

# LEGISLATIVE ASSEMBLY OF SASKATCHEWAN

April 18, 1985

The Assembly met at 2 p.m.

Prayers

## ROUTINE PROCEEDINGS

### PRESENTING REPORTS BY STANDING, SELECT AND SPECIAL COMMITTEES

**DEPUTY CLERK:** — Ms. Zazelenchuk, from the Standing Committee on Private Members' Bills, presents the 7th report of the said committee which is as follows:

Your committee has duly examined the undermentioned petitions for private Bills and finds that the provisions of Rules 56, 57, and 60 have been fully complied with in each case;

Of Eric Reid, Douglas Schmeiser, Clarence Fitzpatrick, Phillip Griffin-Warwicke, and Donald Somers, all of the city of Saskatoon, in the province of Saskatchewan;

Of Saskatchewan Co-operative Credit Society Limited and Saskatchewan Co-operative Financial services Limited, both of the city of Regina, in the province of Saskatchewan;

Of Beth Jacob Synagogue of the city of Regina, in the province of Saskatchewan;

Of Rev. Jim Church, Richard Quiring, and Rev. Richard Grabke, all of the city of Regina, in the province of Saskatchewan;

Of Thomas Payne, of the city of Edmonton, in the province of Alberta, and Ralph Garrett, of the city of Calgary, in the province of Alberta.

**MS. ZAZELENCHUK:** — Seconded by the member for Quill Lakes, that the 7th Report of the Standing Committee on Private Members' Bills be now concurred in.

Motion agreed to.

## INTRODUCTION OF GUESTS

**MR. KOSKIE:** — Thank you, Mr. Speaker. It gives me a great deal of pleasure to introduce to you, and through you to the House, a constituent of mine, Mr. Andrew Nystrom, father of the member of parliament for Yorkton-Melville. I would ask all members to join with me in extending a welcome to Mr. Andrew Nystrom.

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

**HON. MR. MUIRHEAD:** — Mr. Speaker, it is a great pleasure to introduce to you and to members of the Assembly a group of 26 grade 8 students from the Allan School, Allan, Saskatchewan. They are accompanied by their teacher, Ernie Melnyk, and parents Mrs. M. Weininger, Mr. A. Watt, and Mrs. C. Davies. They are sitting in the Speaker's gallery.

Mr. Speaker, we wish them a good day in the capital city, their tour of the legislature and other points of interest. I'll be meeting with them after the question period, Mr. Speaker, for drinks and pictures. I ask all members now to join in welcoming this group to the legislature. Thank you, Mr. Speaker.

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

**HON. MR. KLEIN:** — Thank you, Mr. Speaker. It's my pleasure to introduce to you, and through you to this Assembly, 80 or 90 of my young people from Regina North. They are sitting in the west gallery. They are grades 7 and 8 students from St. Gregory School in the Uplands area of our city.

They are accompanied here today by their teacher, Ted Zurowski, who I have been privileged to know for a few years now, as well as other members of the teaching staff.

I know, Mr. Speaker, that our mayor, Larry Schneider, visited this school yesterday for a couple of hours. And in the students comparing municipal versus provincial politics today, I hope we don't disappoint them in the House today with our procedures, and that they will find their visit here informative and informational. And I look to meeting with them after question period to see how they enjoyed that.

I ask all members to welcome them to this Assembly.

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

### ORAL QUESTIONS

#### Negotiations to Reimburse Uninsured Depositors of Pioneer Trust

**HON. MR. BLAKENEY:** — Mr. Speaker, I want to direct a question to the Minister of Finance. It deals with the biggest business collapse in Saskatchewan's history, the February 7th collapse of Pioneer Trust.

On February 20th, Mr. Minister, about two months ago, you issued a government news release which stated that you were pressing the federal government and others for assistance to the uninsured depositors of Pioneer Trust.

I ask the minister whether he can provide the Assembly and the uninsured depositors with a status report on those negotiations, and is he able to give an assurance of an early and favourable conclusion to those negotiations which will see all the uninsured depositors reimbursed for their loss?

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

**HON. MR. ANDREW:** — Mr. Speaker, that negotiation process is still under way. We would hope that we would . . . We would hope, Mr. Speaker, to have a resolve of that very soon. By very soon, I would mean within the next two weeks.

**HON. MR. BLAKENEY:** — Supplementary, Mr. Speaker. On February 20th the minister, in his news release, stated, "I had hoped the situation could have been settled by now," meaning February 20th. It is now two months later, and you are telling us that perhaps in two weeks something will happen. At that time you suggested that you had hoped it would be done by February 20th.

What is causing the delay? Have you put it on the back burner, or is there some other reason for the delay?

**HON. MR. ANDREW:** — I can assure you it has not been put on the back burner. Obviously it's ongoing negotiations with the federal government. I am sure that you, in your tenure as premier of this province, in negotiations with the federal government, there is many details, and sometimes those negotiations do not go as quickly as one would hope.

**HON. MR. BLAKENEY:** — Further supplementary, Mr. Speaker. Is it the position of the government that the depositors who have not received their money and who are uninsured by the CDIC will recover 100 per cent of their loss, and that the only question is: who will pay, and when? Or is there some question about whether they will get full recovery from their loss. What is the position of the government?

**HON. MR. ANDREW:** — Mr. Speaker, the position of the government will be made amply clear when that negotiation has been completed, and an announcement duly made in this Assembly.

**HON. MR. BLAKENEY:** — Mr. Speaker, when the Bank of British Columbia purchased the assets, or some of the assets of Pioneer Trust, some of its branches, can the minister assure us that any net available to Pioneer Trust went to the liquidator and into the pool, and not to somebody else?

**HON. MR. ANDREW:** — Of course I was not privy to that negotiation and that sale. That sale was conducted by the liquidator to the Bank of B.C. I would assume that the liquidator, being duly registered under the Act in a chartered accounting firm of some renown in this country, that things were done according to the law and according to Hoyle.

### **Pioneer Trust Term Deposits**

**HON. MR. BLAKENEY:** — Mr. Speaker, I have a new question to the Minister of Finance, and this has to do with Pioneer Trust and, more particularly, with respect to the term deposits of a term of more than five years.

This is apparently a group in respect of whom a special hardship is being suffered. Many of them had deposits under \$60,000, and they're still not insured. I have letters here from retired farmers who have sold their farm and placed their life savings in Pioneer Trust in the form of guaranteed income averaging certificates, and members will be very familiar with the guaranteed income averaging certificate. And it provides for a monthly sum over a period of time.

This one is for a period of over five years, and the person has been advised that (in this case) she is uninsured. The certificate which she has says: Pioneer Trust Company Guaranteed Income Averaging Certificate. And under the signature of the president, it says: Member, Canada Deposit Insurance Corporation.

Member, Canada Deposit Insurance Corporation, from which the depositor, I am advised, assumed that the guaranteed income averaging certificate was insured by the Canada Deposit Insurance Corporation, and surely a reasonable assumption.

Is there going to be coverage for those depositors who got a certificate headed "Guaranteed Income Averaging Certificate of Pioneer Trust, Member, Canada Deposit Insurance Corporation?" Are you going to take steps to see that these people, who had reasonable grounds for believing they were insured, are you going to see that they are paid?

**HON. MR. ANDREW:** — Mr. Speaker, that is certainly one of the issues that is presently on the table being negotiated. I think that there is no doubt in some of the cases of what is referred to as the IAACs, the income averaging annuity contracts, that there was clearly a misrepresentation made in the selling of those IAACs that they were covered by CDIC. There is documentary evidence to prove that there was clearly misrepresentation there. Clearly, by law as well, as you are aware, the action on misrepresentation would be against the person selling it, which now becomes a bankrupt company.

An argument, obviously, has been advanced that the appropriate people dealing with the control and the regulation of that should have been able to catch that type of thing, and the question is raised as to whether or not a valid argument is made that there is some responsibility

to the regulator. That is clearly one of the issues at hand today. I would not wish to say more than that, other than that is one of the areas we are negotiating and are hopeful that we can have a resolve of it.

**HON. MR. BLAKENEY:** — Supplementary, Mr. Minister. Do you take the position that the entire responsibility for regulating the trust company fell on the federal officials, and none on the officials of the Government of Saskatchewan?

**HON. MR. ANDREW:** — Clearly, Mr. Speaker, as it deals with the question of income averaging annuities and whether or not something qualified for CDIC, I would suggest that that is something that clearly falls into the gamut of the regulator of the federal authority.

**HON. MR. BLAKENEY:** — Mr. Minister, new question, Mr. Speaker. You will be aware that this is not the only trust company in Canada that has failed. You will be aware that three trust companies in Ontario, at least, have failed — Greymac and Crown and Seaway — and you will be aware that the government of Ontario, apparently in negotiation with the federal government, provided for 100 per cent reimbursement for all depositors. You will be aware that when the North West Trust in Alberta was threatened, the Alberta government, through the treasury branch, acted so that all of the depositors were covered.

Will you take the same position as the Ontario government and the Alberta government and see that the depositors in each of these cases receives the same treatment in Saskatchewan as they did in Ontario and Alberta?

**HON. MR. ANDREW:** — Well, Mr. Speaker, if you're asking, would I endorse the approach taken by the Government of Ontario in the Greymac matter, would I endorse the position taken by the various governments on the North West Trust question or on the Canadian Commercial Bank question, I suppose one would have to see whether or not the proper decision was taken, given the likelihood of those particular industries, particular to Alberta ones — North West Trust and Canadian Commercial Bank — what their chances of success are with the injection of money, which was substantial injection of money.

The similar argument is made with regard to the Alberta government's injection of a fair amount of money into . . . took care of the credit unions of Calgary and the credit unions in Edmonton, which are in similar questions.

I find it, by the way our law seems to be working, and the tone of your question, somewhat unfortunate if the mechanism that has to be used in order to protect the depositors is that you must put money into a floundering company to bail it out. And it seems to me, quite frankly, that the law and the rules and the way the game works is, in fact, unfortunate if that tends to be the strategy that is employed. It's a little different, I think, in the Crown, Greymac question, as to the way that worked.

I think obviously the second tone of your question becomes: given that we took the approach to go the other way, based on the fact that it didn't make sense economically, is there now an obligation to be treated equally one to the other?

That argument has some merit. Certainly that is the nature of some of the negotiations presently under way with the federal government, and we would hope for a satisfactory resolve of that situation.

**HON. MR. BLAKENEY:** — Supplementary, Mr. Minister. As you have indicated, you had two choices. You could have gone the "prop" route of Alberta or "protected depositor" route of Ontario. You have done neither. You didn't preserve the corporation, the trust company, and you are not at this point undertaking to reimburse the depositors, the uninsured depositors.

I am not now quarrelling — although under other circumstances I might — I am not now quarrelling with which course of action you took. You took the Ontario one. Will you do what the Ontario government has done in seeing that all of the depositors get 100 cents on the dollar as the depositors in Greymac Crown and Seaway did?

**HON. MR. ANDREW:** — My understanding and I stand to be corrected on the Crown Greymac, while they were covered in the process of winding those trust companies down, the burden of that fell on CDIC (Canada Deposit Insurance Corporation) and did not fall on the Ontario treasury. And from that point of view, clearly the case at hand I don't think is on four squares with Crown Greymac situation.

**HON. MR. BLAKENEY:** — Supplementary, Mr. Speaker. With respect to your assertion that the CDIC bore the loss with respect to the Ontario companies, will you prevail upon CDIC to similarly bear the loss in this case since there is no substantial difference in the facts on any real analysis?

**HON. MR. ANDREW:** — Well clearly, as I indicate, I don't want to make the basis of the negotiations with the federal officials public, and I don't want to conduct that debate in public. I don't think that's the appropriate way to handle it.

But clearly when one is dealing with this question, one also is cognizant of various actions, be it the existing federal government or the previous federal government that was involved and responsible on the Greymac question. The Crown Greymac question was substantially more than that.

At that point in time, as you will be aware, the deposit insurance was only \$20,000 per depositor. They — when I say they, CDIC — made a retroactive decision that says now we will cover them, not for 20, but up to 60. They went further and said, now that we have done that, we can probably save money by doing a wind-down of this thing as opposed to going to a liquidation of it.

The net result of that is that they placed CDIC, the Crown corporation that it is, or the institution that it is, with a significant, significant debt that now has to be dealt with. The Minister of State for Finance, I think to her credit, is trying to now grapple with, and has for some time grappled with the question of CDIC and how that whole mechanism should be in place. I believe that becomes an important and interesting debate in itself. I think that there is some lessons that CDIC could garner from the way the credit union movement is, in fact, handled in Saskatchewan.

When the minister advances that particular white paper or green paper, we would certainly as a government hope to make representations. And I would certainly encourage the members opposite to equally make representations with regards to that broader question which becomes fairly important, and that is how you deal with being able to put your money in a bank or a trust company with some degree of certainty that at the end of the day your money is going to be safe there.

**HON. MR. BLAKENEY:** — Supplementary, Mr. Minister. You have in effect said that the federal government is treating our trust company differently than the others. I want to put this question to you: do you not agree that you have a special responsibility to the depositors of Pioneer Trust, in view of the fact that you first issued a statement saying you were going to guarantee preferred shares of that company, and then withdrew that guarantee, and thereby led a good number of depositors to believe that their money was safe when, in fact, it was not?

**HON. MR. ANDREW:** — I certainly . . . I have indicated before to the media that certainly anybody that made deposits after the announcement that we took, that would obviously give them some sense of security, and from that point of view, whether legally, certainly morally, we would be obligated to provide some assistance.

