

The Assembly met at 2 p.m.

Prayers

ROUTINE PROCEEDINGS

NOTICES OF MOTIONS AND QUESTIONS

HON. MR. LANE: — Thank you, Mr. Speaker. I give notice that I shall on Thursday move first reading of a Bill, an Act to amend The Vehicles Act, 1983 (No. 3). Secondly, Mr. Speaker, I give notice that I shall on Thursday move first reading of a Bill, an Act to amend The Mentally Disordered Persons Act.

HON. MR. HEPWORTH: — Mr. Speaker, I give notice that I shall on Thursday move first reading of a Bill, an Act to amend The Livestock Investment Tax Credit Act.

HON. MR. BERNTSON: — Mr. Speaker, on behalf of the Minister of Urban Affairs, I move that on Thursday next I shall give first reading of a Bill, an Act to provide Heritage Grants to Certain Senior Citizens. In addition, Mr. Speaker, I move on behalf of the Hon. Minister of Urban Affairs, I give notice that I shall move first reading of a Bill, an Act to amend the Income Tax Act (No. 2).

ORAL QUESTIONS

Repeal of Tax Increases

HON. MR. BLAKENEY: — Mr. Speaker, I direct a question to the Premier. It deals with taxes and the April budget. Could the Premier advise the House whether the government has decided to repudiate the record tax increases contained in the April 10th budget? And will you announce today in the very near future you will repeal the flat tax, repeal the 5 per cent sales tax on used vehicles, and repeal the law which eliminated tax rebates?

Can the Premier assure Saskatchewan taxpayers that he has heard the messages which have been coming this way the last few days, and that he will do away with these unfair tax increases?

HON. MR. DEVINE: — Mr. Speaker, I will assure the Leader of the Opposition, and I will assure the people of the province of Saskatchewan that, yes, I have heard the message, and I believe governments across Canada have heard the message, not only last week, but yesterday and the day before and the months before, and so forth.

During difficult economic times, it's difficult to be popular all the time, and the most important thing that we can do is to listen to the people and respond, so I can assure the member opposite that I have heard the message, and that I will be looking at all the programs in Saskatchewan.

I looked very, very carefully when it came to the senior's program, and I have talked to seniors and they felt just like seniors all over the province of Saskatchewan — those in my community, those in yours — and they said we need the kind of protection, we deserve it, because this is Heritage Year and we helped build the province.

Yes, Mr. Speaker, I've heard the message, and I will be responding, not only to seniors, and not only to farmers, but to families and small business and people throughout the province of Saskatchewan in rural areas and in urban areas right from one end of the province to the other.

HON. MR. BLAKENEY: — A supplementary, Mr. Speaker. To return to the question, would the Premier indicate whether or not his government proposes to introduce legislation to repeal the flat tax, repeal the 5 per cent sales tax on used vehicles, and eliminate property tax rebates.

HON. MR. DEVINE: — Mr. Speaker, I'm sure that my hon. friend knows that I will not design the budget from here in question period. But I will say that I have heard the message, and that I will be looking at the kinds of things that people want to see, and I will be responding, not just on one tax or another. I mean, I know, as you do, sir, that when you took income tax from 36 per cent to 51 per cent, people didn't like it, and they threw you out, and you said you have now learned the lesson. Well I am learning a lesson because I lost a by-election. Okay. So we both learn lessons.

And you might not do the same things that you did to get over there, and I'm going to do the kinds of things that I believe that are important, to respond to people, so that I can be here to give them the kinds of things that they would like to have. So I will respond. I will respond with respect to taxation. I will respond with respect to tax reform. I have complete endorsement and support from the Premier of Manitoba with respect to tax reform, to make sure that it's fair, and that's precisely what I will continue to do.

As you know, Mr. Speaker, with respect to fairness, we have, at the advice of people in this province, raised the tax on banks and raised the tax on railroads and raised the tax on big companies, because people said that would be fair and translate that benefit to families here in the province. I will continue to listen, and yes, Mr. Speaker, I will respond.

HON. MR. BLAKENEY: — Further supplementary, Mr. Speaker. If the Minister of Social Services can repudiate the tax provisions of the budget in the press, why can you not repudiate the tax provisions of the budget in this House?

HON. MR. DEVINE: — Mr. Speaker, I have the clear responsibility to make the changes that are necessary as I see fit in the province of Saskatchewan, and I am listening, and I will be acting accordingly. There are combinations of things: the deal with rural and urban and with seniors and with taxation and so forth.

I am receiving the advice of people in the province of Saskatchewan and the Leader of the Opposition can rest assured — rest assured, Mr. Speaker — that I will be listening, and I will be moving, and I will be responding, and I will be doing it in line with what is fair, what is open, what is responsive, and so that people in Saskatchewan can say, yes, just as you protected my home against high interest rates, yes, you're responding with respect to this taxation. Yes, just as you took the tax off gasoline; yes, I want to see you do this. And yes, just as you have protected farmers against low interest rates; yes, I want to see this.

So I will be responding and I'm sure when I do, the members opposite and the Leader of the Opposition will say, good for you, Grant Devine, right on; that makes sense.

HON. MR. BLAKENEY: — New question, Mr. Speaker, to the Premier. One wondered when he was going to come to the gasoline tax.

Mr. Premier, I specifically asked you about your government's position on the flat tax which hits low and middle income earners hardest. I did not get an answer. I want to advise you that major Regina hospitals have just begun deductions for the flat tax in recent pay cheques, and our phones have been ringing with complaints from nurses and other health care workers. I want the Premier to understand the impact of this unfair increase.

I have a pay slip from a nurse who was at the Pasqua Hospital, in my constituency, and working the same number of hours at the same rate; her net income for a two-week period has been cut by \$110.54 — I have the two pay slips here — because of the application of the flat tax, and that's the only change. The only change!

