Precambrian, Abbotsford resources, Westar, Ocelot, North Canadian, J.C. International, hardly household words, Mr. Speaker, and actually companies that would be classified as small, or at the very best junior resource companies. and I think those are the type of companies that make up roughly 85 per cent of the industry in this province, and I think those are the type of companies that make very significant contributions to the economic life of this province.

Before I sit down, Mr. Speaker, I'd like to spend just a moment saying a couple of words about, as did my colleague the Minister of Co-ops, about the city of Saskatoon. There are some very exciting things happening in Saskatoon these days, and I believe that this budget will help to provide the kinds of services that are required by one of the fastest growing cities in Canada.

Mr. Speaker, this government has challenged the people of Saskatchewan and the communities of Saskatchewan to be aggressive and to realize their potential. Saskatoon has responded to this challenge as one of the leaders in economic increase and job creation by major Canadian cities. In retail sales per capita, and by continually strengthening its role as a major service and supply centre for agriculture and for the resource sector, Saskatoon has emerged as one of the foremost high technology centres in the country — continues to be a city of educational excellence.

Mr. Speaker, I was particularly pleased to hear the announcement from my colleague, the Minister of Health, on Monday with respect to hospital construction. I don't think there's any doubt that there are some problems in that area, and I think these announcements will go a long way to aiding some of the waiting list problems we face in Saskatoon.

A start will be made this year on adding two floors to University Hospital to accommodate 300 patients. Major expansion is to start on St. Paul's Hospital this year; complete replacement of City Hospital to begin in 1988; and construction of a new Saskatoon cancer clinic will begin later this year.

Mr. Speaker, that's a major commitment to Saskatoon in the health care field, and projects that will create construction jobs and boost the economy.

As well, the -Minister of Education has made announcements in Saskatoon. And for the first time since 1978, a headline in the *Star-Phoenix* says that the "School board holds the line on tax increases." It was able to hold the line thanks to a 6 per cent hike in provincial funding and tough board action this year. I think that again is to be congratulated.

In terms of job creation, a couple of other major elements: the nine and five-eighths program that my colleague, the small minister of businesses and tourism, announced today, will have significant effect on the many, many businesses, particularly in my constituency, which is almost all small businesses.

And Mr. Speaker, as well I want to mention the construction of the multi-purpose facility to house sporting events, trade and entertainment shows, and conventions will go a long way towards alleviating some of the unemployment we have, in creating jobs.

Mr. Speaker, I think it goes without saying that I will be supporting this budget and voting against the amendment.

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

**MR. PARKER:** — Thank you very much, Mr. Speaker. On behalf of the constituents of Moose Jaw North, it certainly gives me a great deal of pleasure to participate briefly in this budget debate, and recognize the tremendous effort that was put forth by our Minister of Finance, the hon. member from Kindersley, in his "Partners for Progress" — a very appropriately labelled

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blueprint which spells out the steps that this government is going to take over the next five years to continue on with the advancement of sound, sensible government programs for the people of this province.

One of the new moves that was undertaken this year by our finance minister, and those who work in his department with him, and indeed all of his cabinet colleagues, was the new surcharge, 1 per cent surcharge on income tax. And I think that any time you try anything new or anything innovative, one of the best ways to test the results of it is to try and get a feel for how it is reacted to and received by those around us, and to that end I would like to quote just briefly part of an editorial from *The Calgary Sun* dated April 14, 1985. It says, in part:

Finance minister Bob Andrew announced a flat 1 per cent surcharge on incomes over \$10,000 and a similar reduction in conventional income tax, as the first stage of a move to a single, flat rate of provincial income tax of around 8 per cent. The U.S. is studying it. Several nations in Europe are also. And Ottawa has said that somewhere down the road they, too, will take a look at it.

But Saskatchewan has done something, and this is the important thing, Mr. Speaker.

The Devine government seems firmly committed to introducing a flat tax system before the end of the decade. Ideas go nowhere unless somebody has the guts to give them a try, (the article says). Saskatchewan is going to give it a try, and it's a bold and sensible experiment. Let's hope it's the first step on the road out of Canada's tax jungle.

And I think that's a sincere endorsement for the efforts that the finance minister has put into, hopefully, revolutionizing and simplifying our tax system that we have here.