With regards to the initial involvement in the whole question, I would not agree with that. If we had not done what we did back in November, again in January, the real reality of the situation is, Pioneer Trust's doors would have closed in November or closed January 1st. We tried to avoid that from happening. We did what we could to see whether or not we could solve and fix the problem. And I can assure you, a lot of time was put in to trying to come to grips with that issue.

At the end we decided it was not possible, that what we would be doing is putting at risk some 30 to \$35 million of Saskatchewan taxpayers' money. We made the decision, difficult as it was, that we should not proceed.

**MR. SHILLINGTON:** — Mr. Minister, will you admit that you gave a guarantee to Pioneer Trust, that you withdrew that guarantee, and that that was the direct cause of the failure of Pioneer Trust? No, we did not. That's number one. Number two, was the action of the government instrumental in the collapse of Pioneer Trust? No, it was not.

What was instrumental in the collapse of Pioneer Trust was the fact that they had significant investments, primarily into the Alberta market — not unlike the credit unions of Calgary and Edmonton; not unlike North West Trust; not unlike Canadian Commercial Bank — along with some questionable investments in the United States. Those investments went sour. That is reason number one.

Reason number two is because of some, I believe, management shortcomings within Pioneer Trust. The result is that that company became and found itself in an insolvent position. And what happened was what had to happen.

**MR. KOSKIE:** — I just want to further ask you, Mr. Minister. In your letter of November 21, 1984, you indicated:

Dear Mr. Klein: Please be advised that the Government of Saskatchewan will guarantee \$27.5 million preferred share offering of Canadian Pioneer Management Ltd.

And that is the precise statement which you made in your letter. That statement was published that the Government of Saskatchewan was going to guarantee Pioneer Trust. And what I am saying is that some of the depositors, by virtue of your statement and commitment, may have, in fact, jeopardized or delayed action which may have minimized their losses.

**HON. MR. ANDREW:** — Two things in response to that question. Number one, the \$27.5 million referred to in that letter — it became very clear that that would not fix the problem of Pioneer Trust. That's number one. And Pioneer Trust, in fact, will subscribe to that, as well. Number two, that letter was provided to Mr. Klein so that he could take it to the appropriate authorities to ensure that his licence was not dropped and the doors were not shut.

I have indicated on several occasions, Mr. Speaker, to the media and to the others, that if I'd had my druthers, and should I have signed the letter, the answer is clearly, I should not have. I gave it to the . . . (inaudible interjection) . . .

**MR. SPEAKER:** — Order, order!

**HON. MR. ANDREW:** — Mr. Speaker, I provided the letter to Mr. Klein. On that basis, I . . . we understood that that letter was to be used solely to deal with the superintendent of insurance. I

am confident that that letter was not widely circulated to use to encourage people. Mr. Speaker, I believe that that letter was not widely circulated, or circulated at all, prior to, Mr. Speaker, the time of the collapse of Pioneer. I am confident of that. I have been so assured by the people of Pioneer Trust that that letter was advanced to, that it was not used by it.

**MR. KOSKIE:** — Mr. Minister, you have now agreed that you were in error to have made that commitment and that guarantee, but, by the very admission that you were in error, the next corollary follows that you are now responsible to the depositors because you jeopardized their security. On your representations, they did not take the necessary actions which may, in fact, have reduced their losses.

**HON. MR. ANDREW:** — I indicated, Mr. Speaker, the following: number one, 27.5 was not enough to solve the problems of Pioneer Trust. That is clear. They would have still been in that situation, Mr. Speaker, in a negative position.

Had we not given and provided that letter, Mr. Speaker, Pioneer Trust's doors would have closed November 21. That, Mr. Speaker, we tried to avoid in any way we possibly could, to try to ensure that all stones were overturned in an ability to try to save and preserve the Pioneer Trust Company in Saskatchewan.

When we got into the details, we went through it and through it and through it, and we came to the decision that it was not possible to do with that kind of money. It was not possible to do with \$35 million, Mr. Speaker. And, as a result, we took that decision. We provided that comfort, Mr. Speaker, to Mr. Klein in good faith. He now seeks to use it in a bad-faith way. That's his choice.

**MR. KOSKIE:** — Will the minister then, therefore, from what he has said . . . You clearly, in your letter to Pioneer Trust, indicated that you were going to guarantee \$27.5 million in preferred shares. I would like to ask the minister: did you have no examination of the state of the companies at the time that you made that guarantee? Is that what you're admitting now to the people of Saskatchewan?

And secondly, is the result of what has happened here — you gave the guarantee, and now the people of Saskatchewan can't depend on that — is the people of Saskatchewan, can they no longer depend on a guarantee made by this government?

**HON. MR. ANDREW:** — Well, Mr. Speaker, that letter was provided in good faith to Mr. Klein to keep the doors open at Pioneer Trust. That's what we did; that's what we tried to do.

We, at various times, asked for (and made it very clear to Pioneer Trust), that we were wanting information A, B, C, and D, and we wanted that provided to us, and we wanted to check it, and we wanted our officials to check it to ensure that we made the proper decision for the people of Saskatchewan. That's what we did. That information was very slow in coming.

When it finally was all on the table, or as best we could obtain, Mr. Speaker, we took the decision that it was not a good deal for the people of Saskatchewan.

## INTRODUCTION OF BILLS

### **Bill No. 42 — An Act to provide for Financial Assistance to Students for the Pursuit of their Studies**

**HON. MR. BERNTSON:** — Mr. Speaker, on behalf of the hon. member I move first reading of a Bill to provide for Financial Assistance to Students for the Pursuit of their Studies.

Motion agreed to and, by leave of the Assembly, the Bill referred to the Non-Controversial Bills

Committee.

**Bill No. 43 — An Act to amend The Department of Advanced Education and Manpower Act**

**HON. MR. BERNTSON:** — Mr. Speaker, on behalf of the hon. member I move first reading of a Bill to amend The Department of Advanced Education and Manpower Act.

Motion agreed to and, by leave of the Assembly, the Bill referred to the Non-Controversial Bills Committee.

**Bill No. 44 — An Act to amend The Venture Capital Tax Credit Act**

**HON. MR. BERNTSON:** — On behalf of the hon. member I move first reading of a Bill to amend The Venture Capital Tax Credit Act.

Motion agreed to and, by leave of the Assembly, the Bill ordered to be read a second time at the next sitting.

**Bill No. 45 — An Act to amend The Education Act**

**HON. MR. BERNTSON:** — Mr. Speaker, on behalf of the hon. member I move first reading of a Bill to amend The Education Act.

Motion agreed to and, by leave of the Assembly, the Bill referred to the Non-Controversial Bills Committee.

**Bill No. 46 — An Act to amend The Urban Municipal Administrators Act**

**HON. MR. BERNTSON:** — Mr. Speaker, on behalf of the hon. member I move first reading of a Bill to amend The Urban Municipal Administrators Act.

Motion agreed to and, by leave of the Assembly, the Bill referred to the Non-Controversial Bills Committee.

**Bill No. 47 — An Act to amend The Community Capital Fund Program Act**

**HON. MR. BERNTSON:** — Mr. Speaker, on behalf of the hon. member, I move first reading of a Bill to amend The Community Capital Fund Program Act.

Motion agreed to and, by leave of the Assembly, the Bill referred to the Non-Controversial Bills Committee.

**MR. SPEAKER:** — This has been a fairly noisy period in the day, and I'm going to refer the members to our rule book. I think it's time that many of you had another look through it. When we're going down the order paper, and particularly when the speaker is on his feet, there is to be silence in the Chamber and, effective tomorrow, that's going to be very closely watched.

**ORDERS OF THE DAY**

**SPECIAL ORDER**

**ADJOURNED DEBATES**

**MOTION FOR COMMITTEE OF FINANCE (BUDGET DEBATE)**

The Assembly resumed the adjourned debate on the proposed motion of the Hon. Mr. Andrew



that the Assembly resolve itself into the committee of finance and the amendment moved thereto by Mr. Engel.

**MR. THOMPSON:** — Thank you, Mr. Speaker. First of all, I want to take this opportunity to congratulate, and to welcome to this Assembly, the new member from Thunder Creek.

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

**MR. THOMPSON:** — Mr. Speaker, I want to make a couple of initial comments about this budget. First, of course, it was a tax increase budget, the largest tax increase in Saskatchewan's history. Second, it was an unfair budget, for those huge tax increases are imposed on Saskatchewan people who will lose their property tax rebates, pay more in sales tax, and more in income tax — big tax increases, unfair tax increases for farmers, home owners, renters, seniors, small businessmen, and working people.

Mr. Speaker, it's quite, quite ironic that in three years, and four budgets, the Conservative Government of Saskatchewan has taken \$140 million surplus by the admission of the Minister of Finance, his own admission, a \$140 million surplus, and has now turned it into a \$1.2 billion deficit — \$1.2 billion. Mr. Speaker,; that is unheard of in three years.

But what about the oil companies? What about the CPR? What about the big multinational resource companies? Where are the tax increases for them? Nowhere. An unfair tax budget; tax increases; unfair taxation and third, a budget that is completely inadequate on the expenditure side. Cuts in the highway capital construction program, highways in this province, Mr. Deputy Speaker, which are deteriorating on a daily basis. And now we see this government and this budget that comes up, and they have \$15 million less in highway capital. Cuts in children's dental care; grants to municipalities frozen. A bad budget, a budget with the wrong priorities — an unfair budget.

And just to prove just how unfair the new tax system is, if the president of a big oil company, or a Saskatoon banker trades in his one-year-old Mercedes on a new one, he benefits from this, Mr. Deputy Speaker, from this tax change. If he buys a new car at \$35,000, and trades in his one-year-old for 30,000, he now pays sales tax of 5 per cent only, on the \$5,000 difference. So, he saves 5 per cent on \$30,000, which is \$1,500.

Mr. Deputy Speaker, but if a farmer or a small-business man has to buy a used half-ton truck for his farm or business, he now has to pay more. If he buys a used truck for \$10,000, he now has to pay the new 5 per cent sales tax on that. Five per cent of \$10,000, he has to pay \$500 more in sales tax. The rich individual who can afford a large car each year saves himself \$600. But a farmer or a working person pays an extra \$500.

Mr. Deputy Speaker, but if a farmer or a small-business man has to buy a used half-ton truck for his farm or business, he now has to pay more. If he buys a used truck for \$10,000, he now has to pay the new 5 per cent sales tax on that. Five per cent of \$10,000, he has to pay \$500 more in sales tax. The rich individual who can afford a large car each year saves himself \$600. But a farmer or a working person pays an extra \$500.

The Conservative government continually talks, Mr. Deputy Speaker, about just how well things are in the province. And I want to now give you an explanation of just how things are not good in this province. And I'm quoting now, Mr. Deputy Speaker, from the budget address of last Wednesday:

Provincial revenues from personal income taxes are collected on our behalf by the federal government through the national taxation system. Compared to the original estimate made by the federal government about one year ago, the income tax base for all provinces, including Saskatchewan, has fallen by \$3.9 billion. These re-estimates have cost Saskatchewan \$130 million.

Individual income estimated in 1985 at \$714 million — estimated. This year they will receive \$584 million, 18.2 per cent drop.

Mr. Deputy Speaker, when you take a look at that, and the amount of dollars that are paid less by

the working people, or the people who are paying the taxes in Saskatchewan, you find that there's \$130 million shortfall. And that shortfall is not because individuals in the province have been evading any income tax. It's because they're just not earning the type of money that they used to earn.

So when they get up here, the Conservative members, and they indicate to the citizens of Saskatchewan that things are good, and that there's prosperity in this province and trust me, Mr. Deputy Speaker, I say just take a look at the facts, and they don't lie. There's \$130 million shortfall on individual income tax in this province, and that is because individuals are not making the type of money that they used to.

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

**MR. THOMPSON:** — Mr. Deputy Speaker, let me turn for a moment, just a moment, to one of the most basic and important parts of our provincial economy, the small businesses. Local Saskatchewan businesses, an economic sector that has been talked about by this government, which the Devine government does not really understand and which has ignored.

(1445)

I say it is one of our most important economic sectors, Mr. Deputy Speaker, for when small business is prosperous, Saskatchewan is prosperous. When small business is growing, Saskatchewan people are working. And that is the key — Saskatchewan people are working.

There are about 35,000 small businesses in our province today. If just half of them were able to prosper and to grow, and to hire one extra employee, we would wipe out the total youth unemployment problems that we face in this province. But small business, Saskatchewan business, have been ignored by this government. It prefers its open for big business policy, trying to lure big foreign companies and investors to come to Saskatchewan from Vienna, and Hong Kong, London, Paris, New York, Palm Springs.

The Devine government prefers to deal with only big business. A \$135 million loan guarantee to Manalta Coal of Alberta — a \$135 million loan guarantee to Manalta Coal from Calgary to buy a Saskatchewan-owned coal-mine.

We now see what the Conservative government has done. They have sold the drag-line to Manalta Coal of Calgary, Saskatchewan-owned drag-line, for \$30 million, and have leased it back for 30 years. One can't lose on that, Mr. Deputy Speaker. I could have bought that if I would have had that type of a guarantee. Anyone could have. But what did they do? They went and sold it to Calgary, a Calgary firm, and the next year they turned around and they sell them the whole coal-mine. And now Saskatchewan Power is leasing back, for 30 years, coal that belongs to us, from a Calgary firm.

Small business in Saskatchewan has been ignored by this government, trying to lure big foreign companies and investors to come to Saskatchewan.

When I talked about the Manalta Coal and the coal-mine, I now want to turn to a \$390 million loan guarantee to Husky Oil of Alberta. And this year alone, more than 140 million in the budget under the Department of Finance to be sent off in interest payments to the bankers of Bay Street and Wall Street. But what about the Main Street? What about Saskatchewan business who the Conservative government has neglected and ignored?