AN HON. MEMBER: — Table them. Table them.

AN HON. MEMBER: — Well, you have to wait until after question period.

HON. MR. BLAKENEY: — Mr. Premier, I ask you, how can you justify that kind of money out of the pockets of Saskatchewan families while your friends, the oil companies, are enjoying record profits and record tax breaks under your government?

SOME HON. MEMBERS: — Hear, hear!

HON. MR. DEVINE: — Mr. Speaker, we have designed a policy with respect to energy to create more and more money so that we can pass it on to families in Saskatchewan. I have heard about the requests for lower sales tax. people wanted to say: take the sales tax off energy, take the sales tax off clothes, take it off power bills, protect my home against the high interest rates. And when you add those up, and the income tax reductions, we could put them all in a package.

I suppose we could say, here's a \$1,500 property improvement grant — \$1,500 per family. That's what it's worth in the last little while. Income tax levels are declined a large amount compared to your administration. And people are saying, that's good; you just keep it up. What they're saying to me is, make those changes to be consistent with the things that you've done in the past.

When you look at the taxation levels, people have said to me the reason that the NDP lost is they took them from 36 per cent to 51 per cent. They didn't like that. So we said, we will take them the other way, and for low income families we will make sure that they will get a bigger and bigger break. And that's precisely what we're doing.

So if we look at the income tax reductions, we look at the sales tax reductions; and yes, I've heard the message that a 5 per cent tax on used cars is not consistent with the tax reductions that you have made over time; make sure they are consistent.

Well, Mr. Speaker, I will say to my hon. friend again: I will make sure that they are consistent, and I will make sure for low and middle income families they will be reduced. And if the hon. member opposite wants to take all of the tax reductions . . . I would challenge him, in a fair sense, if he wants to be fair. We all like the word 'fair.' If you want to be fair, sir, take all the tax reductions. Identify all the tax reductions that would apply to a family in Saskatchewan making \$20,000 or \$30,000. Apply them all, and we'll add them up, and we'll see how a family does. He knows as well as I do. A family now is much better off in terms of tax levels than they were in 1981. He knows that. Partly, Mr. Speaker, because we have taken revenues and royalties and passed it on to people. That's why.

So they are saying, we want it more fair. He said, I want you to be fair, add them all up. We'll add them up and we'll see if they're better off today than they were in 1981 with respect to taxes.

HON. MR. BLAKENEY: — Supplementary, Mr. Speaker. Mr. Premier, I advise you that in the pay cheque stub of October 26th, the income tax item was 345.44. In the pay cheque stub for November 23rd, the income tax figure was not 345 but 465. There's a little note on the bottom saying, 'July 1, 1985, provincial tax now effective.' Would you explain to the House and for the benefit of this particular nurse, how a change from \$345 to \$465 off her pay cheque represents a tax reduction.

HON. MR. DEVINE: — Mr. Speaker, obviously I would like to have the paper for analysis so that I could look at it to make sure that my hon. friend is giving me a fair example. I hope that it is fair example, and if it is, I will take it and look at it. Obviously, on the pay cheque, Mr. Speaker, it doesn't include up to 2 or \$300 a month that we might have saved an individual in protecting their mortgage against 20 per cent interest rates. It doesn't include that. It doesn't include the fact that they may be saving 100 or 200 of \$300 a year because gasoline prices are lower. It doesn't include the fact that the sales tax are off several things, in terms of children's clothes, in terms of the power bills. It

doesn't include the fact that we have a Public Utilities Review Commission with freezes in utility rates. That isn't in that information.

So the combination, Mr. Speaker, when added up, that the hon. member wants to be fair, he will add them all up and I'll add them up with him. We can take any family he wants to. We'll go right down the line and he can add them up. And yes, Mr. Speaker, I will listen and I will examine it and I'll look at it extremely carefully.

Provincial Deficit

MR. KOSKIE: — Thank you, Mr. Speaker. I'd like to address a question to the Minister of Finance, and it deals with the provincial deficit. In his April 10th budget the minister claimed that the budget deficit for the current fiscal year, 1985-86, would be 291 million. As the minister will realize, the previous year he forecast 267 and it went up to 295 million.

I'd like to ask . . . The current total accumulated provincial deficit, Mr. Minister, on your figures, is 1.2 billion in excess of that. And what I want to ask you: since you have been so much out of whack in your estimation of what the provincial deficit will be, I'd like to ask the minister, can you confirm that this year's actual budget deficit will not be 291 as you forecast, but will in fact be much closer to \$500 million?

HON. MR. ANDREW: — The exact detail of what the deficit is will be made available, Mr. Speaker, at the end of the fiscal year. Obviously there has been problems this year, particularly in the agriculture community, Mr. Speaker, problems with drought, and problems with grasshoppers.

This government, Mr. Speaker, responded to the concerns of those farmers with a number of programs to carry them through this year and programs to carry them into the next three and four years. While that obviously can put pressure on the spending power of government, we on this side of the House believe it was proper and appropriate to do that, Mr. Speaker.

Number two, Mr. Speaker, there has been some positive revenue growth, primarily, or almost exclusively, in the area of royalties from oil. Potash has gone down, using similar revenue formula of the previous government. But from last year's estimates, the revenues from oil are showing some positive growth. Mr. Speaker, I find it difficult the members opposite begin their questioning starting with: cut your taxes; raise your spending, raise your spending; and you shouldn't do this with the deficit, Mr. Speaker. You shouldn't do that with the deficit, Mr. Speaker. It seems to me they should get their focus straight.

MR. KOSKIE: — Supplemental, Mr. Speaker. Mr. Minister, would it be a reasonable assumption for the people of Saskatchewan to have no faith in your fiscal management of this province in view of the fact that your forecasts were 100 million out last year? They are going to be 200, \$250 million out this year.

How can the people of this province have any trust in you running the affairs of this province in view of this?