I think that the first thing one does when a new budget is announced is to look at the implications that that budget has on one's own constituency. And, speaking for the people and the business community of Moose Jaw North, the budget address given by our finance minister was an excellent continuation of the gestures, as they applied to our city, that were unveiled in last year's budget address.

When we combine the announcement last year that Moose Jaw was going to be the headquarters of the new Saskatchewan Water Corporation — a corporation that would initially be employing some 100 families new to the city of Moose Jaw, pouring millions of dollars into the coffers of business in the city of Moose Jaw; and then we add to that the announcement that the Saskatchewan Technical Institute in Moose Jaw is going to receive a 35,000-square-foot addition; and then we find that the business community of Moose Jaw had their questions, and their pleas answered in this year's budget by the announcement today of our excellent Minister of Tourism and Small Business, the hon. member from Regina North, in announcing the nine and five-eighths program designed to assist small business.

Mr. Speaker, as I talked to small-business men in the city of Moose Jaw over the past three years, one thing kept coming up consistently. They were very appreciative of the programs which we were putting forth, but they didn't really give them the total feeling of support that was necessary in times of uncertain interest rates. And they kept asking repeatedly, is there anyway that you can give us some kind of assurance, give us some kind of security against the uncertainty of this area of our cost factor?

Well, Mr. Speaker, we indicated in our platform in 1982 that that was an area that we were seriously looking at providing assistance to, and it's particularly pleasing to see that it was addressed in this year's budget.

When we consider that the budget that was given this year and last year was put together at a time when we're plagued with an international recession. I think it's very, very appropriate that we still recognize the needs — and we still listen to the grass roots — out there in the province of Saskatchewan, and we fashion our programs to respond to their wishes.

I know that the city of Moose Jaw — and particularly St. Anthony's Home and their board of directors — must be very, very grateful and feel very satisfied that their efforts, combined with the efforts of our local MLA's, our city council, our mayor, and the Minister of Health, working together, have come with an announcement that Moose Jaw is going to be receiving 160 level three and four home care beds.

And when you look at the fact that Moose Jaw had never received one level three home care bed the entire term of the NDP government — and that included a cabinet minister right in our city, a high-ranking cabinet minister — I think that the health minister certainly has to be commended for responding to the needs and to the wishes of the city of Moose Jaw and surrounding area.

We saw that, when the NDP were in office, we not only didn't have a new nursing home bed in the city of Moose Jaw, we had a moratorium on the entire province of Saskatchewan.

And when it comes to election time, Mr. Speaker, one thing comes out every year, whether it's a provincial election in Moose Jaw or a federal election — one thing that you can consistently count on. And that's the NDP candidate going around using scare tactics on the elderly, scare tactics that would suggest to them that, if any government other than NDP were elected, they would lose medicare.

I had occasion, Mr. Speaker, to have seniors tell me that they were told by the NDP candidates that if, in fact, the Progressive Conservative government were elected in 1982, one of our existing nursing homes would be privatized and sold off.

These are the kind of tactics that our seniors have been accustomed to. And I think it's going to be very difficult in the next election for the NDP candidates to use these tactics once again in the city of Moose Jaw, or indeed anywhere in the province of Saskatchewan. Because, as we all know, health care has been treated as a top priority with this government, and will continue to be treated in such a fashion.

I was very pleased to note that the finance minister, working collectively with his colleagues, laid out a blueprint for five years in our four key areas of growth in the province, namely, education, health, job creation, and agriculture. And it's certainly a gratifying step to all those working in those various related areas to know that they have something they can count on, and that they can build around.

In the past, they've never known from one year to the next what to expect, whether to expect cutbacks, whether to expect enhancement. And I think that this move was just another example of the progressive, and innovative, and intelligent approach that our finance minister has taken when drafting his budget.

The one comment that I would like to make, Mr. Speaker. I was very disappointed when the member from Assiniboia, in his budget address referred to the people who are finding it necessary to use the food banks, which have been graciously set up around the province, as beggars.

I think that the people who set up the food banks are acting in a very charitable and a decent manner towards those less fortunate in society. And I would suggest that it's less than honourable to call people, who receive food from a food bank, beggars.

And, of course, we know that the NDP's attitude is to exploit human misery and suffering. They play on fear and trauma — very hypocritical in their approach to health care when we see that in Manitoba, where we do have an NDP government, the NDP are now imposing user fees on chronic care hospital patients.

(2115)

So while we have them running around this province using scare tactics aimed at other governments, we see them in Manitoba actually starting to implement user fees.