Mr. Speaker, the Minister of Tourism and Small Business has indicated that he is going to make available to the small business community of this province, loans at 9.5 per cent. I say to you, Mr. Deputy Speaker, and to the small business community in Saskatchewan: that is not what is going to solve the problem of the small businessmen in this province. No, it's not. And I have been

around Saskatchewan, and I have talked to many small business men in this province, and they tell me their main problem is that nobody is coming in to buy anything. They're not buying because they haven't got the money to buy. They haven't got jobs. They haven't got security. When you take a look at the amount of individuals who are on unemployment insurance, who are on social assistance, they are just not buying, and that is the problem. If you want to solve the problem of small business in this province, Mr. Deputy Speaker, then you have to get Saskatchewan working again, and that will solve the problem.

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

**MR. THOMPSON:** — They promised them so much; they delivered so little. Promises made, Mr. Deputy Speaker, promises broken.

Let me now turn for a moment to one of the most important parts of the government performance — its poor record of performance on jobs and job security. Let's just consider a few facts, Mr. Deputy Speaker. In 1981, Saskatchewan unemployment rate was around 4 per cent. In 1981, around 4 per cent in this province. And that was still too high, but below 5 per cent. Unemployment was below 5 per cent. The next year under the Conservative government, the rate had jumped to over 6 per cent in one year — from 4 to 6 per cent. Then in 1983, the Conservative government's policies increased the rate again to over 7 per cent, and to 8 per cent in 1984, and today, up to around the 10 per cent rate. That's what we have in Saskatchewan today.

In the last three years of the Blakeney government, Saskatchewan created an annual average of 9,000 jobs per year. In the first three years of the Devine government, however, only 4,600 new jobs per year on the average, and I consider that, Mr. Deputy Speaker, to be a very poor record. And they're not true statistics what they put out. They say that we have the lowest unemployment rate in Canada, and I say to you, Mr. Deputy Speaker, and as you go around this province, you'll see many individuals who are working for 4.25 an hour on job creation projects that have been created by the Conservative government — short-term jobs just long enough to that they can draw UIC. That is where these statistics are coming from. Not that they are good, long-term, secure jobs. They are short-term jobs, and that, that will come back to haunt the Conservative government, Mr. Deputy Speaker, as soon as they get the courage to call an election in this province.

In fact, the number of jobs for our young people has actually dropped sharply. Since the Conservative government took office in 1981 — and I'm speaking about the youth in the province now — there were 110,000 young people working, and that's taking an annual average, 110,000 young people were working.

By 1984, Mr. Deputy Speaker, that figure had dropped to just 101,000; fewer jobs for young people, and these are Statistics Canada's figures. And our rate of new job creation has fallen behind other provinces. Last year, in 1984, there were six other provinces that created new jobs faster than Saskatchewan.

And when I talk about the youth and the jobs that are not created, I'm talking about individuals between the age of 15 to 24. On a yearly average, 110,000 jobs in 1981 under a New Democratic government; 101,000 in 1984 under a Conservative government.

And all of this has produced record levels of unemployment — 46,000 people officially out of work according to Statistics Canada. But the real number is more like 60,000 individuals in this province who are unemployed.

And now, Mr. speaker, under the unemployment policies of the Conservative government, for the first time in my memory unemployment touches every single community in the province, and almost every family. And I want to say, Mr. Deputy Speaker to put yourself in a household in

Saskatchewan where the head of the house has lost his job or her job, their son or daughter does not have a job, and let me tell you that is running rampant in this province. Insecurity, Families that just don't know what to do.

And I ask the Conservative government members to just think of their own constituencies, and to think of the families in the communities out there. Just think of the families out there that have no security, that are not sure where they are going from one day to the other.

They know Conservative governments has not kept its promise to provide jobs and job security. Promises made, Mr. Deputy Speaker, and promises broken. But we don't really need all the unemployment statistics and figures for Saskatchewan people know in their own experience and their own hearts just how severe the problem is.

The government publishes figures and jobs lost and people out of work, but who can count the broken hopes, broken dreams, broken hearts, and broken lives which are the result of the Conservative policies in this province.

We know what happened last year after the budget was brought down. The next day the Minister of Highways got up and he literally destroyed over 200 families in this province by firing them.

We sort of thought maybe this was going to stop. But what happened this year the day after the budget, Mr. Deputy Speaker? An individual in North Battleford who was working for the Department of Agriculture for 26 years, a family man, his own home, got a call at 8 o'clock in the morning from Regina telling him he no longer had a job in North Battleford. After 26 years. That is still taking place, Mr. Deputy Speaker. It's still taking place in this province. And I tell you, it's a serious situation.

And then we talk about the highways, and I hear chattering across there from Conservative members. And they don't like me to repeat what happened to the Department of Highways. That just touched the tip of the iceberg.

Then what they do, they take and they put on a huge auction sale. That's what they say to the citizens of Saskatchewan who have worked for Highways for all these years. Four hundred pieces of equipment, Highways equipment that they gave away — \$40 million to replace that equipment. They sold it for less than \$6 million. And they also destroyed with that over 400 jobs, Mr. Deputy Speaker — over 400 jobs.

When I indicated that the 400 pieces of equipment last year would take away 400 jobs, the Minister of Highways got up and he made a smart remark that he never seen anybody driving a caboose or a cook shack down the highway. But let me tell you, Mr. Deputy Speaker with every caboose and every cook shack that we have in the province, every bunk house, it creates jobs. There's cooks who cook for the individuals in the Highways camps; there's individuals who help the cooks; there's individuals who clean them cabooses; there's stake men and stake girls and stake boys; there's people who pick rocks — who don't necessarily drive one of them pieces of equipment, but as long as they're working, Mr. Deputy Speaker, as long as they're working, that creates other jobs. There's a spin-off.

Now when you sold that 400 pieces of equipment, you literally destroyed the hopes and aspirations of 400 other individual heads of households in this province.

Who can measure the impact of the Devine broken promises? Let me tell you, Mr. Speaker. It's the families — the sons and daughters who cannot get a job, who just don't know where they're going. And I tell you, there's a lot of unrest out in Saskatchewan, and that is caused by the Conservative government's policies of firing, inaction, holding off projects, and studying.

I want to also turn now for a few minutes, Mr. Deputy Speaker, to some of the other problems that we now face, and facts that prove out just how bad this is. I see Conservative members, one after another, they get up in this House and they say how good things are in Saskatchewan. "Saskatchewan is really booming," Mr. Deputy Speaker. One after one, systematically they get up. The member from Prince Albert is shaking his head. He agrees that things are really good in Saskatchewan.

Let's take a look at the facts. Let's take a look at the facts that there's 60,000 people unemployed. And take a look at all the people who are under social assistance. And let's take a look at what's taking place in Saskatchewan with our food banks and soup kitchens. Why do we have food banks in Saskatchewan? Never in the history before did we ever have food banks. Now the food banks, Mr. Deputy Speaker, in this province cannot keep up with the demand. They have now opened up a new food bank . . . (inaudible interjection) . . . The Minister of Co-ops, he seems upset because I'm discussing food banks.

**AN HON. MEMBER:** — It's touching a sour note there.

**MR. THOMPSON:** — It's touching a sour note is right.

I want to tell the Minister of Co-ops, there has never ever been food banks in this province until the Conservative government took power. Now they're starting to open up new ones, and the ones that are operating can't even handle it. There was a new one opened up two weeks ago in Moose Jaw. And you, the Minister of Co-operation, can sit in your seat and chew your toothpick and talk and say that things are good in this province. And you think soup kitchens and food banks are a good thing.

I tell you, Mr. Deputy Speaker, food banks and soup kitchens tells you what is happening in Saskatchewan today.

**AN HON. MEMBER:** — A sign of the times.

**MR. THOMPSON:** — This certainly is a sing of the times.

The hon. member from Prince Albert-Duck Lake indicates that I'm going to see tough times in the next election. I always worry, ever since I've been elected, Mr. Deputy Speaker, as to what I'm going to say when I get up and make a speech. It's always been a problem with me.

But in the last couple of years, since the hon. member from Prince Albert-Duck Lake has got up and spoke before me, it really solves a lot of my problems because I can just take some of the remarks that he makes and I can speak for about 15 minutes on just the remarks that he makes.

(1500)

And I want to now turn to northern Saskatchewan, where my constituency of Athabasca solely lies, and where I say, Mr. Deputy Speaker, things have never, ever been as tough as they are. And they are getting tougher by the month. But yet the minister, the hon. member from Prince Albert-Duck Lake, he says that there is no sense to the NDP rhetoric on how desperate the situation in the North is. People aren't buying it any more. That's what he says.

But I will get back to some of his remarks. And I want to start off by a remark that he made when he was talking about investments that the Saskatchewan government made in uranium mines and potash mines.

Here's his quote, and he's criticizing. He's criticizing the NDP government for nationalizing 50 per cent of the potash mines in this province. "Potash did not create one new job." And that is a the exact quote of the hon. member from Prince Albert-Duck Lake. "Potash did not create one new job."

I say to that member to go up to Saskatoon and walk into the head office of the Potash Corporation of Saskatchewan. I ask you to tell the people in the head office in Saskatoon who are working for the potash corporation — jobs that were never there before the potash industry was nationalized.

I tell you, you take a look at the expansions, the jobs that were created at the expansions in the potash industry. Jobs, Mr. Deputy Speaker, in the construction phase, and permanent jobs once the construction phase was finished.

The Minister of Social Services said we should nationalize all the potash industry. Let me tell the Minister of Social Services, Mr. Deputy Speaker, had we have not taken steps to nationalize 50 per cent of the potash industry in this province in 1975, there would be literally no industry in Saskatchewan. They were not expanding. They were not going out looking for sales. And I tell you that was a very important move.

I also want to, before I get into some more remarks here, I want to go over some of the other statements that were made by the member for Prince Albert-Duck Lake. And I want to discuss what he has said mainly because he is now the minister in charge of the department, or whatever is left of northern Saskatchewan. He's also the minister in charge of Saskatchewan Mining Development Corporation, which encompasses totally northern Saskatchewan. And it's two very important portfolios that this individual has.

But when he talks, when he talks about northern Saskatchewan . . . and I want to get some of these quotes here. He said (and I'm quoting, Mr. Deputy Speaker):

The member from Prince Albert-Duck Lake insists, however, that his new, positive, small-business approach is the right one, and most northern leaders have agreed with him, he added. "I have travelled the North and talked to the real people. Many of the community leaders are tired of hearing doom and gloom."

He has gone into northern Saskatchewan, by his own admission, and he indicates he has talked to the real people — the real people. What that minister is saying — that the other people in northern Saskatchewan don't really count. They're not real people. That's exactly what he's saying, and it's right here in black and white.

Now I think that the minister in charge of SMDC and Saskatchewan Housing Corporation and northern Saskatchewan should watch what he says, because it's in print. And I tell you, that is a very serious mistake that he has made.

He says that things are good in northern Saskatchewan. They're going to go up there, and they're going to sell their 9-and-whatever per cent small loans. But he also says, on the other hand, things are really booming in northern Saskatchewan. There are small businesses opening up all over northern Saskatchewan. I don't know. I have been up there, and I have talked to many people, and I don't see all these small businesses sprouting up. I see some of them that are closing down. But he indicates that things are really good.

Mr. Deputy Speaker, when I started to talk about how bad things are in northern Saskatchewan, I sort of thought that this government would come out in their budget and zero in on a region of the province that is so desperate for help, but I didn't see anything. The first thing I see was northern advanced education cut by \$300,000; northern municipal services, cut by \$800,000.

And I've had calls from the communities up there, and they're wondering just what these cuts are. They've been waiting and waiting to find out just how much money they are going to have, how many individuals they are going to be able to keep; how many they are going to have to lay off. Then I hear that the municipal capital fund in the province has been cut from \$13 million to

less than \$2 million, and here they're taking \$800,000, just about a million, just out of northern Saskatchewan.

No mention of northern families or northern communities. No mention of special and unique way of life in northern people, of unique problems and challenges they face. As I indicated, Mr. Deputy Speaker, northern Saskatchewan is a different region. It has to be treated that way. We in the NDP government realize that, and we went in there and we created jobs, and we created businesses. And I hear them chuckling over there. They felt that because we were bold enough to go out there and experiment and to spend money and give people an opportunity to operate — and I hear the member from Meadow Lake is spouting off, and I tell you, Mr. Deputy Speaker, when I go to Meadow Lake, and I talk to the business community in Meadow Lake, they say, "What's going on?" There's nobody from northern Saskatchewan coming down to them business men. And you can go into Meadow Lake, and I was in there last week, and there was a closure, and right on Main Street. And I tell the minister, I tell the minister in charge, the member from Meadow Lake, that that business community in Meadow Lake is suffering the same as the rest of the small communities in Saskatchewan because northern Saskatchewan is not working, and neither are the rest of the province.

The government has told us of its plans for the future, its new gimmickry funds, but where is it — plans for the development of the North? Where is the policy for the social development of the North? When you take a look at what it's like living in northern Saskatchewan — you live in La Loche, you got 210 miles to go to Meadow Lake just to get a tooth filled.

I tell you, Mr. Deputy Speaker, that is a different region. We have individuals up there, especially young people, it's hard on young people. You go to the courts every week when they have the court sitting, and you see all the young people that are in there on charges. They are in there on charges because they have no jobs. They have no future. They get up in the morning, they have no job to go to. Let me tell you that is tough on them, and they fall into traps. When you have nothing to do, you fall into that trap. You automatically, you start drinking; it creates more problems, health problems, social problems, family breakups — you just name it, and I tell you one has to look at the statistics. Go to the courtrooms, and I tell the ministers that are sitting in here today to go up there and have a look in northern Saskatchewan, and see what your policy has done. Just see how bad things really are. And I tell, you'd have a different outlook.