HON. MR. ANDREW: — Mr. Speaker, when we put the budget together in March, we put that budget together as every government has before us, based on the fact that we would get a normal crop in the given year that we were looking forward to, Mr. Speaker, — a normal crop for the people of Saskatchewan, for the farmers of Saskatchewan. We had a tremendous infestation grasshoppers. While we had an excellent crop in the northern part of the province, Mr. Speaker, the rains came during the harvest season and much of that crop was either deteriorated and certainly lost — significantly lost revenue, Mr. Speaker.

That puts pressure on government from two points of view. It puts pressure on them in the sense that farmers, given an abnormally poor year, ceased to spend money that they would normally do; that

puts pressure on taxes, both sales taxes and income taxes, Mr. Speaker. And given the difficult nature of this particular drought, I'm sure nobody in this House, nobody in this House is going to take pleasure and revel in. There was a drought, Mr. Speaker, there was problems on the farms, Mr. Speaker, and this government responded to those, and we apologize to no one for responding to those, even if it costs more money and drives the deficit higher.

SOME HON. MEMBERS: — Hear, hear!

MR. KOSKIE: — A new question, Mr. Speaker. I was wondering whether the Minister of Finance can, in fact, provide the information as to whether or not it's factual that the forecast for this current year will be in the range of \$650 million next year. And can the minister tell us if he considers that to be, as he indicated in his budget speech, minimized and manageable deficits — a term, as I say, he used when he introduced his first major deficit of this province.

HON. MR. ANDREW: — Well, Mr. Speaker, the hon. member started out by projecting that there was going to be a \$500 million deficit. Now he's got it up to 650. I hope he doesn't ask another question, Mr. Speaker.

The reality, Mr. Speaker, is this. As I responded to the question before, there have been pressures on government this year from a spending side, primarily driven by agriculture — primarily driven by agriculture. There are problems because of the nature of the crop. The economy of this province, Mr. Speaker, directly and indirectly — directly and indirectly, Mr. Speaker — the economy of this province is 50 per cent agricultural. The way the farm goes, so goes the rest of the economy of Saskatchewan. That is a reality, Mr. Speaker. Who can sit and project and predict that we are going to have the problems on the farms that we had this year with regard to drought and with regard to grasshoppers. That is a reality of what happened, Mr. Speaker.

We responded to that, Mr. Speaker. And I can assure the members opposite that the control and the management of the deficit in the province of Saskatchewan will be this year, and will be forever, superior to that of the province of Manitoba that they so hold in such high esteem.

MR. KOSKIE: — Supplemental, Mr. Speaker. I wonder if the Minister of Finance agrees with the agricultural economist who recently said, 'Don't be fooled; deficits are just deferred taxes which must be paid by future generations.' Those were the words of the agricultural economist, Grant Devine, in the December 1982 edition of *Grainews*.

Does the minister agree with this statement?

HON. MR. ANDREW: — The member opposite allows his colleagues, Mr. Speaker, from the south part of the province to say: pay us 50 bucks an acre over half the province. That would cost us roughly a billion dollars, Mr. Speaker, if you went by that thing. He then turns around and tries to argue the other side of the coin.

Mr. Speaker, in response to the member's questions, I believe with what the Premier of this province says on all issues.

Public Accounts Report

MR. LUSNEY: — I have a question for the Minister of Finance. This has to do with the preparation of public accounts for the fiscal year ending March 31st, 1985. Has the Provincial Auditor completed his audit of the government spending for last year, and if so, on what date did he file his report, or his certificate, approving those accounts?

HON. MR. ANDREW: — I'm not totally convinced. I would not want to give you the answer. I will check with the Provincial Auditor and bring that answer back to the House.

MR. LUSNEY: — Supplementary to the minister. Mr. Minister, in most years the auditor completes

his account or his audit by about September 30th or so. It's two months past that. Are you telling us that you're not aware if his audit is complete or if he has filed his certificate of a completed audit at this point yet? If you're not aware of it, can you assure this House that you will look into it and that you will get that tabled, the audit tabled in this House before we adjourn for the Christmas season?

HON. MR. ANDREW: — I indicated I would check with the Provincial Auditor and bring in the answer back tomorrow. I can advise the House and you, Mr. Speaker, that since I have been in this House, since 1978, I believe the first time ever the public accounts were given to the House by the Provincial Auditor was, I think, 1980. I stand to be corrected on that.

But it used to be a practice of the previous government not to give it until the spring sitting. That was, in fact, elicited by this particular party when we were in opposition. So what I will undertake to provide to the hon. member opposite is a response from the provincial Auditor, and I also will provide to the hon. member when the public accounts have, in fact, been filed in this Assembly, in the most recent history over the last 10 years. I'll undertake to do that for him as well.

MR. SHILLINGTON: — Thank you. A new question, Mr. Speaker. Mr. Minister, last year you were later than . . . The public accounts were being tabled later than was ordinarily the case. You undertook in this House to give us the public accounts as soon as they were available. When that occurred in March, the Minister of Revenue and supply indicated that you would never give us the public accounts again because we used your own public accounts to embarrass you with.

Mr. Minister, will you assure us that such absurd nonsense will not stand in the way of us getting the public accounts this year as soon as they're available?

HON. MR. ANDREW: — What I indicated to your hon. colleague is that I would check with the Provincial Auditor. He's the person that prepares the public accounts and the person that prepares the Provincial Auditor's report. I would undertake to get that information from the Provincial Auditor and report back to the Assembly, Mr. Speaker.

MR. SHILLINGTON: — Mr. Speaker. Mr. Minister, will you undertake to give us the public accounts as soon as they're available, as was done last year?

HON. MR. ANDREW: — Mr. Speaker, I will undertake to find out from the Provincial Auditor where the public accounts are, how he has proceeded with the public accounts, and I'll report back to the House tomorrow. I don't know otherwise whether or not the accounts are ready, and that certainly is something that the auditor must say, and I would simply request the Assembly the right to check with the Provincial Auditor on that.