Well, Mr. Speaker, the people of Moose Jaw North have certainly watched with a great deal of interest the progress of our city and the progress of this government in this province over the last three years. And I think it's very refreshing that in times of recession we can still approach the problems that we have in a positive manner. And we can offer suggestions, and we can offer solutions, rather than relying on a dismal doom and gloom attitude to the day-to-day happenings in society.

And I believe, Mr. Speaker, that each time a document is tabled in this House, be it a throne speech or a budget address, the people of Saskatchewan are becoming more and more convinced that this government is a government that knows where it's going. It's acting in the best interests of the people in this province, and it's shown that it has the courage to address crucial areas and make important decisions.

And I can assure the people of Moose Jaw North that that is the direction that this government is going to continue to take, and we will be responding to the needs of the cities, and we will be responding to the needs of the rural community. And with that, Mr. Speaker, I would just like to indicate that without hesitation I will be completely endorsing the budget speech and voting against the amendment.

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

**MR. SVEINSON:** — Mr. Speaker, I would like to rise this evening and offer a sad lament for this budget on behalf of the people of north-west Regina.

It was without a compeer among swindles. It was perfect, it was rounded, (it was) symmetrical, (it was) complete, (it was) colossal.

That was said by Mark Twain of a swindle many, many years ago. I would have to compare that statement, Mr. Speaker, with what's happened to the people of Saskatchewan as a result of a budget offered by this Minister of Finance and suffered by many, many people — in fact, if you look at the list, suffered by every taxpayer in Saskatchewan, and it could go something like this.

It was without compeer among taxpayer swindles. It was perfect. And there's no question that after hearing in the neighbourhood of 40 speeches in this Assembly, that the members opposite, in their own minds, believe that this budget speech was perfect.

It was rounded. Certainly it was rounded. It takes money out of the pockets of every taxpayer in Saskatchewan, so certainly it was rounded.

It was symmetrical. We can look at the symmetry of this historic document, and it's listed in this "Partnership for Progress," which has been used throughout the province, and when you study the symmetry of this document, it demonstrates very ably how every taxpayer again is touched, is touched where it counts most, in the cash flow position.

Now this province hasn't had, in the last three to five years, the best economic conditions, but it has benefited, according to the members opposite, from the gross mismanagement of a Tory government.

Now how can you translate that into rhetoric that people can believe? Well, you can do it very effectively when you have the tools of a government, and when you have an opposition which chooses to sit in waiting, rather than go to the people of the province with the real truth.

Now just to discuss taxation for a moment. Our illustrious Minister of Finance suggests that his flat tax is such an innovative and such a constructive method of increasing taxes on the shoulders and taking money out of the pockets of Saskatchewan taxpayers. He suggests it's an innovation, that's being looked at in the U.S.; being studied in Europe; and, in fact, is in place in one small island off the British Isles, the Isle of Man.

If anyone has been a student of the flat tax, he would know that it's a tax which basically eliminates — eliminates all deductions and treats all taxpayers equally. Well, this flat tax introduced by Mr. Andrew does that. It treats everybody equally.

**MR. SPEAKER:** — Order, please. I would caution the member to refer to other members by their constituency or by their position, but not by name.

**MR. SVEINSON:** — Well this flat tax, Mr. Speaker, introduced by the Minister of Finance, certainly does that. It takes money out of the pockets of every person in this province over the next five years. It's a five-year tax-heist program.

In his "Partnership for Progress," it outlines exactly how much would be taken from the taxpayer. So a program that's supposedly innovative, supposedly something historical, supposedly going to benefit the taxpayer — and the rhetoric that this government has alluded to basically demonstrates only how it's going to take money out of the pockets of that taxpayer.

I'm looking at some of their other adjustments. What is the removal of the Property Tax Rebate if it isn't simply and solely an increase in taxes? I've heard from embers opposite that, again, it's an innovative program; it's something that offers the people of Saskatchewan hope in areas like education. Well, in the short term, in North West Regina, we have approximately 5,500 home owners and another 1,500 apartment dwellers. Well, the short-term cash-flow loss in my constituency is colossal.

And that's basically at a time when people need the few extra dollars that they can muster for a summer holiday. And this isn't a trip to Bulgaria to sling some bull — as the minister, the former minister of agriculture, takes annually. It's not a trip, a trip to Hawaii. It's simply an outing maybe to a Saskatchewan lake, or a Saskatchewan park. And, without that additional cash flow . . .