Don't go up there and just talk to a few people. Don't go and talk to your executive up in Athabasca, as the hon. member from Prince Albert-Duck Lake is going out and suggesting. And they're coming back and telling me, well the Conservative government is going to build a new pulp mill at Beauval.

That's what they're saying. That's what the hon. member is telling his executive. I got that right from one of his vice-presidents. I say if that is the plan, to build a new pulp mill, go ahead. Why is it not in the budget? But that's what they're implanting in Northerners, trying to build up a false hope.

And I tell you, Mr. Deputy Speaker, that the citizens of northern Saskatchewan can hardly wait — can hardly wait — for that next election, like the rest of this province.

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

**MR. THOMPSON:** — I want to say this, Mr. Deputy Speaker. I want to say this. I get up here, and I've criticized what is going on, and I want to give you some solutions.

I ask you, Mr. Deputy Speaker, through you, and to these members that are chattering across there and think that things aren't bad up north, to take a look at some of the solutions that we have asked you to do. And I'll go through them. And I think that these are keys to the success, Mr. Deputy Speaker, of getting northern Saskatchewan back on its feet.

The commercial fishing industry. Now they've got a cloud over there. They just don't know what's going to happen. We have had a transportation subsidy in northern Saskatchewan to keep the commercial fishing industry alive.

All of a sudden I see the hon. member from Prince Albert-Duck Lake indicate that there will be progress in northern Saskatchewan, but there will be no more subsidies. They are not going to subsidize. They are going to do it on their own.

And I say if you take that transportation subsidy off the commercial fishermen, then you destroy that industry. And it is a key industry in northern Saskatchewan.

Forestry, I think it's time that this government took a serious look at their policies in northern Saskatchewan on forestry. Ever since the Conservative government has got in they have been logging up in that country, and the logging has come, the contracts have gone to Meadow Lake. They've gone to Meadow Lake — Northerners.

In the last three years they haven't hired hardly one Northerner, and they've taken millions and millions of board feet of spruce and jack pine out of that country up there. This winter, one of the biggest contracts ever awarded up in northern Saskatchewan in the Canoe Lake, Buffalo Narrows, Dillon area. Not hardly one individual. They were all from Prince Albert — every one of them from Prince Albert, and they took millions of feet of white spruce out. Nothing, nothing for the North. They're decentralizing.

Mr. Deputy Speaker, we talk about the commercial fishing industry and being important. So what do they do? We have the head of the commercial fishing portion of the Department of Parks and Renewable Resources, and where do they take that position and put it? Not up in the Buffalo Narrows, Ile-a-la-Crosse area where all the commercial fishing is taking place. They put that position in Meadow Lake. They put it in Meadow Lake, and that's a head position.

Mr. Deputy Speaker, the minister, the member from Meadow Lake says that the statement I have just made is not true, and I challenge him to prove that I'm not true, that that position is filled, and it's in Meadow Lake.

We also have a region with resources, and we have a director of a region, and that director is always in Buffalo Narrows where he was in that region. Where is that position now, Mr. Deputy Speaker? It's not in Buffalo Narrows any more, it's in Meadow Lake, and they're administering from Meadow Lake. They're starting to decentralize all right. They're putting everything down to Meadow Lake, at Prince Albert, and Regina.

The commercial fishing industry . . . The commercial fishing industry was the first one to suffer, Mr. Deputy Speaker. All that portion of the civil servants that looked after the commercial fishing industry in La Ronge was picked up and transferred to Regina. Now you want to find out anything about commercial fishing, you've got to go to Meadow Lake, and then down to Regina.

I will not say too much more about health than I have said before in here, and I have indicated before, health problems in northern Saskatchewan are serious. I have indicated to the Minister of Health that there was going to be some horror stories up there, and let me tell you, they have come true. They have come true. We don't have health services up in northern Saskatchewan now as good as we had 25 years ago. They are deteriorating, and they are deteriorating very fast.

Highways and roads: Mr. Deputy Speaker, this is another area that has to be looked at if you want to create employment and jobs.

And they talk about the tourist industry being so important, and I just say — and the Minister of Tourism and Small Business said, "This is going to be a booming year in Saskatchewan this year



for the tourist industry,” Well, I say — and he wants us to treat them good so they’ll all come back. Well, I tell you, Mr. Deputy Speaker, he had better made darn sure that the tourists that do come in here fly to northern Saskatchewan, that they don’t drive, because if they drive and they drive from Big River to Green Lake, I’ll tell you they’re not going to come back to Saskatchewan again. That road between Big River and Green Lake, one of the most important links that we have in northern Saskatchewan for the tourist industry, for the mining industry, for everything that goes up in that area, hasn’t moved one inch in three years.

And I don’t hear the minister in charge of Parks and Renewable Resources, I don’t see it in the array, and I don’t see him fighting for that piece of road. It’s a key road, and it hasn’t moved one inch. As a matter of fact, you’ve taken six miles of the pavement that we have in there, and you’ve taken it out, and it’s now gravel. You’re going backwards on it. Highways and roads are very important.

(1515)

Housing, Mr. Deputy Speaker, there’s just no two ways about it. Housing is a key in northern Saskatchewan. We now have gone back to the pre-1971 era. Housing hasn’t hardly been touched since the Conservative government got in. We have individuals — 10, 15, and 20 people — living under one roof, under poor conditions. And what are they doing? They’re doing nothing, and they’re saying, well we’re not going to build any more houses because they don’t bring their payments up. They don’t bring their payments up because they don’t have jobs. There’s two sides to the story. Get up there and get some jobs and get people working again, and that’ll solve your problems.

I tell you . . . (inaudible interjection) . . . Mr. Deputy Speaker, and I say to the member from Prince Albert-Duck Lake, to get up into northern Saskatchewan and to make sure that that surface lease that was negotiated under the New Democratic government to ensure that Northerners had a fair share of the development up there, to get up there and make sure that them surface leases are honoured.

You go to Key Lake . . . By his own admission he says there’s 27 per cent. I say that that’s wrong. I say it’s more like 16 per cent. Not 27 per cent, that northern content. I say that it’s around 16 per cent, and it’s going down, Mr. Deputy Speaker. And I say to the minister and to the Conservative government to negotiate that surface lease with Wollaston Lake, where there is no lease, to guarantee that Northerners get their fair share of the jobs.

We now have an underground mine at Cluff Lake. That portion doesn’t fall under the surface lease. There’s not one person working in that . . . and I believe that there’s over 200 people, and most of them are from out of province. That’s right.

In conclusion, Mr. Speaker, I would now just like to make a couple of final comments about this budget.

First, it has been a bad news budget, bad news for Saskatchewan people, and bad news for the Conservative government. A tax increase budget, the biggest tax increase in Saskatchewan history. Taxes increased for working people; taxes increased for young people who buy used vehicles; for farmers and seniors; home owners who have lost their property tax rebates. Not one senior citizen in this province this year, Mr. Deputy Speaker, will receive a tax rebate — not one senior citizen. They will not receive a rebate.

An unfair budget; huge tax increases for Saskatchewan people and Saskatchewan farmers. But no increase in resource revenue, no more from the oil companies.

Mr. Deputy Speaker, I wonder how the Conservative members opposite are trying to sell this budget back in their constituencies. Just how are they justifying to the teachers or the nurse or

other working people their half-baked increase in the income tax on working people when they promised to reduce the income tax? Promises made and promises broken.

How are they justifying the increase in the sales tax when they promised to eliminate it? Another promise made and another promise broken.

And how are they trying to justify taking away the Property Improvement Grant from farmers and seniors and other individuals in this province?

And where is all this money from the huge tax increase going, Mr. Speaker? Is it going to improve social and economic programs for the North? No, it's not. Is it going to improve the staff levels and the quality of care in our hospitals? No, it's not. Then I tell you, Mr. Deputy Speaker, when you go into northern Saskatchewan and see what's happening with health, you will understand.

Is it going to improve our badly deteriorating highway system? Well, it's obviously not.

Mr. Deputy Speaker, all of the money from the tax increase, all of the hundreds of millions of dollars in increased taxes over the next five years, it all goes to feed the expensive habits of this high-flying Conservative government. Senior citizens pay more so cabinet ministers and senior bureaucrats can wine and dine more expensively at taxpayers' expense.

They spend money. And yet when you take a look at the subsidy program for the northern food subsidy program in northern Saskatchewan which costs \$250,000 a year, they cut that off. They cut that off. And their excuse was that, well . . . and the member from Prince Albert-Duck Lake indicated in this article that, well, we cut it off because the tourist operator was the one that was benefiting, not the Northerners.

I tell you, Mr. Deputy Speaker, I have letters to indicate that that is not true. The tourist association of this province has written a letter, and they say it's not true. And I tell you, I don't have to table that, Mr. Member from Meadow Lake, because you've got it yourself. You had it sent to your government and a copy to yourself. You know what they're saying.

Mr. Speaker, all the money from this tax increase, hundreds of millions of dollars of increased taxes over the next five years. Working people pay more so the Minister of Highways can spend \$62,000 a year on travel — \$62,000 a year to go back and forth from his constituency, Mr. Deputy Speaker, and on his out-of-province trips. And yet, you can't have \$250,000, you can't have \$250,000 for a food subsidy that has proven to be worthwhile and successful.

Sixty-two thousand dollars in one year, and I take a look at the situation that happened in Stony Rapids last fall where a mother, a 39- or 40-year-old mother of nine children was held back till she could go out on a Tuesday to go on a sched plane so it would be cheaper, rather than chartering or taking the air ambulance and getting her out when she should have got out. And I don't have to mention that any more.

But there, there Mr. Deputy Speaker, you see where the priorities are. They are most certainly the priorities are from flying ministers back and forth from their constituency and across the nation and across the world, but when you have an individual who is down, who is sick, they don't fly her out. They say, well, you just wait for two more days or three more days, and then you can go out, because it'll be cheaper. We don't want to charter. And the result, the result, Mr. Deputy Speaker, was fatal.

Farmers pay more so that the Premier and his cabinet ministers can fly off on what they call government business to places like Paris, London, and Palm Springs. It's an unfair budget.

Mr. Speaker, I want to close off my remarks . . . (inaudible interjection) . . . If I could just get some attention so people would listen to what I'm saying here, I'd close off my speech, Mr. Speaker.

And I want to close off by saying, Mr. Speaker, that if we cannot learn from history, it will surely repeat itself. And I think them words ring true in this province. If we can't learn from history, we just have to go back to 1929 to 1934 when we had the first Conservative government ever in this province. And we know what they did. We know what they did. I tell you, Mr. Speaker, we know. We know from history. We know from history what happened in 1934. They had a general election. And I tell you, the citizens of Saskatchewan spoke out and they spoke out loud and clear. There was not one Conservative member returned. Not one. And I caution you that history will repeat itself.

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

**MR. THOMPSON:** — Mr. Speaker, let's take a look at 1967. And we didn't learn; we didn't learn from history in 1967. Woodrow Lloyd, the premier of the province, was going around saying, you give the Liberal government a second chance and you'll see what is going to happen. They had presented a budget, and I tell you, we learned. We learned the hard way. And as soon as they were given a second term — the Liberals were given a second term — then we had a new budget, Mr. Speaker. We had a budget that put on deterrent fees, and all the taxes — the most regressive taxes that you have ever seen in the history of this province, in 1967. Because, Mr. Speaker, the citizens of Saskatchewan said, well we're going to give the Liberal government a second chance. We're going to give them a second term.

I say to the citizens of Saskatchewan that we have to learn from history. And do not, if there's an election, give this Conservative another mandate. Because if they get another chance, I tell you, they'll bring in another budget. They'll bring in a budget. And you think that \$1.2 billion in debt is big. Well you just want to see what will happen to this province if we get another four years. I can just tell you this: we will lose the potash mines; they'll sell them out. They'll sell SGI. And I tell you, they'll sell the uranium mines up north. That's what's going to happen if we give this government another term.

I really find this interesting, Mr. Speaker, that the Conservative members are sitting over there, and they're hollering and hooting and saying how good a budget this is. Well I say, if this is a good budget, and you all are getting up and saying that it is, why don't you let the people decide if it's a good budget.

Call an election. Call it today. Call it tomorrow. Let the people of Saskatchewan have a say. Let them tell you if this is a good budget or not. And because this budget is so unfair, Mr. Speaker, because it does nothing to help Saskatchewan people, the Saskatchewan farmer, the small business; because it totally ignores and neglects families of Saskatchewan and the families in the communities of northern Saskatchewan, for those reasons, Mr. Speaker, I will be opposing the main motion, and I will be supporting the amendment put forward by my colleague from Assiniboia-Gravelbourg.

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

**HON. MR. HEPWORTH:** — Thank you, Mr. Speaker. It is with pride and pleasure that I once again rise in debate on this year's budget, not only on behalf of the constituents of Weyburn, but as well, on behalf of the farmers of Saskatchewan. I think it's particularly fitting, given that this is agriculture appreciation week across the province.

I would first of all like to offer my congratulations to the Premier and the Minister of Finance for a budget that shows not only imagination, but as well, as the Premier mentioned yesterday, courage. And I think as well, it shows that it is a government that has its priorities in the right place.

And I would also like to congratulate, Mr. Speaker, the new member from Thunder Creek. His maiden speech yesterday was well done, and he's showing his stuff already as very much a

participating member of the agriculture caucus.

And to you, Mr. Speaker, I wish you a safe journey as you voyage to your upcoming meeting in Nicosia in preparation for the October meeting here. A safe journey to you.