MR. SHILLINGTON: — Mr. Speaker, a new question to the Minister of Revenue and Financial Services. Mr. Minister, my question is whether or not you have recovered from last year's embarrassment sufficiently to give us your assurance that this year you will give us the public accounts as soon as they are available?

HON. MR. ROUSSEAU: — Mr. Speaker, the public accounts are being prepared. The public accounts will be tabled in the legislature when they are ready. When they are ready, I want to make sure that they are accurate before I table them, and I want to assure the hon. member, Mr. Speaker, that they will only be tabled in the legislature.

As a result of last year's . . . (inaudible interjection) . . . Are you finished? Mr. Speaker, as a result of last year's abuse when I gave the members opposite the public accounts when the legislature was not sitting, I've decided that they will be tabled only in the legislature, and all members will receive them at the same time.

INTRODUCTION OF BILLS

Bill No. 123 — An Act to amend The Provincial Court Act

HON. MR. LANE: — Mr. Speaker, I move first reading of a Bill, An Act to amend The Provincial Court Act.

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

MOTIONS

Referral of Report to Standing Committee on Communications

HON. MR. BERNTSON: — Before orders of the day, I would like to move, seconded by the Minister of Finance, with leave of the Assembly:

That the annual report of the legislative librarian for the period ending March 31, 1985 be referred to the Standing Committee on Communications.

Motion agreed to.

ORDERS OF THE DAY

MOTION UNDER RULE 16

MR. TCHORZEWSKI: — Thank you, Mr. Speaker. I am pleased to rise today to lead off the debate on this special resolution that's before us, the special resolution that's pursuant to rule 16.

Mr. Speaker, I am going to invite all members of the Assembly to review this resolution very carefully, particularly those government members opposite who canvassed in Regina North East during the by-election, or who have genuinely been listening to their own constituents recently.

And I say that, Mr. Speaker, because I firmly believe that any member of this Assembly who has genuinely and honestly been listening to the people of Saskatchewan, as my New Democratic colleagues and I have been doing — any such member, I believe, will support this resolution that's before us today.

This resolution deals with several issues, and let us take each one in turn. First, I think it's clear that the Assembly and each member clearly wishes to express regret at this Devine government's fiscal and economic mismanagement. So many promises made, and so many promises broken.

We only have to review this government's record, Mr. Speaker, to see what a sorry record it has been. After 11 consecutive balanced budgets by the Blakeney government, the Devine government has produced four straight deficits, and each deficit larger than the last — and who knows what the next will be? — such that the cumulative Devine deficit is now pushing \$1.5 billion. And that deficit is now a heavy \$51 billion mortgage on the future of this province. Mr. Speaker, I think one can only say that that's mismanagement on a very colossal scale.

The mismanagement of our provincial economy by the foolish and the failed policies of this government opposite . . . And I know that members opposite will try to boast of what they call the highs and lows, and the records of that government that they represent. Well, Mr. Speaker, before they start trotting out those phoney figures and their patched-together statistics, I invite them to listen for a moment to what their constituents are saying about the government's economic performance — the hard-pressed family farmer, the unemployed workers, those on minimum wage or on welfare, the teachers, the nurses, and the construction workers, the small-business people.

Because the people of Saskatchewan no longer believe this Devine government. They no longer believe its phoney figures and empty rhetoric. They no longer believe the creative accounting that talks about job statistics which aren't really real or realistic.

And Pioneer Trust, Mr. Speaker, an example of the mismanagement on a colossal scale, bungled from the start to the finish, leaving a \$28 million bill to be paid by the taxpayers of Saskatchewan. More mismanagement.

This resolution also expresses our regret at this government's unfair tax policies. Oh yes, they boasted a tax reform. We heard in question period some more talk of that supposed tax reform. But what did they do? They brought us the biggest and the most unfair tax increase in Saskatchewan history, and the members opposite will say, well, you've said that before. Well I will say to them, and will say it again because it's the truth, and I will be interested to see whether any member of the government benches opposite will stand in his place and defend in this debate his government's disastrous and unfair tax policies. Oh, to be sure, we may have brave words from one or two back-benchers, but I challenge the Minister of Finance or any other minister to rise in this debate and defend this government's unfair tax policies.

Let's talk about them for a moment. They promised to eliminate the sales tax, but they extended it to used cars. Even the Minister of Social Services now disagrees with it, as does the candidate who ran against me in the constituency of Regina North East. They promised to reduce the income tax, and what did they do? They increased it up and raised it up by adding their new and unfair flat tax. And then you know, they took away the only property tax relief that people had, the property tax rebate. And they talk about fair.

Mr. Speaker, I would particularly like to hear the member for Rosemont, the Minister of Social Services, rise in this Assembly today and explain his view on cabinet solidarity regarding this crucial Conservative government budget and taxation decisions.

This resolution before us, Mr. Speaker, also invites comments on the government's disastrous resource policies, an issue that has been getting some attention in this House during this session. The \$300 million a year in royalty holidays to the big oil companies; the special deals and the special concessions to big out-of-province resource companies like Manalta Coal of Alberta, or Husky Oil.

Simply put, Mr. Speaker, the people of Saskatchewan want this province's resources managed in the long-term best interest of all the people, not just for the privileged few. People want good government. They want fair government, sound government, and a government that will manage Saskatchewan's resources in the best interests of Saskatchewan people. And they look at this Devine record, the Devine government's performance, and they find it wanting. That is why more and more Saskatchewan people have come to agree that it's Allan Blakeney and the New Democrats that have the courage, the ability, to manage the Saskatchewan resources in the best interests of all. Those, Mr. Speaker, are only some of the major shortcomings of this government's policies.