And they suggest it was an administrative nightmare. Well, they could have simplified the administration simply by giving the cities and the towns in this province the money. And it could have been subtracted from the local tax base.

In the city of Regina, many of us who are home owners have suffered in the last two or three years. We've suffered a reassessment, and we're paying more taxes. We're paying more taxes. And I'm sure throughout the province it's happened, as well.

And Mr. Minister of Finance can rise and tell the people how innovative, how consultative it's all been. He's talked to people. Well, he hasn't talked to very many people in North West Regina, I can assure you of that — or in Regina, or in Saskatoon, or in small towns across this province, or in Prince Albert, or in Melville, or in Yorkton, who own homes or rent apartments. Their taxes are rising at the municipal level because of a lack of initiative from provincial government. A provincial government which is headed in the area of finance by one Mr. Minister of Finance, who in fact alluded to his budget prior to its introduction as an intelligent budget. Now since when does the word "intelligent" have anything to do with a budget . . . (inaudible interjection) . . .

Now I realize that . . . I heard from the minister of industry and commerce; he said, "It's the first time." We've been in power now for almost three years. The Minister of Finance is the same man that was there three years ago. And unfortunately, it's a budget that addresses a problem that they've created. They've created a \$1.2 billion deficit. They didn't share that deficit with the former government; they've created it. And now we've got to pay for it. Deficits don't disappear; the banks have to collect. And who do they collect mismanagement or government from? They collect it from taxpayers.

Now mismanagement is an excuse that people will not volunteer payment for. I'm sure if it's programs that people can recognize as beneficial in Saskatchewan, and people in this province recognize education as being a very important bench-mark for all of our young people, they will contribute. Mr. Speaker, I say that for mismanagement of government they will refuse to contribute. And the tax increases that we've seen on used cars, the removal of rebates for renters and home owners are nothing more than a blatant, just a blatant request for funds from taxpayers in this province who are now being asked to pay for government mismanagement.

In the last several days we've heard all the rhetoric. But simply boiling this budget down to exactly what the truth is, Mr. Speaker, is boiling it down to a huge tax increase for everybody in this province. And I don't think that I have to dwell on that fact. I've spoken to many people throughout Regina and throughout Saskatchewan in the last seven or eight days, and I can assure you, Mr. Speaker, I can assure you that they are not happy with this budget, and that if, in fact, this government continues this direction, they're going to have to wait till 1987 and come in with a budget that people can identify with and recognize. They are offering nine and five-eighths to small business. Well, small business heard that in the last election. And I don't think small business at nine and five-eighths thinks that that's such a bonanza.

If they require funding, I would think they would look at something a little less than nine and five-eighths to assure a profitable return on a business venture in this province.

You can raise money through public bond issues for Saskoil. You can raise money through public bond issues for Sask Power. Why can't you raise money for public bond issues for farmers, through the same vehicle?

And why can't you pay these bond issues? Why can't you pay the interest rate paid on these bond issues to the investors, Mr. Minister of Finance, so that farmers can borrow the money at 6 per cent, instead of giving your investors a share of the profits, a share of the profits of Saskoil, which turned out to be a 3 per cent bonanza? They would have bought those bonds anyway at market interest rates. They're Saskatchewan investors.

The Minister of Finance laughs. He says, 6 per cent. We'll see interest rate at 6 per cent again. We won't during the Progressive Conservative era in this country, but we will see them.

Now the last point I would like to make is the 6,000 new government employees in this province. This government was a government that was going to trim, was going to trim the civil service. With 6,000 new government employees at the cost of approximately \$50,000 per head, you're looking at \$300 million extra cost to this government since the Progressive Conservatives were elected, on an annual basis. That is the deficit, right there. That is the deficit.

(2130)

I suggest that this government better get their house in order, because they won't be around long.

**MR. SPEAKER:** — Under rule 14(3), it's my duty at this time to interrupt the debate and to allow the mover of the motion an opportunity to close debate.

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

**HON. MR. ANDREW:** — Mr. Speaker, I would like to begin by joining with my colleagues and other members of the Assembly in welcoming the hon. member from the constituency of Thunder Creek. He was introduced to this House the day after the budget, and I would like to join with others in welcoming him.

I have watched many people in their maiden address to this Assembly. What I see in that member is youth. I see in that member some concept of looking at where we're going. And that is very encouraging to me, and I believe it should be encouraging to all members to see young and vitality in this Assembly.