In my remarks this afternoon, I would like to first of all spend a few moments about the constituency of Weyburn and some of the good things happening there. And as well then move into the agricultural area, making a couple of specific announcements relative to the budget, a couple of new announcements — good news for farmers, especially for the immediate future.

Then I'd like to take a look at federal-provincial co-operation and what it's meant for Saskatchewan farmers. And finally, look at the longer term — the future of farming, if you like — with particular reference to the Agriculture Department fund, and in fact invite the NDP to join us as we move into the 21st century in agriculture, and not to turn back the clocks of time, as the hon. member who just spoke in debate has suggested that they would like to do.

Relative to the constituency of Weyburn, Mr. Speaker, I couldn't help but think the other day when Auburn Pepper — a man well respected in the Weyburn constituency and who represented in this House for some 18 or 19 years — I couldn't help but think how he must have felt when he sat behind the bar and listened to the Minister of Health get up and announce officially that the Fillmore hospital-nursing home, integrated complex would be going ahead. I can't help but think how he must have felt because I know the frustration he felt not getting any support from his NDP colleagues when they were in government, not just for the last year or two working on that project, Mr. Speaker, but for the last 12 years. No support from that government for the hospital-nursing home centre so badly needed and so hardly worked on by the people of Fillmore since 1973, Mr. Speaker. And so I'm sure it was almost like *déjà vu* for him sitting here in the House here that day.

And I would congratulate the Minister of Health for that announcement and congratulate, as well, the people of Fillmore and the surrounding district. They have worked hard. They believe in their community; they believe in each other; and they're full of energy. And, finally, after these 11 long, frustrating years, they are going to see their dream come true. What truly fine people they are out there, and I'm looking forward very much to attending the fund-raising event out there for the hospital-nursing home this Saturday night.

(1530)

But the story doesn't end there when it comes to health care because it is a priority as identified in the budget. It doesn't stop at Fillmore because Stoughton, as well, the story is much the same — a new 30-bed nursing home there. And they have already turned sod on that one. The town and the surrounding people, very excited about their project, so, once again, I would like to congratulate the people in that area and, as well, the Minister of Health.

And I think I should pass along, as well, a comment that was put to me at a public meeting in that same town on Friday night last when a lady got up and, after some discussion about the nursing home going ahead, she wanted to congratulate this government and thank this government for not only building the new nursing home but, as well, for doubling the staff out there in the old one until the new one's up and running. They had some concerns. They said they came to the government. We listened and, more importantly, we acted by doubling the staff out there.

The third area in Weyburn I think, Mr. Speaker, that's worthy of mention is the Souris Valley Regional Care complex. This building has several hundred thousand square feet that is vacant, and yet it is very usable health care space currently being used for level 4.

And I would like to say, as well, I would like to thank my cabinet colleagues, the many of them who have taken the time to tour the building and the vacant space and see the situation first

hand. His Worship, Mayor Gordon Miles, and city council, I know, support the utilization of this space. The president of the chamber of commerce, for example, Donna Mae Stinson, supports the utilization of this space. The taxpayers at large, Mr. Speaker, support the utilization of this space, and I, Mr. Speaker, as the MLA for Weyburn, support the utilization of that space. In the minds of all, it just makes so much sense to use this space. I look forward to action coming out of the report that the Minister of Health has had relative to the excess space study done by the hon. member from Moosomin.

So it's exciting times in Weyburn and the constituency of Weyburn, Mr. Speaker. The upcoming, Saskatchewan's first ever oil show in June in the city, and I challenge the opposition leader or, for that matter, any one of the opposition members to come in to Weyburn, Saskatchewan, and tell them they don't like the Progressive Conservative oil policy; tell them that they are going to remove the oil tax, oil royalty holidays; tell them they are going to go back to the way it was before 1982 when the oil patch was shut down. I challenge them to come into that town and tell them they are going to take it away, shut down the oil patch, and take away the jobs. I challenge them to do that, Mr. Speaker.

They trot out. And I would also warn them if they do come out to tell the people that — don't stand on a street corner because they'll get run over by an oil truck. It's that busy in Weyburn, Mr. Speaker.

And I also must, before I finish on the constituency of Weyburn, pass along my congratulations to the Minister of Education who just recently announced that Fillmore will be receiving some new school facilities out there. Another project, Mr. Speaker, that's been long wanted. In fact, part of the school there that's being replaced was put together, was built in 1928, and now under a Tory administration where education is a priority, they were very, very pleased to receive the news that, in fact, that project had the green light, and they asked me to pass along to the minister their warm thank-you.

I would now like to spend a few minutes, Mr. Speaker, on agriculture, and it is spring, and I must say that I do sense optimism out there this year, more so than last year. There is a sense of optimism on the farm. I suppose there is a sense of hope that does come with spring, but as well, I think, the moisture levels across the province, for the most part, are better this year than last and I think interest rates this year, relative to the past several years, have proven to be perhaps slightly more tolerable, and slightly more stable than certainly they were in the late 70's and early 80's. But as well, I think we have to acknowledge that there is still a concern out there when it comes to those who have burdensome debts, and as well, that spectre of rising input costs are very much realities that have to be dealt with. And deal with them we have, Mr. Speaker,. It's just a few days ago that I, on behalf of this government, announced that were putting up \$120 million in government guarantees to ensure that those farmers who would be viable in the long run, but who are having short-term difficulties, would have the money necessary to put that crop in this spring.

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

**HON. MR. HEPWORTH:** — And as well, Mr. Speaker, dealing with the situation at hand, the short-term problems in agriculture, this budget has outlined a further commitment to interest rate relief. The farm purchase program, the 8 per cent money available for purchasing farm land for young and beginning farmers, has been extended for another year, with total interest rate rebates between this and the Ag Credit Corporation of Saskatchewan now approaching \$27 million, Mr. Speaker. With \$27 million we will be well on our way to \$1 billion in loans written down to the 8 per cent level, and 6,000 young, beginning, bright, establishing farmers are enjoying, or will be enjoying shortly, the benefits of that program.

And the question I still get, Mr. Speaker, around the country is: why didn't the NDP have the common sense to do that in the late '70s and early '80s when interest rates were 16 and 19 and

22 per cent? And they constantly tell me that we would not have the problems facing farming and agriculture today had there been that 8 per cent program in place in the late 70s and early 80s.

And as well, Mr. Speaker, it's been said that imitation is the sincerest form of flattery. And I suppose, Mr. Speaker, we have to consider it a compliment when others have followed where we led. Ontario, seeing the success of our 8 per cent farm purchase program, initiated a program for beginning farmers there with 8 per cent money modelled very much on our program. And now, just a month or so ago, Mr. Speaker, the province of Manitoba, socialist Manitoba — even there the socialists do have, and can understand and respect some good ideas — have introduced a program with 8 per cent money. Others have followed where we have led, Mr. Speaker. And we have been, indeed, through this difficult time, a partner with the farmer, and not a silent partner, but, in fact, a working partner.

I would like to make a couple of specific announcements today. There will be others to come in the following weeks. But, relative to input costs and, as well, relative to the drought and how it's affecting the summer pasture for our livestock producer, relative to input costs — and the Leader of the Opposition and the agriculture critic should like this one, Mr. Speaker — I am today announcing that we will be undertaking a survey of the costs of farm chemicals and fertilizers.

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

**HON. MR. HEPWORTH:** — In the past decade, virtually every farm input has gone up by over 300 per cent. Some, for example, the NDP opposition leader just the other day, and as well the NDP in Manitoba, have suggested that the responsibility for the input-cost issue should be shuffled off to the federal government, and they should do something with it.

Well, Mr. Speaker, we are not going to shuffle the issue off to the federal government or off to anybody else. We're going to deal with it. We will have a survey done. I believe, Mr. Speaker, as the details become better known, that in fact the university will be doing that study for us. And we are prepared to act, Mr. Speaker, on this question of input costs, and are prepared to act now.

And relative to the drought and the situation with summer pastures, Mr. Speaker, I think it's fairly common knowledge that there is still a small triangle in southern Saskatchewan, in the ranching area particularly, that has had little snowfall this winter and had very little rainfall last summer. And it was a hot and dry and long and hard summer for a lot of those livestock producers down there.

So I am again announcing that for this year we will be assisting livestock producers to move their stock to summer pasture. The program will be similar to last year. The maximum payable for them on the round trip to summer pasture and back will be \$3,200. And I think it proves once again, Mr. Speaker, that we're behind our livestock producers and are committed to doing what we can to ensure that that cow factory, that basic breeding herd of top-notch animals, is maintained as much as possible through this drought and poor prices.

I would like to now turn to the issue of federal-provincial co-operation when it comes to agriculture policy, Mr. Speaker, and to set the stage for that, I would like to back up to last fall. Last fall when in this House, because we recognized that many farmers — good farmers, productive farmers, farmers that would ultimately and should ultimately be viable in the long run — had their backs up against the wall. We initiated and put in place The Farm Land Security Act. It was designed to give those who do have their backs up against the wall some breathing room. I said at that time, if necessary we would do more, and I've outlined some of those things today — the \$120 million, the extension of the farm purchase program, and so forth.

Well I want to back up to that day in December, because at that time I also said I thought it would be prudent, and make a lot of sense on behalf of the taxpayers before doing anything

more, to wait and see the outcome of three things. And those three things, Mr. Speaker, were: what would the final grain payments be? What would crop insurance pay out? And, in fact, could we, through lobbying of the federal government, get an interim payment from the Western Grain Stabilization Fund, and get an interim payment and get it in the hands of farmers, in fact, before seeding?

Well what has happened since then? How well have we done at putting the treasury at work to help our farmers with a billion-dollar problems — the billion-dollar shortfall in income we were facing because of some natural weather problems, and as well, because of some economic conditions?

Let's tally up the sums, Mr. Speaker. How have we done at dealing with this billion-dollar problem? Let's take crop insurance first. And I congratulate my colleague, the hon. member from Arm River, the minister in charge of crop insurance. He has, in conjunction with his federal colleague, just some several weeks ago announced, in fact, that the final crop insurance payment was a record in the 25-year history of the company, paying out some \$258 million, or an average of \$9,600, or nearly \$10,000 per farmer enrolled.

I'm not so naive, Mr. Speaker, as to think that \$10,000 for crop insurance is, in fact, an assurance program. It's there as part of that safety net. It's not necessarily designed to be a money-maker, but it's designed to prevent complete failure, if you like, of the farm economic unit, when in fact production falls.

Not only has crop insurance triggered a massive pay-out, Mr. Speaker, but in fact changes have been made to make the program even better, and make it more sensitive to some of the long-term problems — at the same time, more meaningful. And I speak specifically of the individual coverage, the 80 per cent option.

The second issue, Mr. Speaker, was, of course, the final grain payments. We said we'd wait and see what they looked like. And just some two or three months ago they were announced, and came in at \$387 million — healthier than most expected. Two hundred and fifty-eight million out of crop insurance, 387 million in final grain payments.

And thirdly, Mr. Speaker, we said we would see if we could get a payment from the grains stabilization fund. And yes, Mr. Speaker, it's quite true, it's quite true, I did go to Ottawa. And, yes, I did take a jet airplane to get there, and I apologize for that. I also feel a little bad I didn't make Ned Shillington's honour roll of world travellers. But yes, I did take a jet airplane to Ottawa to lobby the federal government and, I might say, with some success. For in fact it was just shortly in the new year, shortly after the new year when, in fact, amendments were made to the legislation down there to enable not only a payment to be made prior to seeding, Mr. Speaker, but in fact, as is now proven, to make a very, very generous payment.

(1545)

I think it shows that when you have somebody in charge of agriculture in Ottawa, like we have now with several western MPs and ministers of agriculture and ministers in charge of the Wheat Board, who understand farming, that these safety nets and insurance programs and stabilization programs can be sensitive and meaningful and useful to farmers in the current context of farming today. Because the payments that have come out in the grains stabilization fund in the last eight months, Mr. Speaker, have totalled something approaching \$12,000 for those who have paid the maximum in terms of levies — not 200, Mr. Speaker, not 330, but \$12,000.

And I would suggest to you, Mr. Speaker, and my hon. colleagues, that that will go a long way to paying the bills that farmers are facing as they approach this spring seeding, and more than that, Mr. Speaker, that several hundreds of millions of dollars is finding its way into Main Street, Saskatchewan, and that is the kind of thing that helps small business and maintains jobs in that

farm service sector.

But, Mr. Speaker, I asked: did our federal friends stop there? And the answer is no. They also increased the domestic wheat price, putting \$27 million in the pockets of our farmers. They removed the taxes, the federal taxes on farm fuels, something in the order of \$30 million a year, or some have estimated 1,500 to 2,000 per average farmer.

And the drought relief for our livestock, a western prairie initiative joined by the federal government put something close to \$30 million in this province. Flood relief to the north-east, another 15 million.

And then they froze the seaway tolls as well, Mr. Speaker, and they froze rail line abandonments. And they cut interest rates at Farm Credit Corporation another \$4 million. Those are the kinds of freezes and cuts that our farmers like Mr. Speaker. I like it, and they like it.

And as I close this section on federal-provincial co-operation, and how co-operation can be so fruitful compared to the style of confrontation we had before, I would like to share with you the best. And I've saved the best for the last. And it relates to the first minister's conference that was held here in Regina just some few weeks ago, Mr. Speaker.

Some at that conference said agriculture should have been higher on the agenda or discussed more fully. I say, Mr. Speaker, it was. Interest rates were the subject of much discussion, obviously an issue very high on our minds.

But one line that the Prime Minister delivered, Mr. Speaker, said it all — one line. And it was in sharp contrast to what we'd heard from a previous prime minister in this same city some few years ago — a Liberal prime minister. One line said it all, and it sent out a very powerful message and signal to all Saskatchewan farmers, Mr. Speaker. And that was when the Prime Minister of this country came to Regina and said, "I will sell your wheat."