Let us now turn, if I may, for a moment to the sort of positive constructive action that this Assembly should urge upon the government, Mr. Speaker. First of all, let us acknowledge that the people of Regina North East spoke out loud and clear last week. I think they were a fair representation of people around Saskatchewan. They are tired of talk. The people of this province are tired of simple talk. What they want is action. They want concrete and positive and effective action. They want results; they don't want excuses. They want fairness; they don't want Conservative double standards.

This resolution therefore urges that this government create jobs, for Saskatchewan people are deeply concerned about jobs, and job security, and job opportunities for young people. So I invite the Conservative members opposite to look around their own constituencies. I invite them to listen for a change. Listen to the construction workers out of work for more than two years. Listen to the single mother whose hours in her part-time job are being cut back. Listen to those with steady jobs, worried because their real income is falling, and worried about job security.

Or listen to young people and to their parents. Mr. Speaker, these young people should be the pride of our province. They want to build. They want to contribute, to use their energy and their talents in making this a better province, a better world. They want to work. They need to work, and we urge this

government to provide them with the opportunity to work.

We urge this government to also take positive and concrete steps to assist our hard-pressed family farmers. All they ask is a helping hand. All they get from Grant Devine is a deaf ear. Saskatchewan farmers had high hopes of this government because it did indeed promise so much. But it has delivered so very little. Just look around at the pressures and the stress facing farm families in rural communities: high input costs, low commodity prices, and instability in agriculture, worried rural communities with few jobs and few opportunities, and hard-pressed small businesses.

Saskatchewan farmers were particularly disappointed but not surprised when the Premier asked for nothing in Halifax last week and got just what he asked for — nothing. Did he ask Brian Mulroney to roll back the federal fuel tax increase? No, he did not. Did he ask that Farm Credit Corporation reduce its loan rates? No, he did not.

No, Mr. Speaker. Once again this government failed to represent fully and fairly the interest of Saskatchewan family farmers.

Let me turn now for a moment, Mr. Speaker, to the issue of small businesses — the biggest employer in Saskatchewan. Now we all know how this government has built its whole policy on open for big business. Well I want to say, Mr. Speaker, that they should go and ask the employees, or should I say former employees, of King Size Photo in Regina who no longer have a job because big business from Edmonton has bought out the business and is going to lay them off if it has not already — the expensive concessions to big business, Mr. Speaker, the special deals.

But when we look across this province and across this country we see that it is small business that needs our understanding and support. And I therefore invite all members to join me in urging this government to take some positive and some concrete action to support the growth and the strength of our Saskatchewan small-business community. When they prosper, Saskatchewan prospers.

Mr. Speaker, in conclusion, let me just issue once more my sincere invitation to all members of the Assembly to join with me in supporting this resolution. To the Conservative members opposite I issue this solemn challenge: support this resolution or call a general election and let the people decide.

And so, Mr. Speaker, I simply at this time want to move, seconded by the member from Athabasca, the following resolution:

That this Assembly express its regret at the Government of Saskatchewan's fiscal and economic mismanagement, unfair tax policies, and mishandling of Saskatchewan's resources; and further, that this Assembly urge the Government of Saskatchewan to take immediate and concrete steps to create jobs, resolve the crisis facing family farmers, and stimulate economic activity in ways which will benefit Saskatchewan small business.

SOME HON. MEMBERS: — Hear, hear!

MR. THOMPSON: — Thank you, Mr. Speaker. I'm very pleased to rise today and speak on this debate in support of the motion from my colleague, the member for Regina North East, and the people especially, Mr. Speaker, of northern Saskatchewan.

In many ways it is northern families and northern communities that have been most deeply betrayed by the Conservative Government of Saskatchewan. They were promised so much but have been betrayed so much — huge tax increases, mismanagement, and poor resource policies, lack of jobs, lack of support for traditional industries, and lack of family and community support.

(1445)

Conservative members opposite claim that they are listening and claim that they are consulting.

Well we have seen how the Minister of Health practises consultation — hiring an expensive public relations firm to write his speeches for him. And now we see how the minister of northern affairs practises consultation — not by travelling to northern communities and not by listening to northern people, Mr. Speaker.

The member from Prince Albert-Duck Lake, the minister in charge of the Northern Affairs Secretariat, indicated in this House that he is sitting up an advisory commission. He's already set up that commission to go out and see what the problems are in northern Saskatchewan and how the problems can be solved. He also indicated, Mr. Speaker, that he was setting up a non-political body. I will come back to that a little later.

It seems quite odd, Mr. Speaker, that four years after the Conservative government has come to power that the minister in charge of Northern Affairs Secretariat has finally woken up to the fact that there is a serious problem in northern Saskatchewan, that there is massive unemployment up there; and there's massive suffering and human tragedies taking place on a daily basis in northern Saskatchewan. He now says that he knows that there is that problem and he's going to set up this body to go into northern Saskatchewan and he's going to find out what the problems are and seek solutions. Well, I congratulate him for making that attempt. But I want to say he does this four years later and he sets up a committee, a body of 12 individuals. He says it's non-political. I have a list here that I have put to the minister and he never put one name on there.

When you take a look at the population distribution in northern Saskatchewan you will find that the largest portion of the population are on the west side and that's where we have the most severe problems with unemployment. In the community of La Loche alone, with close to 2,500 population, not one representative on that body of 12, to try to seek the solutions that we have up there. But what he has done is put two individuals, two Northerners on that body — that's all — two Northerners, and the rest are from the South and from the east side of the province. And he says that that's not political.

I gave him names of former mayors of the communities up there, but he ignored them. There's nobody, Mr. Speaker, who knows the problems of northern Saskatchewan better than the mayors and former mayors of the communities that we have up there. They know the problems and they continually express their problems to the government and they express them to me. But they've ignored them totally. I think it's time the minister in charge of the northern secretariat, the member from Prince Albert- Duck Lake, realizes that when he sets up a body like this and he omits the largest portion of northern Saskatchewan, represented by two people, that it's political and he's not out there to solve the problems.