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

**HON. MR. ANDREW:** — Mr. Speaker, I, in the traditional way, would like to respond to some of the allegations and criticisms levied at this budget by the members opposite. The Liberal member from Regina North West, who has made his speech and has now departed, indicates what his priorities would be, Mr. Speaker. First thing he said that was quite clear from his comment is that what this government should do is lay off 3,000 employees in the public service. I don't subscribe to that, and I don't suggest that any other member in this Assembly other than the Liberal member from North West would subscribe to that.

The second comment that he has is that — I find this kind of interesting — is that we, on this side of the House, are quite proud of ourselves in doing more than any other government, I suppose, in trying to establish some interest rate protection, trying to set what we can as a provincial government, some fairer interest rates. And we take a lot of pride in our 8 per cent mortgage we give to the farmers, and today we take a lot of pride in the nine and five-eighths program we give to small business.

The members opposite, the official opposition, are at 7 per cent, and now the member from Regina North West has gone one up; he's going to 6 per cent. The wonder of it though, Mr. Speaker, is here's the rationale of how we should get it. We should go out and sell bonds to the people of Saskatchewan at 6 per cent. Six per cent, and sure, I'm quite confident that most people would buy it at 6 per cent. That's the rationale of the Liberals.

But let's go back to looking at the official opposition, the people that have been sitting in this Chamber day in and day out and providing the opposition to government as opposed to the Liberals. What did they say?

Well the first thing that strikes me about what they said, Mr. Speaker, other than some minor quibbling, they have not contested our agenda. They have not said, no, you were wrong in picking the four areas that you chose to concentrate on — education, health care, agriculture, and job creation. So in effect they are conceding, I think, in this budget, that we are, in fact, on the right agenda with regard to our spending.

So what are they left with then to counter, Mr. Speaker? They're left with two arguments. One, they say that, were we in power, we would do the same things in those four priority areas, but we would give more than you did. That's comment number one. Comment number two is the opposition claims that we haven't raised the extra money in a fair way, and I want to deal with each of those arguments in turn.

It's easy to talk, Mr. Speaker, but the only way we can really know what the opposition stands for is to go back three short years and then 11 before that to when they were in power and look at their record. Nobody will deny that the former government had lots of money to throw around in their terms of office. And that wasn't difficult, Mr. Speaker, when the price of oil in that 11

years increased 700 per cent; and that wasn't difficult when the price of potash increased 500 per cent; and that wasn't difficult when the price of wheat increased 400 per cent.

It would have been difficult, Mr. Speaker, quite frankly, with all that money, to do anything but spend some money. But where were their spending priorities? And do they jibe with the priorities that they now agree with this government as having chosen the right ones?

They would have us believe, Mr. Speaker, that they were committed to education. That was important to them. But what about their actions when they were in government, Mr. Speaker? And what did they show to education?

During their 11-year administration, they allowed the portion of provincial budget allocated to all branches of education to fall by almost 40 per cent. I don't call that commitment, Mr. Speaker.

Then they would have us believe that they would do a better job, better programs in creating employment, than we would. Their unemployment rate, Mr. Speaker, while not the lowest in the country, was a favourable rate. But how did they obtain the low rate of unemployment, Mr. Speaker? How did they obtain the low rate of unemployment during their administration?

I'll tell you how. During the 11 years that they were in office in the province of Saskatchewan, we had the lowest population growth of any province in Canada. Mr. Speaker, when you have your young people leaving the province, not surprising that you have a low unemployment rate.

However, Mr. Speaker, the one thing that we have done is turn that tradition around. We have turned that trend around. Now we are not the province with the lowest growth of population. We are the province with the highest growth in population.

Now in agriculture, Mr. Speaker, the future is what we want to deal with. The opposition claims yes, we were interested; we were interested in helping the farmers; we believe that's a top priority. Why then, why then did the portion of the provincial budget allocated to agriculture from 1971 to 1982 decrease, Mr. Speaker? Why did it?

Now they say we need more interest assistance to farmers. We would move not 8 per cent, Mr. Speaker, 8 per cent to the farmer is not good enough; we should go to 7 per cent. But I say, Mr. Speaker, you judge people by actions, not by words.