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

**HON. MR. HEPWORTH:** — That's the difference, Mr. Speaker. He understands what it's all about here, and he said, "I will sell your wheat." And indeed, Mr. Speaker, if one looks at the situation report just put out by the wheat board recently, to quote from the front page, at least a small part of it here, "Delivery opportunities in the '85-86 crop year will be good." So some reason for optimism there if, in fact, we can grow the crop.

But I run these numbers by the people in the House, Mr. Speaker, by the members here, to show and to make a point that today in farming we need these kinds of cash flows. We need the ninety-six hundreds of dollars; we need the twelve thousands of dollars; we need the several millions of dollars in various payments and safety-net programs. Those are the kinds of numbers, Mr. Speaker, that mean something. They mean something because a \$10,000 payment will in fact buy some fuel, and will in fact buy some fertilizer.

And yet the NDP, during the first two or three days of the debate in question period on the budget, talked about how this budget will destroy the family farm, about how the removal of the home quarter tax rebate, the \$230, will destroy the farm.

And everything is a help on the farm, Mr. Speaker. Don't get me wrong. We were proud of that \$14 million or \$16 million that went into rural Saskatchewan last year. But the NDP have been braying for several days now about who the elimination of the home quarter tax rebate, that \$230 on average, will destroy the family farm; about how the elimination of the Property Improvement Grant, the 300 or whatever dollars it is, will destroy the family farm; about how the 5 per cent tax on used vehicles will drive farmers off the land.



As I said, Mr. Speaker, every payment out there on the farm helps. But let's take the NDP scenario a little further. Let's take that scenario a little, Mr. Speaker, and deal with it in real terms. Picture if you will, Mr. Speaker, picture if you will, and members of the House, picture if you will the farm, for example, of the opposition agriculture critic in the year 2000.

Now according to the NDP, by this time farms will have long since been destroyed by Tory policy. But anyways, if you will, members of the legislature, picture with me the hon. member sitting on his front porch at his farm in the year 2000. It's a sunny spring day, maybe it's even April the 18th — his voice somewhat squeakier with age, and his friend from the big city, his lawyer friend from the big city, the hon. leader of the opposition, has come to visit him, his beard whitened with age and a cane for support.

And the leader of the opposition is surveying, with his farmer friend, as they sit out on the front porch, the rusted out remains of his farm — the unused discer rusted away; the weeds growing up around the tractor from disuse; the quonset door off its hinges banging and flapping in the wind; his airplane, one wing hanging down askew and the nose wheel has a flat tire. And the opposition leader says to his farmer friend, he says, "So it has come to this, my farmer friend; your farm is gone. Tell me, what was it that put you under? Because you are a good manager, what was it that put you under?"

And the hon. farmer says, "Yes, I was a good manager." And his lawyer friend from the big city says, "Well, was it the drought that put you under; was it the two or three or four years in a row of drought in your area that put you under?" he says, "No, but it sure did cost me 20 or \$30,000 a year in production, three years running." "Well, was it the poor beef and cattle prices of the early '80s that put you under?" "No, but it did drop my income \$25,000 a year there for awhile. And I sold my cows too early, and I didn't get that \$48 Tory payment to keep my cows, so that didn't help." "Well, did you get caught in the land-price spiral where land costs went way up and interest rates went up. You know, we were bidding the land up with that NDP policy of ours. That land bank was bidding prices up, and we didn't get that 8 per cent money. I mean, was that what caused your downfall, Mr. Farmer Friend?" He says, "Nope, no, but my land payment did go up from 25,000 to 40,000 and it did hurt, but no, that didn't put me down."

And the lawyer says to his farmer friend, "Well, then tell me: what was it that put your farm down?" And the hon. opposition agriculture critic said, "Well, it all started in 1985 when the Tories took away my \$230 home quarter rebate. That's what did it; that's what did it."

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

**HON. MR. HEPWORTH:** — And he said, to make matters worse, I bought a used half-ton that year and I paid \$180 in sales tax, and that was the final straw. Well, Mr. Speaker, I use that story to indicate, and indicate that this is a classic example — the braying that has gone on on the other side of the House is a classic example of how the NDP are out of touch with the reality of farming today.

Now no one can deny that every 2, and 3, and \$600 helps, but we're talking about agri-business on the farm today, Mr. Speaker. The family farm has become a business that relies on, not just the 200s of dollars, but the several thousands of dollars.

And that's what brings me to the main thrust of my speech, Mr. Speaker — the future of agriculture. And this is why I invite the NDP, and the agriculture critic over there, to join us as we march toward the 21st century in farming, as we march toward the year 2000. And I think this is not a time for the nay-sayers and the doom-mongers on the opposition benches. According to them, we're not going to have a future.

Sure, there's some hurt out there, Mr. Speaker, but as I've said many times before, the sky is not falling in either. And we have put in place in the past, and have put in

place today, and will put in place tomorrow, measures to deal with the short-term problems, if we have to.

But the fact of the matter is, and this is the hardest thing for the NDP to get their head around, we are living in a changing world. Change, the hardest thing for the NDP to understand. They still have that Massey 44 mentality.

In fact, they remind me, they remind me of a horse that we used to have on our farm when I was a child, a draughthorse that we had on our farm when I was a child. And the only thing we ever used him for — and this goes back 30 years or more, indicating my age, unfortunately, but goes back 30 years and more — and the only thing we used this old draughthorse for was we had a little plough for the garden. We got this big plug to use it to cultivate the potatoes, the rows of potatoes, Mr. Speaker. And the thing with that horse, you had to do . . . It's much like the NDP, you had to keep the blinders on him. You had to keep the blinkers on him, so he wouldn't look at the green grass or the opportunities around him.

And this is exactly the kind of Massey 44 mentality, and the world that they're still living in. They do not recognize that there are some new realities in agriculture. There's a new world emerging out there in agriculture, and that new world requires a new face, Mr. Speaker, a new face for agriculture in Saskatchewan.

And I want to lay this out in a little more detail. I believe that global agriculture is undergoing some fundamental structural changes. And what do I mean by that? Well if I was to ask the question, Mr. Speaker — and this was raised in a recent publication in the UK — if I was to ask the question: who in the world has doubled production in the last 7 years, and to suggest, was it a banker? Was it a Japanese car worker? Was it a British coal miner? Or was it a Chinese peasant farmer? Which one doubled production in the last 7 years? Well the answer is, Mr. Speaker, it's the Chinese peasant farmer has in fact doubled production in the last seven years. And now China is a major wheat producer in the world, Mr. Speaker. I would suggest to you that that is a fundamental structural change in global agriculture.

The NDP will find this one a little hard to swallow, but by retreating somewhat from Communism, they've done wonderful things in China with their agriculture.

And to move to the EEC, the European Economic Community, a happy little collection of 10, I think soon to be 12, countries, they have gone from being a customer of ours, Mr. Speaker, to a competitor. We used to export into that area of the world, but farmers over there, responding to massive subsidization, have produced in spades as only farmers can produce. I mean, you pay a farmer and he will produce, and that is what they have done there to the point now where they are exporting, particularly the feed grains area. They are now self-sufficient in many areas.

In fact, Mr. Speaker, in many commodities in the EEC today, they are sitting on massive gluts. We all hear of the lakes of wine and the lakes of milk and the caves full of butter. And the question that the EEC is having to wrestle with is: can they continue to prop up the farm community to that level of 17 or 18 or \$19 billion a year? And there's a human dimension to that, and that's a very, very tough question that they're facing.

But, as well, we all know what's happening and where some of that spillover is going. I would suggest to you that's what's happening in China, as well as what's happening in the EEC, is a fundamental structure change in global agriculture.

Argentina, we've heard stories there, a very aggressive competitor in world markets, prepared to lay into the U.S. grain at lower prices than the American farmer was prepared to take. And what kind of a message, what kind of a signal does that give to those, Mr. Speaker, who trot about the parity price theory? What kind of a signal does that send to us?

And Africa, a structural change there, but of a different dimension. One of the few continents in

the world, Mr. Speaker, where per capita food production is declining, not increasing. There they have no gluts, Mr. Speaker. They have no food; they have no money; they have no credit; and some days, Mr. Speaker, it looked like they had no hope.

And so I must congratulate the Deputy Premier and the Legislative Secretary, the hon. member for Morse, for lining up and co-ordinating, in conjunction with the generous farmers of Saskatchewan, a boatload of wheat to that area of the world, a boatload of generosity, a boatload of smiles, a boatload of full tummies, Mr. Speaker. And I congratulate the farmers of this province for that initiative, and my colleagues for the undertaking.

(1600)

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

**HON. MR. HEPWORTH:** — And one other area of the world that I would like to touch on, because we are seeing some fundamental structural changes being proposed in the United States of America, the likes of which, I would suggest, Mr. Speaker, we haven't seen for half a century. And what final form the U.S. farm Bill will take, no one knows. But certainly if the proposals as presented in fact become a reality, the changes will be of a magnitude the likes of which we have not seen for half a century.

And I would suggest to the members of this House that next to the weather in Saskatchewan in this next few months, that next to the weather, what happens to that U.S. farm Bill will have a greater impact than anything else. I would suggest to you that that is another example, Mr. Speaker, of a fundamental structural change. It's an example of the new realities emerging out there in the world. It's an example of the new world around us.

Now the NDP in these scenarios that I've presented, Mr. Speaker, being the doom-mongers and the naysayers that they are, will see the difficulty in these scenarios. The pessimist would see the difficulty in every one of these. But the Saskatchewan farmer and the farmers in this caucus, Mr. Speaker, are not pessimists, but they are optimists, and they see the opportunity in every difficulty.

And they say, Mr. Speaker, to me, and I believe Saskatchewan farmers are of the same view that we better know what these new realities are, we better understand them, and we better plot our course accordingly because, in fact, there can and may be some backwash from these scenarios. There can and may be some storm clouds out there.

But having said that, Mr. Speaker, I believe that we are being presented with a golden opportunity. I believe this presents us with an exciting window of opportunity to recognize that agriculture is at a crossroads, face the new choices, face the new challenge, and use this time to plot our course accordingly. Not just to be copers, not just to be survivors, but in fact to take Saskatchewan farmers out there as winners in the world market-place.

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

**HON. MR. HEPWORTH:** — Our challenge in working with farmers will be this, Mr. Speaker: we must respect the past, understand today, and analyse for the future. And what does this mean at Saskatchewan Agriculture working on behalf of Saskatchewan farmers? Well it means a new face. It means some fundamental structural changes in Saskatchewan agriculture as well. Gone will be our preoccupation, some would argue. Gone will be our preoccupation with regulation and control, with deterring and preventing, with prohibiting and checking. What does this mean, Mr. Speaker? It means a \$200 million Agriculture Development fund at the centre of the action.

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

**HON. MR. HEPWORTH:** — And in the next few days, Mr. Speaker, we will be releasing a more fuller farm form, the blueprint if you like, further to the Partnership for Progress that was released budget night.

It means, Mr. Speaker, taking these challenges that face us and dealing with them at the bottom rather than at the top. And what do I mean by that, Mr. Speaker? Well we've heard in the House, in fact the opposition leader as part of the agriculture policy just two, or three, or four days ago talked about an \$89 gas rebate or a \$300 gas rebate, whatever it was that they put in and took out. They talked about a gas rebate, that that's what we should do — have a gas rebate.

But we can rebate till the cows come home, Mr. Speaker. We can rebate and rebate and rebate. But does it not make more sense perhaps, Mr. Speaker, to look at the fundamental problem there: the cost of energy, the cost of fuel? And does it maybe not make some sense, on behalf of the farmers, to explore the practical reality of perhaps using natural gas to power our tractors and combines and swathers?

Not to say it was \$89 or \$267 or \$300, Mr. Speaker, but to say 50 per cent of the price of running a farm a day in energy. A \$10,000 bill becomes a \$5,000 bill. A 15,000 — 7,500. That's the kinds of thousands of dollars that our farmers need to be talking about. Not 200 here and 150 there. We've got to deal with the reality of the situation out there.

Now the NDP want to put the blinders on. They don't want to look at the HY 320s of the world and beyond. Mr. Speaker, that is what we have to look at, is that ambiance.

It means, Mr. Speaker, in this blueprint for the future, it means adopting an agenda of future food. Adopting an agenda of future food, Mr. Speaker, not future fear. The NDP are afraid of change. It means adopting an agenda of future fools — fuels. Not future fools, Mr. Speaker. I got my tongue twisted there.

It means adopting an agenda of future technology, not future shock. It mean adopting an agenda of future hope, not future without agenda. And, Mr. Speaker, I would suggest to you that the NDP have no agenda. They are the ones who talk of a future without an agenda. They're afraid to face the future. They're afraid to face reality.

And I think, Mr. Speaker, my point is well made for me when I say they have no agenda. In the last eight months, 10 months, in this House, Mr. Speaker, I've heard the hon. agriculture critic and his colleague, the opposition leader, get up and talk about a four-point agricultural program. And six weeks later I got up and heard them talk about a six-point agricultural program. And then the Saskatchewan Wheat Pool had their meeting, and the agricultural policy then was not he 7 per cent interest rate.

And then the CAM (Canadian Agriculture Movement) organization got a hold of the agriculture critic, and then the answer was \$30 an acre. As my colleague from Alberta says, an example of wishful and economic illiteracy. But that was the answer. And then his colleague from Manitoba decided to explore debt adjustment. So that was the agricultural policy.