You can go into La Loche, and I've tried to get the Premier, Mr. Speaker, to come into La Loche. I've wrote him letters and asked him to come into La Loche and to witness the human tragedy that we have, not only in La Loche, but all northern communities. I asked him to meet with local governments and teachers and social service workers. And I asked him to meet with the priest up in La Loche, and he totally refused that. He said no, if you have any problems in northern Saskatchewan, you take them directly to the minister in charge of the northern secretariat, the member for Prince Albert-Duck Lake. And that's the type of answer that we're getting up in northern Saskatchewan.

If you'd just take a look at the human tragedies we have and the suffering that we have in northern Saskatchewan, and the terrible disasters that we've had in car accidents and suicides that have taken place in the last year and are increasing, then I say to the Premier that he has a right, a moral obligation, to come up to northern Saskatchewan and really see what the problem is.

As he indicated in the House today, he represents all of Saskatchewan. He represents everyone. And I ask him to not forget about a depressed area in northern Saskatchewan.

And he also quoted today. He said that families are better off now than they were in 1982. Well, Mr. Speaker, that is just not true. Families all over the province are in serious problems.

My colleague from Regina Centre the other day got up in this House and he indicated a lot of the problems that he picked up when he was out campaigning. He talked about a family of four with only three chairs. That is happening all over the province, and especially in northern Saskatchewan. It's a disaster up there and this government has totally disbanded northern Saskatchewan.

In 1982 the member for Meadow Lake came into power, became a minister, and one of his first tasks was to dismantle the department of northern Saskatchewan. And he dismantled the department of northern Saskatchewan prematurely. Now we see the disasters. The housing — there's absolutely no housing taking place. We were building more houses in one month under the department of northern Saskatchewan than the Conservative government has built in the last four years.

And yet here we see the member for Meadow Lake . . . Who is chairing this northern development commission but the former deputy minister who was in charge under the member for Meadow Lake? And I think that that's unfair, to say that a retired deputy minister should chair a committee that's going to look into the problems of northern Saskatchewan. Why couldn't the mayor of La Loche do that? And why couldn't the mayor of Buffalo Narrows have chaired that committee? And why couldn't the mayor of Cumberland House have chaired that meeting? But no, they take a retired deputy minister and they put him as the head of that commission. They take a federal civil servant, a mayor of Ile-a-la-Crosse on there, or the mayor of Pinehouse. But they didn't do that. They don't want the information coming from northern Saskatchewan. They want it from southern bureaucrats, and they are going to control that.

And I tell you, Mr. Speaker, when they say it's non-political, and they put an individual who is living in Saskatoon, and they call a Northerner from Stony Rapids, who is former Liberal candidate up there and is now living in Saskatoon, they put him on that committee — and I'm sure that it's not political . . . and I take a look at one Anne Hryniuk, and you take a look at the fact that she, in 1982, became the new returning officer for the constituency of Cumberland, all I would say is that she probably has some political background, and then to say that the mayor of La Ronge shouldn't be sitting on this committee.

And let me tell you, when you take a look at the group that they have appointed outside of the Northerners — I have no problem with the Northerners — but to say that it's not political . . . and I take a look at one Anne Hryniuk, and you take a look at the fact that she, in 1982, became the new returning officer for the constituency of Cumberland, all I would say is that she probably has some political background, and then to say that the mayor of La Ronge shouldn't be sitting on this committee.

And there is no local governments, Mr. Speaker, sitting on that committee — no members of the local government. And they have totally eliminated . . . And I have seven reserves in my constituency, and there is not one chief, or not one council from any band in my constituency — not one chief or not one band.

And to say that the chiefs that are elected up there and the band councils that are elected cannot represent the concerns of the people in northern Saskatchewan, and the members of their bands on the reserves, I think that that is degrading to the chiefs and to their councils to say that you're going to take retired clergyman who's living in Prince Albert, a retired deputy minister, and they are going to have the control over that body. I think it's highly unfair. It's time that this government took a look at the serious problems we have up there and to immediately start construction on some homes.

MR. SPEAKER: — It's my duty to advise the member his time has elapsed.

MR. GLAUSER: — Thank you, Mr. Speaker. In concluding my remarks, I will be making an amendment, and that motion under rule 16 be amended as follows:

That all the words after Assembly in the first line be deleted and the following substituted therefor:

Commends the Government of Saskatchewan's fiscal and economic management characterized by fair tax policies and the efficient handling of Saskatchewan resources, and further that the Assembly commends the Government of Saskatchewan for the concrete steps it has taken to create jobs, solve the farm crisis, and stimulate economic activity in ways which will benefit Saskatchewan's small business.

So this is such a far-ranging motion, Mr. Speaker, that I decided that I would only talk on three items in it, and that being taxation, job creation, and economic activity.

We heard in question period here this morning, and the member for Regina North East, something about taxation. Well, taxation is the first thing that I want to talk about. The member for Regina North East says he did nothing but give concessions to business. Well here's the kind of concessions we gave to business. The government has directed major tax increases away from the Saskatchewan taxpayer and more towards big corporations. Diesel fuel tax, for instance, applied to railway locomotives, has risen from 3.7 cents a litre to 8 cents a litre, bringing in an extra \$27.2 million. Corporate income tax on large corporations was raised by 2 percentage points, higher than the NDP ever did, which is equal to the highest rate, I might say, across Canada. Capital tax on banks — and they should appreciate this; they don't look like banks — raised from 0.8 per cent to 2 per cent in 1985, making our capital tax on banks the highest in the country.

In total, the government has brought in 48.8 million per year more than the NDP did, collected from big corporations, while the tax burden on average Saskatchewan citizens has fallen dramatically.