And I ask where were they in 1981, and where were they in 1982, when the interest rates were at 20 per cent and at 18 per cent, Mr. Speaker? When did they talk to the farmers then? The problem, Mr. Speaker, they had other priorities at that time.

Now they claim they share our commitment to a first-rate health care system, and I believe everybody in Saskatchewan shares that commitment. And, Mr. Speaker, no political party has a monopoly on proper health care in this province. But the commitment, Mr. Speaker, is not enough.

As I said in the budget speech, their commitment, their commitment to restoring and regeneration of health care facilities in this province would have taken 125 years for each one, at the rate they were going through the system. And that, Mr. Speaker, does not show much commitment.

And what then, Mr. Speaker, what was their commitment, Mr. Speaker? What was their commitment during their time in office? Was it education? Was it for the farmers? Was it to health facilities? Was it to helping and creating jobs for our people to stay in Saskatchewan? No, it was not, Mr. Speaker.

They, Mr. Speaker, they had other fish to fry, Mr. Speaker. They had other fish to fry. And here's



what they were: \$600 million to uranium mines that now they want to close down; \$400 million to buy existing potash mines — and not creating one new job; building gold-plated buildings for Crown Corporations, for what? And the list goes on, Mr. Speaker. That was their commitment. That was their commitment.

Let's now, Mr. Speaker . . . Let me now, Mr. Speaker, deal with their second argument. And that is to say that they would have us believe that when they were in power — or were they in power — that they would not tax anybody but the large corporations.

Well, let's look at the situation, Mr. Speaker. Last year, Mr. Speaker, our government received \$200 million more from the oil industry than they did in 1981 during their last administration. Our government, Mr. Speaker, raised the general corporate income tax for large companies to the highest rate in this country. Our government, Mr. Speaker, raised the fuel on railroads higher than any government in this country, and offset that by reducing the cost to the consumers and the people of this province. In this budget, Mr. Speaker, our government raised the capital tax on banks to the highest in this country. That, Mr. Speaker, is not giving it away to the big Crown corporations.

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

**HON. MR. ANDREW:** — And we eliminated the property improvement grant, Mr. Speaker. We eliminated the property improvement grant. And we were right up front about it and said that's what we're going to do, Mr. Speaker. And that took some courage to look forward. And I'll tell you why, Mr. Speaker, I'll tell you why that has to be done. Here is why it has to be done, Mr. Speaker.

Mr. Speaker, what was happening to funding to education was as follows. What was happening as follows: the property taxes for school taxes in this province had gone up, and up, and up, and up over an 8- or 9- or 10-year period, Mr. Speaker, to the point where local governments found themselves in a position that they didn't believe that they should be able to or could ask people for more tax increases, more tax increases.

And what was the result, Mr. Speaker, what would have been the result? The result, Mr. Speaker, would have been the education system, our children, our grandchildren would not have had the education that is so fundamental to any society.

We made the decision, Mr. Speaker: yes, we would take that load. Yes, we would make that. No, it was not going to be popular. But it was right, Mr. Speaker, because it was dollars going to our children, and dollars going to our education, now and into the future, and I challenge anyone to deny that to be the proper decision.

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

**HON. MR. ANDREW:** — Before I leave the property rebates, I want to talk, Mr. Speaker, about the classic way the NDP deal with the senior citizens of this province. And you can deal with people in many ways, Mr. Speaker, but the one unforgiveable way to deal with a senior citizen is to try to create fear and terror in their hearts with misinformation.

That is wrong, Mr. Speaker. That is wrong by any system, and that is wrong by any principles, and that is wrong by any philosophy, but that is exactly what they have tried to do as it relates to the rebate system, to the assistance on property tax and renters' rebate to senior citizens.

Let's look at the record, and let's let the record talk for itself, Mr. Speaker. And this is based on principles, Mr. Speaker, and perhaps it's time in this Assembly we started to talk about principles, because the money that went to . . .

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

**HON. MR. ANDREW:** — The money, Mr. Speaker, that went to those senior citizens was targeted to those that were most in need of it. And does anybody in this Assembly deny or disagree with that principle? Let him stand now and say. That's what it was done for, Mr. Speaker.

Some will not get it. Some senior citizens will not get that tax rebate, but who are those people that will not get it, Mr. Speaker? It's those senior citizens making an income in excess of \$30,000. And perhaps, Mr. Speaker, those people can afford . . . Maybe those people can make a contribution. But Mr. Speaker, what about the ones, Mr. Speaker, that get an advantage from it? What about the ones that get an advantage from it? That is those people making less than \$13,000 a year, Mr. Speaker, and the people that will get an increase in their property rebate will be, Mr. Speaker, 25,000 deserving senior citizens in this province.