And now, just a few days ago, Mr. Speaker, we heard them get up and give another set of agriculture policies. I would suggest to you that what the farmers out there do not want any more is this knee-jerk type reaction. What we read in the newspaper today should become policy tomorrow. That is their style. It is not our style. We are going to plan for the future, Mr. Speaker, and that is what our farmers expect of us.

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

**HON. MR. HEPWORTH:** — And some of this planning, Mr. Speaker, will involve research — a significant commitment to research and development and extension. A significant amount.

And some say research takes a long time. I say, let's get started. Where would we have been in this world if we hadn't developed rust resistant wheat? Where would we be if the Massey 44 hadn't been replaced by some of the modern equipment? Those days, Mr. Speaker, have served us well, but it's now time to move on to the next era in farming.

It is no longer a time for knee-jerk reactions. We don't need any more rest and supervision and regulation, NDP style. It is no longer a time for spreading despondency and dependency, NDP style. It's a time for spreading hope and seizing opportunity.

And, Mr. Speaker, I wholeheartedly support the main motion and not the amendment.

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

**HON. MR. CURRIE:** — Mr. Speaker, in speaking to the budget, first of all I wish to join with my colleagues in congratulating the member from Thunder Creek in his recent victory, and to join with them also to extend him a sincere welcome to this House.

At the outset, Mr. Speaker, I want to express my endorsement of the 1985 budget, the budget that was presented by the Minister of Finance on the evening of April the 10th. I'm particularly impressed with the long-range approach to budgeting for the four sectors of our society that are so critical to the welfare of our province. I speak about education, employment, agriculture, and health care.

Obviously, I would like to speak in support of the budget as it relates to education. The total spectrum of education extends from kindergarten to university. As a result of this budget and also of the budget of 1983, this administration has given the whole spectrum of education a fresh and a positive new look.

My colleague, the Minister of Education, has given much needed leadership in the elementary and secondary components of education. Judging from the reactions of the school boards to the education budget, this budget is providing solutions for their fiscal and their planning problems.

My responsibilities reside with adult education and advanced education. This includes education and training that is delivered by universities; by colleges — community, federated, affiliated; technical institutes; and in addition, programs to upgrade adults to a level of education sufficient for school training.

I want to emphasize that the current new budget is a follow-up of the long-range plans established in the budget of 1983, relative to post-secondary education. Back in 1982, as a new administration, it was necessary to assess the needs in post-secondary and adult education. The underlying considerations in making the assessment of needs were: one, to provide people with education that they want and need in order to benefit personally from the social and the economic prospects of our province; and two, to ensure that our educational system is a real contributor to the social and economic progress for Saskatchewan in the 1980s and beyond.

As a consequence of the study, we assessed that our greatest and immediate need was for vocational technical training and for upgrading programs. We were faced with a critical shortfall situation in training facilities. The capacities of the technical institutes could not accommodate the requirements for skilled workers in industry. At that time, approximately 9,000 skilled workers were required annually to meet the manpower needs of the province. They were able to produce only about 5,000. The technical institutes could only accept half the people that applied.

In the 1983 budget we embarked upon a \$120 million program for a full year period, a program that would increase the training capacity by roughly 60 per cent, to reach a level of 8,600 training places per year.

I am pleased to report, Mr. Speaker, that in the first year there was an increase of about 1,200 new training places, followed the next year by 800. These training places were provided not totally in the traditional institutional setting, but through innovative techniques and within what we refer to as the Saskatchewan Skills Extension Program.

There are many people in Saskatchewan who could not take programs in the traditional school setting. We aim to accommodate these people — people who could not attend technical institutes but who wanted skill training or upgrading to get skill training. These, Mr. Speaker, are people who are in jobs and want upgrading in their skills; who are in isolated areas and cannot afford to attend institutes; who would be out of place in a new institutional environment; who are housewives and want the opportunity for refresher courses, and many others.

Therefore, flexibility and accessibility were key features in the plans for delivering the programs. In the last few years there have been substantial strides towards achieving the accommodation of people in many different circumstances. Let me highlight some of the things that have been done to increase the skill-training capacity.

The capacity of WIAAS, Wascana Institute of Applied Arts and Sciences, has increased by 500 places. Seventeen new programs have been introduced. The new Winnipeg Street campus opened on the first of this year. Many of the courses are delivered by programs using competency-based learning. That is, students begin studies at the level of their skill knowledge, and proceed in their studies from that point. The students also proceed at their own pace, taking a module of learning at a time. It is possible, under competency-based learning, to discontinue the program to go to work, and then continue from where the student left off.

(1615)

Students can enrol at the beginning of each month. The flexibility provided has proven to be extremely popular among students and, particularly, for the mature students.

Working students are receiving educational leave to attend Wascana courses. Wascana Institute will operate on a 12-month basis.

Let me refer, Mr. Speaker, to some other innovations. By extending the school day at the institutes, 75 new places have been added. The Saskatchewan Technical Institute offers 76-week programs: that is, the courses continue through the summer months. The Saskatchewan Technical Institute has established a co-operative education program. This is work-study program that is jointly conducted by industry and the institute. Programs are being delivered by distance education. Seventy nurses received a refresher course by the mechanisms for teaching and learning in places distant from the institution of learning. Thirty-three of these nurses were from rural areas.

Native participation has increased. Agreements between the institutes and the Saskatchewan Indian Community College and Gabriel Dumont have made possible the enrolment of 236 natives in skill-training programs.

In northern Saskatchewan there are 120 training places. Many of these result from initiatives with the mining industry through community colleges.

Forty-eight hundred farmers from 220 communities have upgraded their skills. Our 1982 assessment revealed that a very substantial percentage of Saskatchewan people had a grade equivalence of less than grade 10. This meant, Mr. Speaker, that they did not have the skills and knowledge to proceed with training in technical-vocational courses. This situation was neither good for the individual nor the economy, for obvious reasons. We saw the need to facilitate programs that would be accessible to these individuals. It was necessary to provide more

programs in adult basic education so that skills could be learned to earn a living, and in course that followed up adult basic education with skill training provided mainly through the Saskatchewan Skills Extension Program.

These programs are mainly provided through the community colleges. At present, adult basic education is available in nine community colleges, and there are 20 learning centres that have been established. At the end of 1984, there were 5,207 adult basic education students, a substantial increase over 1982.

In addition to the Saskatchewan Skills Extension Programs, the community colleges are administering the Saskatchewan Skills Development Program for social assistance recipients. In the two years, 1984 and 1985, some 3,500 disadvantaged people will be given opportunities for training.

Many of the graduates from these programs have found jobs as a direct result of this training. It has restored dignity for many people who have been on assistance and are now entering the labour force. I have received many letters of appreciation for these course, telling about a renewed perspective of living.

A new technical institute at Prince Albert is under construction. This institute, Mr. Speaker, will be open for classes in 1986. However, program delivery in some areas of studies will begin in September 1985. Flexibility is the key word in the planning of programs for the institute. The delivery of the programs will be by competency-based learning.

The programs offered provide a wide range of skill training, a much greater variety than the originally planned industry intensive courses. The programs have been approved in consultation with the trade representatives, instructors, and builders, with special consideration to northern needs.

Just a few months ago the government opened the advanced technology training centre in Saskatoon. This facility will provide training and re-training for 1,000 technicians and technologists for Saskatchewan's growing high tech industries during the next five years. Already some 200 have completed courses at the advanced technology training centre.

This is an essential training facility to accommodate the rapidly advancing technology in industry and business. During the last three years there has been a substantial progress in providing basic education and skill programs. This is only the beginning. They have much more to do.

The objectives for our technical institutes are on target. Innovativeness has permitted a greatly increased number of places for students, whether in the institutes or by the extension programs in the colleges. The delivery of the programs has been done efficiently and economically.

Now, Mr. Speaker, this budget, the budget of 1985, completes the renewal programs which the post secondary . . . within the post secondary education spectrum. This is the budget that has been so enthusiastically received by the people of Saskatchewan. They see this budget as the beginning of great opportunities for the future, as a legacy for generations to come.

Mr. Speaker, the word about this budget has been heard beyond the boundaries of this province. Writers for the educational media are investigating and writing. The universities and the colleges have received a stimulus for renewal, for preservation, and strategic future development.

The existing situation for financing universities is not satisfactory. The universities do have critical current needs. There are some basic reasons for the monetary crisis that has been occurring. Enrolments have increased substantially, far beyond expectations. In addition, there has been a gradual eroding of funding the last decade or more. Bot the operating and capital funds were receiving smaller percentages of the provincial budget.

This has resulted in inadequate maintenance of buildings, upkeep of equipment, modernization of academic equipment and on and on.

It has been difficult, indeed impossible, for universities to initiate future plans. They have had to depend upon the annual spring budget. This inhibits planning and adaptability. In this budget we have introduced a structure that permits long-range planning. The government and the university are moving into a five-year planning framework. The proposed approach by the government is to create a university renewal and development fund which will enable the universities to develop long-range plans based on financial stability and certainty.

They will jointly plan in a number of key areas such as financing, capital, staffing, program development, and rationalization. The renewal and development fund will assure the universities \$125 million over the next five years. The 1985-86 commitment by the province is \$15 million — an increase of 10 per cent to the universities. The base operating grant has been increased by 5 per cent, \$6.6 million. The remaining \$8.4 million is earmarked for renewal and development of new projects. That \$15 million from the university renewal and development fund is over and above the normal operating and capital budgets.

In future years, approximately \$22 million will be available annually for new projects. This is a lot of money distributed over a period of five years, Mr. Speaker. We look to the universities and the colleges to play a large part in this forward-looking approach to financing. We want to assure the public that we, the province and the universities, will be accountable for the economical and efficient handling of this money. We will have well-established principles. We shall have the mechanisms necessary for the implementation of continuing forward planning.

The government is convinced that it has, over the last three years, taken the right approach in facilitating the delivery of post-secondary education. Traditional methods can no longer be condoned. Information is growing at an unprecedented rate. Technology is advancing rapidly and is having a phenomenal impact upon society. Saskatchewan people, our greatest resource, must keep pace with these changes. Education and training institutions must have the resources to accommodate the social changes.

Universities stand at the crossroads and the decision had to be made — decisions about future financing strategies could send the system into a state of permanent decline. Other decisions could draw the system back from a major crisis and redirect it into the future with renewed vitality, with a capacity to play a key leadership role in determining how our society would prepare for and manage the future.

The decision which this government made is one that will renew vitality for universities and other post-secondary institutions. Mr. Speaker, I want to compliment the Minister of Finance for his futuristic budget. I heartily endorse it for what it will do for the present and for the future generations.

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

**MR. WEIMAN:** — Thank you, Mr. Deputy Speaker. Again it's a privilege to rise in this House, not only to be able to speak in front of my colleagues and confreres, but again to give me an opportunity to speak directly to my constituents, those being in the constituency of Fairview.

The tenor of my budget speech, the way I would like to begin at, is to talk about the process in developing the budget speech and the ramifications that the budget has to the people of my constituency, as well as that for all of the province of Saskatchewan.

Now when I first decided to run for election and subsequently was elected, I did not intend to perpetuate the growth of a political party, although I readily admit that I do have my own



political biases. But I did want to become an MLA. I determined that I would work towards, and encourage, the growth of the province as well as the well-being of its people. And I believe that the budget that was presented here by the Minister of Finance goes a long way in doing exactly that.

I would have to commend the Minister of Finance for constructing a budget that it exemplifies, at least in my mind, to what I refer to as a responsible democracy. In past practices, governments either did or did not listen to input they received from the public, whether through the mail, whether through phone calls, or whether through personal contact.

I believe that the process that the Minister of Finance initiated went one step further and brought it full circle to make it, instead of just a unidirectional communication, a multidirectional communication. A multidirectional communication was a sharing, a reaching out, a shared responsibility.

Not content just to hear concerns and comments from his bureaucrats, or from people who have vested interests in finance, or as the myriad of companies that we've heard mentioned in the legislature — whether that be construction firms, oil companies, etc. — no, he went the one step further and actively sought out input from any and all in this province. Not just those leaders of society, but the individual.

Now we've heard the members of the opposition chide and berate and try to humiliate the Minister of Finance for taking a computer around this province. But they failed to understand the significance of that exercise. The significance of that exercise allowed, albeit in a hypothetical vein, but allowed the people of this province to participate, to pick and choose, to set priorities. Never — and I hope that this does not sound as an exaggeration — but never since the days of ancient Greece, when you met in the market-place with your white toga, and you talked to the public, by the way where the term “democracy” comes from — has that been done in the province of Saskatchewan. A one-to-one dialogue with everyone in the province. And yet the Minister of Finance was chided and berated for that.

There can be no argument from the members of opposition regarding the content of this budget. I can remember so clearly in this House when the Minister of Finance not only invited the people of the province to participate in the construction of this budget, but invited the members of the opposition to participate in the construction of this budget. And of course, the offer was declined.

(1630)

As well as commending and thanking the Minister of Finance for the process that he developed and went through, I would like to give special thanks to all my colleagues on the government side, because the process itself is not static. It's not confined just to the months of February, March, or April. It's just not confined to the to the ministry of finance. It's incumbent upon all of us to be involved in that process. And I want to commend my colleagues for becoming active members in that process — the many meetings that my colleagues have gone to, the discussions, the consultation. So I believe that my colleagues also deserve an applause for the work that they have accomplished.

Yesterday, the member of Rosthern had mentioned the many meetings that we, and my colleagues from Saskatoon specifically, had taken part in during the winter — the many groups that we met, and the individuals that we met from school boards, hospital boards, to individuals either in our constituency office or in the cabinet office of Saskatoon.