Let's look at that, too. Let's look at the tax story. No gas tax. What did the NDP do? They've had gas taxes to finance SGI. SGI now stands on its own two feet. No sales tax on power bills. They had tax on power bills. I've covered the taxes on the large corporations. Their largest tax ever was 14 per cent. The innovative flat tax — they've talked about this flat tax and what it is doing — it is, overall, the fairest method of taxation going. And Saskatchewan residents can reduce provincial income tax to zero as incentive to provide jobs in livestock, manufacturing, tourism, research and development.

Did the NDP ever put a tax on, or reduce a tax, for farmers to create jobs, for research? Or did they ever think of assisting the farmers when they were in difficulty with their mortgages and so on? No, Mr. Speaker, they did not.

So what are all these taxes? What have they done? The gas tax, \$450 million savings to the people of Saskatchewan; children's clothing, 9 million; home quarter, 16 million; special incentives, \$6 million; manufacturing taxes, 44 million; special E&H taxes, 300,000; livestock credit, 5 million. And some taxes that were cut actually create income for Saskatchewan, and that's the incentives that went into the oil and gas industry. And that has brought in revenue of \$750 million. The oil industry now funds one dollar in every four the Saskatchewan government spends on behalf of the residents of Saskatchewan.

I think, Mr. Speaker, I've covered the tax situation well enough. What I would now like to do is turn to economic activity. I really smile when I hear the member from Regina North East talk about the small-business man. I'm not sure these people ever met one. They'd have to be introduced to them by somebody, because I'm sure they don't know any.

Furthermore, there is dissension in their ranks and it was brought out rather forcefully by one Dale Eisler in the *Leader-Post*, on Thursday, September 12, 1985. And I'd just like to reiterate some of the things he said in that.

(1500)

The result of this internal tension (and this is tension because they don't know whether they want free enterprise or not) is only becoming apparent now that the NDP is out of power and searching for ways to regain popular political strength. It has created two

positions that seem to be contradictory, (they're diabolically opposed), one that is embodied in the small business committee and its guarded talk of free enterprise, and the other by the left-wing of the party who believe free enterprise should be replaced by a socialist economy.

Now the NDP can't even agree among themselves any more as to which direction they should go, or even admit that private enterprise is the life force of Saskatchewan.

I ask, Mr. Speaker: has anyone in this Assembly ever heard, or has anybody in the NDP ever stood up in this Assembly speaking for private enterprise, the small-business man, and talked about the merits of initiative and the free enterprise system? No, Mr. Speaker, they never have. Those words, Mr. Speaker — private initiative, free enterprise, and I'll add one more, and that's profits — do not exist in their vocabulary.

And let's look back in *Hansard*. March 16, 1984, Paul Mostoway: 'Free enterprise?' he says, 'That's a myth.'

AN HON. MEMBER: — Get your dates straight. Paul Mostoway wasn't here in '84.

MR. GLAUSER: — In March of 1984 . . . (inaudible interjection) . . . I'll take that back then. The date, at least, I'll take back because it's in there, it's the same day, I suppose as David Miner, November 30th, 1981, when it was said that that's a myth. There is no such thing as free enterprise in this country. David Miner says, I don't believe in free enterprise. So it's a wonder they have this conflict in their party over whether there is free enterprise or not.

I want to talk about a particular program and that is the Industrial Incentive Program that was developed by the Deputy Premier, and if this doesn't suggest open for business, I don't know what would. In its first year it contributed to the implementation of 160 industrial projects that represent new investments of close to \$50 million and well over 1,500 jobs. The Industrial Incentive Program, that's what . . . You might want to learn something about that. This program was designed to encourage capital expansion, manufacturing, and processing industries.

No, there has not been any free enterprise in this province, nor indeed has there been any free enterprise in this country since the Second World War. We have had a Liberal regime in Ottawa that certainly didn't promote free enterprise. We have had many, many years of NDP government in this province, and they certainly didn't promote free enterprise.

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

MR. YEW: — Thank you, Mr. Speaker. I am pleased to rise in the Assembly today to join my New Democratic colleagues in supporting this motion that was introduced by the member for Regina North East.

Before I go ahead, Mr. Speaker, I want to say that I'm very disappointed with the amendment proposed by the Tory member on that side of the House just a few minutes ago. He proposed an amendment commending the government in terms of its fiscal management. Good fiscal management. Mr. Speaker, we all know what that good fiscal management position and capability is on that side of the House. It has been nothing but mismanagement and discouragement . . .

AN HON. MEMBER: — Business flops.

MR. YEW: — . . . flops, all over the country. We now have in this province a billion and a half dollars in the red. Is that what you call good fiscal management? I certainly don't call that good fiscal management, Mr. Speaker.

Mr. Speaker, the Devine PC government has made promises to the people of Saskatchewan. It made promises to the northern people. But, Mr. Speaker, it has broken all those promises. It has ignored and

neglected and abandoned the people in the top half of this province, people in the northern administration district. It has betrayed, abandoned, and neglected northern families and northern communities. Mr. Speaker, I believe that no one in this province has suffered more severely and unfairly than the people of the North.

I am proud to say to you, Mr. Speaker, that the people in the North are strong. Their families and their communities are strong. They have pride and dignity and strong traditions, living close in harmony with nature and their natural environment. There are real strengths in the North to build on, real opportunities.

But what do we get from this Conservative government, the PC government opposite, Mr. Speaker? Instead of recognizing those opportunities in northern Saskatchewan, the Devine government has decided to turn its back on the people of the North.

There have been nothing but cuts to northern programs and services, cuts to northern housing, cuts in road construction, cuts in municipal facilities construction — much needed programs. There have been cuts to education and schools and health care, all over the northern administration district.