(2145)

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

**HON. MR. ANDREW:** — Then they say, Mr. Speaker, the flat tax introduced — no, we don't agree with the flat tax. But why? They say, well, the principle isn't all that bad, but you're letting somebody with a MURB off, and you're letting somebody with an oil exploration off, and you're letting somebody that makes a film off. And so we are, and too bad for that. And I would have liked to have caught those people, and I will guarantee that in the future we will get those people, Mr. Speaker.

But I want to speak, Mr. Speaker, on this: the members opposite in the NDP Party of this country, in their sanctimonious way, talk about, only we know how to reform the tax system.

They were in government for 11 years. Did they reform the tax system? Not a chance, Mr. Speaker. They added more, on top of more, on top of more, on top of more, until the people said no; we don't understand the system, Mr. Speaker, we want some equity, and we want some simplicity.

Well let me go back, Mr. Speaker. Let me go back and explain to the people, Mr. Speaker, of this province, what we're talking about. And members of this Assembly, if they want to put their politics aside and think about this in the sense of being parliamentarians and what parliament is all about, and what parliament is about, Mr. Speaker, and let me make the analogy at the federal level because that is where the tax rules are established.

The federal government in this country spends approximately \$100 billion a year in expenditures and those expenditures are reviewed by the parliamentary system in this country, and well they should be. Should there be money spent on education? Should there be money spent on transportation? Should the money be spent on agriculture, and that's what parliament is about.

But what happens, Mr. Speaker, on the other side of the equation, what is called tax expenditures. Those are deductions, those are loopholes and, Mr. Speaker, in the country that we live in, those expenditures amount to \$50 billion a year — \$50 billion a year that nobody checks. Now we have developed in this country a progressive tax system, and we should.

We then, Mr. Speaker, look at expenditures of government, and we should do that, and we should appropriate them in the way that we should. But if you look at tax expenditures, Mr. Speaker, it is the most regressive system invented because it's not the poor that benefit from the tax expenditures, it is the rich that benefit from the tax expenditures, Mr. Speaker.

Now, Mr. Speaker, if you want to deal with that question, you can deal with it in two ways: you can deal with it by what I call the plaster theory, and that is to go plug a hole here, and a hole

here, and a hole here, then you get into the loophole argument. Well you can say the whole system is not right, and let's take it and move in that direction. Let's put a flat tax on it, and let's move away from those tax expenditures.

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

**HON. MR. ANDREW:** — How do you do that, Mr. Speaker? How do you do that? You can't do it as a provincial government because you don't run the tax system. But what you do, Mr. Speaker, what you do if you were serious, If you have commitment and courage to do what you believe is right, is you make a start on that process, and that's exactly what we did. And you just watch where we're going on this issue.

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

**HON. MR. ANDREW:** — Mr. Speaker, I want to read a few comments, Mr. Speaker, and I suppose we could read a lot. But let me read a few comments of some of the people in this province that were responding to this budget. The first one is a Bill Duke, who is president of the Western Canada Wheat Growers Association. Here's what he said:

The budget, both overall and as it applies to agriculture, is fairly responsible for the times. While Andrew did not have a lot of money to work with, he did well in seeing the needs of the farmers in dire straits were looked after.

That's Bill Duke. Now, Mr. Speaker, the chairman of the Catholic board of education:

I'm kind of pleased education is the second highest priority of this administration.

The statement of Ted Cardwell of Saskatoon's board of education, describing the budget as "very shrewd":

When every other place in Canada is cutting back, I think the minister did his homework and realized that education is a building block for the future.

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

**HON. MR. ANDREW:** — And Leo Kristjanson, Mr. Speaker, the president of the University of Saskatchewan:

By making education a priority, this government has recognized education is the basis to improve long-term productivity in this country.

And Lloyd Barber, Mr. Speaker, of the University of Regina, and listen to this:

I am very pleased and excited about a five-year plan. For the first time ever, the provincial government is willing to look at education systems from a long-term point of view. This is probably even more significant than the actual increase for education announced in this budget, since it is a signal to an attitudinal change.

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

**MR. SPEAKER:** — Order, please. It's my duty to inform the member that his time has elapsed.

Amendment negatived on the following recorded division.