Well, I would like to also commend that member from Rosthern, because that member from Rosthern expended a phenomenal amount of energy in time, in setting up logistics, setting up the meetings, chairing the meetings. There's a saying, when you move or try to move a

mountain, if you believe problems are insurmountable — and it is like moving a mountain — you don't bring a teaspoon, you bring in the heavy equipment. And I think that all of us here in the legislature appreciate that the member from Rosthern is not exactly light equipment. So I'd like to extend my gratitude to the member of Rosthern.

I've already mentioned that I referred to the budget as responsible democracy, an exercise in responsible democracy. But I see it in two other ways also.

The second way I see it is a revolution in politics, not the kind of revolution in politics that we witnessed in October of 1917 when the long knives came out searching for the square backs, as we sometimes witness that is very akin to what is happening in the opposition ranks these days, but a revolution of thought, a revolution that brings about a rejuvenation in a society, a revolution that includes involvement by the whole society, a revolution that is not afraid to try new approaches.

I state again: I believe the finance minister's budget 1985 definitely exhibits that characteristic of a revolution in politics for the province of Saskatchewan.

Lastly, I could say another facet of the budget could be termed as a household budget, a household budget in terms that it is a realistic assessment, a realistic assessment of what we have coming in, whether it is through revenues or royalties, and what we have to expend going out — a realistic assessment, a setting of priorities, a determination of what we need rather than what we would like. And all of this done not in isolation.

I can't help but repeat myself over and over and over again, how strongly I feel about this process of consultation, not done in isolation, any of these. It's no more different than sitting around the kitchen table with your wife. You know, I can imagine a dialogue in my house. I say, "Well, you know I would like to go to Disneyland and take the kids. That's what I would like."

But my wife says to me, "But the roof is leaking. That's what you need." It's great to want to like things, and I don't berate anybody or denigrate anybody who wants things in this province. We all do. I hope we are all working towards that. But if it comes down to need, I have to set my priorities.

This is a household budget. And from my discussions in this last year with my constituents, with my colleagues, if there is anything that has been made abundantly clear to me, it is that the people of Saskatchewan demand a government that has a backbone, not a government that has a wishbone. And I commend the Minister of Finance for using his backbone.

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

**MR. WEIMAN:** — I have to be fair. I have to be fair. There are times that I, myself, slip and wish for things.

I wish that the home assistance program had not been taken away, because it hurts. It hurts me, \$230. Contrary to public opinion, MLAs are not rich people. It hurts me, and it hurts my constituent. And I wouldn't be fair if I didn't state that.

But I'll tell you what hurts more. When I get phone calls at home, and in my office, from a mother who is crying because she has a two-year-old daughter who has been up for weeks crying at nights with horrendous earaches because all she would need is the simple implementation of a Eustachian tube in her ear to draw off the fluid from her ear. And she can't get in as quickly as we would all compassionately like her to get into a hospital facility, because of overcrowding, or because of lack of foresight in construction or rejuvenation of existing facilities. That hurts more.

When I meet one of my constituents on the ball diamond where his son and my son are playing

ball, and he's unemployed, and he's been unemployed through no fault of his own. He's been unemployed because of the recession that has hit Canada, and indeed the western world. And he can't practise his skills, and he doesn't have that feeling of security any more, that he once had.

Or when I meet another gentleman at that same ball diamond. During the past, in many cases it was the wives and the mothers who got their kids to their ball diamonds because their dads were out working, but now the dads have a lot of time on their hands. And this man was laid off because of the downturn, the downturn in business, because businesses who were hurting had to consolidate, had to pull back, and hard to lay off employees.

Or the same man at the ball diamond who used to sell cars, who used to sell cars and was laid off due to climatic conditions in the agricultural sector, not through a fault of his own, not through a fault of the farmer. That hurts more than the \$230 that hurts my pocket-book.

Or, as a past teacher . . . I guess you could never say past teacher. It's like saying a past alcoholic. You're always one. As a past teacher, when you go and visit your schools, and teachers talk to you, and parents talk to you and they say, I'm worried, I'm worried about cutbacks in programs that we've heard about or that are coming. I'm worried that my child is going to be placed in a room in excess of 30 students, when I'm worried about the high pupil-teacher ratio; or when that parent says to me, I'm worried about the quality of education for my child, that it's going to prepare my child for the future.

That hurts more than the \$230 from my pocket. I don't deny that that \$230 from the PIG grant, which in itself is a misnomer because it means property improvement grant, and it never did mean a tax rebate. But even the absence of that \$230 definitely hurts, but not nearly in comparison, not nearly in comparison to the child who needs a Eustachian tube; to the gentleman who hasn't had an opportunity practise his skills in months; to the gentleman who was laid off because of climatic conditions in the agricultural sector; to the gentleman who was laid off because he can no longer sell cars; to the schools who are worried about cuts in programs; to the school teachers who are worried with possible lay-offs; to parents who are worried about their child not receiving a quality education. That hurts me more.

And as I said, it was a household budget, and I had to sit down and determine what I would like and what I do need. I will always pick the need first.

At least, at least we in the province of Saskatchewan all know, politicians and electorate alike, all know where the money is going and where it's going to be going for the next five years.

I, on behalf of my constituents, applaud the minister for his backbone. I applaud him for 400 million additional dollars in education. I applaud him for 600 million more dollars for job creation. I applaud him for the \$300 million more set aside for health, and I definitely applaud him for the \$200 million more set aside for agriculture.

I made reference to responsible democracy. There are some attributes where incumbents are necessary for this responsible democracy. It requires dialogue. That goes without saying. It requires consultation. That goes without saying. It requires an openness, and I've already alluded to that. And it requires an honesty to believe the facts as they are.

The Minister of Finance and my government have never denied or hid from the public the true facts of the finances of this province. In the last two years I have heard on many occasions, and so have you in this House, the discussions regarding deficits or taxes or increased royalties. He has never hidden those facts, and when he went out to the people of the province he never hid those facts. He dealt in honesty; he dealt in truthfulness.

Now I could never say that we in the government have the market closed on honesty and

truthfulness. In fairness, I have to say the members of the opposition are just as capable of telling the truth. Make no doubt about it. They do tell the truth.

When? When members of their party go on national television, and through the media, and promise legalization of marijuana, they're telling the truth. Make no doubt about it, when their party resolutions adopt the allowance of abortion clinics in Saskatchewan, they're telling the truth. When they talk about closing down uranium mines up north, after spending 630 million of your dollars, putting 10,000 people out of jobs, they're telling the truth.

When the Leader of the Opposition stands on the steps of the legislature and advocates labour militancy, he's telling the truth. And when that same Leader of the Opposition stands in the legislature and waves a dollar bill and says that he will buy back the private sector for one dollar, you better believe that he's telling the truth.

(1645)

It never was made so abundantly clear to me that that process and the direction of the members opposite, when I came across this article of which I wish to quote:

Membership in the New Democratic Party is open to all those who are committed to the philosophy, "What we desire for ourselves, we seek for all."

So when you hear them talking about abortion, marijuana, closing down the mines, labour militancy, they are telling the truth.

Now, is this fantasy? It cannot be fantasy. The pamphlet that I am reading from, in the front states very boldly, "This is no fantasy." And the back states again, "What we desire for ourselves, we seek for all."

You know, trivial pursuit is a very big thing right now. I was tempted at first to ask you: did this statement come from the politburo of Moscow? Did this statement come from some Warsaw Pact country? Or did this statement come from the duly sanctioned three nominated New Democrats in the east side of Saskatoon, sanctioned by their own party?

How convoluted and contorted that kind of thinking is requires an example. Abraham Lincoln, and I am paraphrasing badly, but Abraham Lincoln had stated: a government for the people, by the people. What this sounds like is a government for the people, by the party. And you wonder why people in this province are afraid of you and will never have you back.

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

**MR. WEIMAN:** — This kind of thinking can't be the philosophy of a responsible political party? No. I dare say this is the philosophy one hears at a going-away party.

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

**MR. WEIMAN:** — You know, in the three years I've been here, we've talked about the flip-flops in philosophy and the flip-flops in direction, and we've heard my fellow colleagues mention those, the Minister of Agriculture just a moment ago. And I've heard much from that side. When they really get put into a corner, they say, well if we're not so good on economics today, well maybe we'll switch to education. If we're not so good on education today, well maybe we'll switch to agriculture. And if we're not so good on that, there's one thing we still are the bastions of — peace. We're the bastions of peace.

Well, in the three years that I've been here, I would be hard pressed to find any semblance of peace. Rather their talkings and philosophies concern the peace of the social fabric of this

province. You've already heard what they have to say about labour peace in this province — advocate labour militancy. Sell off everything or buy it back on the dollar. They're not sure which way they should do it. On one hand, sell off; and the other way, buy back.

You definitely will not hear them propound or exemplify or give confidence to the public of this province that they have the peace of mind, unlike the finance minister's budget, which I must stress again, offers that peace of mind. Because he offers a stability, a five-year plan, the possibility of planning of the future because it's long-range and it gives a direction for all the sectors of this province, for every sector of this province.

When I hear the kind of talk that I've just mentioned, I can appreciate trepidation of those people involved in the market-place. I can understand a fear of confidence at times for those people involved in the market-place, a wantingness to come to Saskatchewan to participate in this partnership of progress, but a hesitancy, because they've heard this and they've heard it again and again and they know more than we, and appreciate more than we, that the opposition is telling the truth.

You know, Saskatchewan can be likened to a supermarket. We've got everything here. You name it; it's here. Laurier said the 21st century belongs to Canada. I state it belongs to Saskatchewan. We have every available resource that the world is crying for right now. But yet, we're a bit hesitant.

They don't want to pay and go through the turnstiles only to be met at the door with the door locked, and to have some little gnome standing at that door and saying, I'm taking that purchase back for \$1; or to have some little gnome standing at that locked door and say, well, we're not interested in these goods anymore, that you bought, they're going in the trash can; or to have some gnome standing at the door saying, I'll unlock the door, but there's a lot of labour unrest out there.

Of course they're hesitant. And until we, as a government, and until you, as the electorate, show these people that there shall be no little gnome by these locked doors, it shall be such.

I would like to turn, for a few moments, Mr. Speaker, to Saskatoon, and very briefly. We, in Saskatoon, even though we have our own constituencies, feel as if the whole city belongs to all of us. In fact, that's a mutual feeling among all the MLAs in Saskatoon. So on behalf of my colleagues from Saskatoon, as well as the city of Saskatoon, we want to thank the Minister of Finance for the program that is going to allow 9 and five-eighths per cent interest to create jobs.

We definitely want to thank the Minister of Health for his announcement two days previous of the \$200 million worth of hospital construction in our city. The hospital of St. Paul's, who have planned and worked so diligently these past years for their expansion, they're going to get it. University Hospital, they're going to get it. City Hospital are going to get it. And we want to thank the Minister of Health for that.

We want to thank the minister for the additional funding in education. There was a clipping, and I wish I would have brought it with me, where the chairman of the board of the public school board is on the record in the *Star-Phoenix* as stating a couple of days ago that they will not have to increase their rates. And he gave credit where credit was due, because of the increased funding into education. We thank you, Minister of Education.

I thank you, Minister of Health, again for a nursing home to the city of Saskatoon; a nursing home that my colleague from Saskatoon South talked about yesterday. He had mentioned yesterday that there was a moratorium placed on nursing homes at the same time that the past government involved itself in the purchase of uranium mines for \$630 million. He'd mentioned that. Well this nursing home is going to provide more space on one site than anything they did

during that period in seven years — on one site.

**AN HON. MEMBER:** — Seventeen years.

**MR. WEIMAN:** — I stand corrected — 17 years. Now the member from Saskatoon South, yesterday, had also indicated that it is not, it is not a wishful item. It is factual. Right now, as he mentioned yesterday, the project is now short-listed. It is a matter of picking the successful tender and beginning construction within the next six weeks to two months.

That facility will be there. A new unique and original facility. It is not only a nursing home, a level 4 nursing home, 238 beds. No. There has been some imagination shown in the drafting of this nursing home. It will service respite beds. And for those members who do not understand what respite beds are, is so that those young mothers and fathers who are taking care of their elderly parents can take them to the nursing home to book them in for a week or two, so that they will be able to go on their holidays — respite beds.

It will also house beds for people suffering from dementia, and I believe that we will be able to find, and I will impress upon the minister to find, eight additional spaces. It will look, and place beds, for adolescents with behavioural problems. The warmer to my heart, as great as this is already, being a past teacher, it is going to be a medical teaching facility on top of that. I congratulate the Minister of Health for making possible a 238-bed nursing home.

Now, I wish at this time also to announce, as important as it is for all of the city of Saskatoon, but I wish to announce to my constituents that, as of yesterday, the Minister of Health and the Minister of Supply and Services have given me the assurance and the commitment that that \$21 million nursing home will be in the Fairhaven site in the centre of my constituency. I thank you, Mr. Minister.

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

**MR. WEIMAN:** — My constituents are not only excited because nursing homes have come to Saskatoon, but they are excited because of the jobs it will create.

I apologize, Mr. Speaker, to you; I apologize to my colleagues and to the listeners and viewers at home, if from here on in I sound like Donald Duck. But time is fast eclipsing, and there are a few things I just have to say about that nursing home, so I will speed up my delivery.

That \$21 million nursing home will create 250 new jobs in the construction industry.

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

**MR. WEIMAN:** — It will create 100 to 200 jobs in the service industries related to the supply of goods and services.

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

**MR. WEIMAN:** — And when it is completed, it will attract approximately 250 positions to maintain that facility. All over a period of two years people in my constituency will be working. And I find it ironic that that nursing home, which will be greeted warmly by my constituents, is in viewing distance from the labour union centre. And I couldn't be more happy about that.

**MR. SPEAKER:** — Order, please. It being 5 o'clock, I do now leave the chair until 7 p.m. this evening.

The Assembly recessed until 7 p.m.