April 18, 1985

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Blakeney	Engel	Koskie
Thompson	Lingenfelter	

**NAYS — 45**

Muller	Dirks	Smith (Moose Jaw South)
Birkbeck	Currie	Hopfner
McLeod	Sandberg	Myers
Andrew	Klein	Rybchuk
Berntson	Dutchak	Gerich
Taylor	Embury	Boutin
Rousseau	Martens	Schmidt
Duncan	Maxwell	Tusa
Katzman	Young	Meagher
Hardy	Domotor	Glauser
McLaren	Folk	Sauder
Garner	Muirhead	Zazelenchuk
Smith (Swift Current)	Petersen	Johnson
Baker	Bacon	Weiman
Schoenhals	Parker	Swenson

Motion agreed to on the following recorded division.

**YEAS — 45**

Muller	Dirks	Smith (Moose Jaw South)
Birkbeck	Currie	Hopfner
McLeod	Sandberg	Myers
Andrew	Klein	Rybchuk
Berntson	Dutchak	Gerich
Taylor	Embury	Boutin
Rousseau	Martens	Schmidt
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Katzman	Young	Meagher
Hardy	Domotor	Glauser
McLaren	Folk	Sauder
Garner	Muirhead	Zazelenchuk
Smith (Swift Current)	Petersen	Johnson
Baker	Bacon	Weiman
Schoenhals	Parker	Swenson

**NAYS — 5**

Blakeney	Engel	Koskie
Thompson	Lingenfelter	

**COMMITTEE OF FINANCE**

**Motions for Interim Supply**

**HON. MR. ANDREW:** — Mr. Chairman, what I would propose to do at this point in time is move in the Committee of Finance, Interim Supply, for a period of one-twelfth of the year, or one month, which is traditional, and as a result:

Be it resolved that a sum not exceeding \$266,253,390 be granted to Her Majesty on account for the twelve months ending March 31, 1986.

Motion agreed to.

**HON. MR. ANDREW:** — Mr. Speaker:

Be it resolved that towards making good the supply granted to Her Majesty on account of certain expenses of the public service for the fiscal year ending March 31, 1986, the sum of \$266,253,390 be granted out of the Consolidated Fund.

Motion agreed to.

(2200)

**HON. MR. ANDREW:** — Mr. Chairman:

Be it resolved, that the sum not exceeding \$69,005,200 be granted to Her Majesty on account for the 12 months ending March 31, 1986, and this would be from the Heritage Fund.

Motion agreed to.

**HON. MR. ANDREW:** — Mr. Chairman:

Be it resolved, that towards making good the supply granted to Her Majesty on account of certain expenses of the public service for the fiscal year ending March 31, 1986, the sum of \$69,005,200 be granted out of the Saskatchewan Heritage Fund.

Motion agreed to.

**HON. MR. ANDREW:** — Mr. Chairman:

Be it resolved, that a sum not exceeding \$220,830 be granted to Her Majesty on account of the 12 months ending March 31, 1986. And this comes from the Special Projects Fund.

Motion agreed to.

**HON. MR. ANDREW:** — Mr. Chairman:

Be it resolved, that towards making good the supply granted to Her Majesty on account of certain expenses of the public service for the fiscal year ending March 31, 1986, the sum of \$220,830 be granted out of the Special Projects Fund.

Motion agreed to.

The committee reported progress.

**FIRST AND SECOND READING OF RESOLUTIONS**

**HON. MR. ANDREW:** — I move that the resolutions be now read a first time.

Motion agreed to and resolutions read a first time.

**HON. MR. ANDREW:** — Mr. Speaker, by leave of the Assembly, I move that the resolutions be now read a second time and agreed to.

By leave of the Assembly, the said resolutions were read a second time and agreed to.

**APPROPRIATION BILL (Interim Supply)**

**HON. MR. ANDREW:** — Mr. Speaker, by leave of the Assembly I move:

Bill No. 48, An Act for the Granting to Her Majesty Certain Sums of Money for the Public Service for the Fiscal Year Ending March 31st, 1986, be now introduced and read a first time.

Motion agreed to and Bill read a first time.

**HON. MR. ANDREW:** — Mr. Speaker, by leave of the Assembly, I move that the Bill be now read a second and third time.

Motion agreed to and Bill read a second and third time.

The Assembly adjourned at 10:07 p.m.