Mr. Speaker, we have in the North today record high unemployment. We have high welfare-dependency rates. At present, Mr. Speaker, we have high incarceration of native people in our correctional centres and provincial jails. I mention that because at least 70 per cent to 75 per cent of the people living in the top half of the province are of native ancestry. Mr. Speaker, there are problems, very severe problems, in northern Saskatchewan. We have a high incidence of family breakdown, violence, suicide, and alcoholism.

I remember the first minister that was responsible for the top half of the province, the member for Meadow Lake. When he dismantled the department of northern Saskatchewan he promised in this House, and in a memo dated July 16, 1982, he promised the people in northern Saskatchewan that he would come out with an economic development, self-sufficient program. But to this very point in time, Mr. Speaker, the people in northern Saskatchewan are still wondering where that program is. They're still waiting. They're still expecting some definite concrete programs from this government. But they won't get them, Mr. Speaker.

Instead, what do they get? They have been asked by the PC government of this province to go back 15 years. They have very recently appointed an advisory committee, a committee — and I agree with my colleague from Athabasca — a committee that's been appointed by the minister responsible for the Northern Affairs Secretariat to undermine local government, self-government, local autonomy, local decision making. It's established as a token advisory committee, nothing more, Mr. Minister, I can assure you that the people in northern Saskatchewan will not endorse or recognize that committee.

Mr. Speaker, all northern people seek from their government is fairness — nothing more and nothing less. We therefore urge the Devine government to develop sound and positive plans for the North. Let us see what the economic development strategy is all about, the one that the former minister of northern affairs referred to in his July 16th memo, dated July 16th, 1982. Let us see what that program is about.

I noted in the last fiscal year's budget that there were nothing but drastic cuts to economic development programming in northern Saskatchewan — nothing but cuts. I challenge the PC government, the Conservative government, to come up with some sound programs for northern Saskatchewan to assist the people of the North to build a sound economic base, one that would provide for them meaningful employment, job opportunities. A sound economic development strategy, Mr. Speaker; that is what the North is looking for.

We urge this government to take serious the issues confronting people in northern Saskatchewan. We are asking for a sound economic development package, one that would build on the strengths that already exist in northern Saskatchewan; one that would stimulate and provide productive jobs

and job opportunities; one that would help northern small businesses to grow and prosper and serve the local communities in northern Saskatchewan; one that would support and strengthen our industries, Mr. Speaker, existing industries, traditional industries — fishing, trapping, hunting, wild rice harvesting, forestry, small business, etc.

And also, Mr. Speaker, the North is asking for a sound social development strategy; one that would build today so that our children may have a brighter future; one that will establish positive measures to improve the health, education, and social services which northern people need and deserve; development strategies for the future, Mr. Speaker, built on fairness, built on dignity, built on the strength of northern families and northern communities; built on traditions that have made those people strong, traditions that have made Saskatchewan strong, Mr. Speaker.

Mr. Speaker, I therefore urge the PC government to listen to the people of Saskatchewan and note very carefully the resolution before us, the resolution introduced by my colleague, the member from north-east Regina. I believe, Mr. Speaker, that all members of this Assembly should join in fully supporting this resolution because it is a positive move forward. Mr. Speaker, I am proud to support the original resolution proposed by my colleague, the member for Regina North East, and I will not endorse . . .

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

SOME HON. MEMBERS: — Hear, hear!

(1515)

MR. MEAGHER: — Thank you, Mr. Speaker. I appreciate the opportunity to rise today and make a few comments on this motion in response to some of the comments from the members opposite.

I believe that this motion clearly demonstrates really what this debate is all about, and that is the difference in philosophy between the Progressive Conservatives and the old NDP. And what they're saying is, the NDP haven't changed. It's the same old boys. They haven't changed. The rhetoric is the same, and the same con game. They read a lot of results into the Regina by-election. They're crowing about the results of the by-election and reading results into it.

Well. If they believe that the results of that by-election were that the people of Regina or any other part of Saskatchewan want to go backwards, back to that old regime, I hope they entertain that idea until the general election, because if they continue with that attitude and crowing about it, they will meet the same fate in the next general election as they met in the last one.

Really, the philosophy here that this motion demonstrates is that they believe that government should do all of the things that need to be done to correct an economy that essentially has been put on the brink of bankruptcy by government, policies that they implemented when they were government. A decade of debt financing and a decade of irresponsible government, both federally and provincially, put this country, in the words of our Prime Minister, on the edge of bankruptcy. And now they want to sit back and condemn the Mr. Fix-it man that is attempting to sort it out.

Well that's a negative attitude, and negative is their byword. They don't want good times to come to Saskatchewan. They want this slogan, 'Tory times are hard times,' to mean something.

The last speaker, the member from Cumberland, I suggest to him that if he wants to bring upon himself the wrath of the NDP, the fastest way for him to do it, if he hasn't already done it, is to go down into southern Saskatchewan and do a rain dance because they don't want rain in southern Saskatchewan. They don't want prosperity. They want hard times.

I believe that they honestly believe their own rhetoric. I listened to the leader yesterday talking about pride of ownership in university buildings. You know, they honestly believe that if the government owns something, the people own it.

Try borrowing a government car some time. You'll see who owns it. You'll see, in fact, who owns it.

The two northern members spent a lot of time talking about the hardships in northern Saskatchewan. There was 11 years of NDP government pouring taxpayers' money into both those constituencies — hundreds of millions of dollars. And what was the legacy of the DNS on employment, alcoholism, the problems that were there before they started?

Now in northern Saskatchewan we're seeing real economic activity, real mining, real jobs, and they don't like it. And the reason they don't like it is because it's not the government that's doing it. It's private enterprise doing it, free enterprise. As my colleague points out, they are the ones that are in the ideological strait-jacket, and they don't know how to get out of it.

I believe that this motion is, as I say, a negative motion. It's demonstrating their negative attitude, an attitude that hasn't changed at all despite all their attempts to create the impression that they've changed.

And I'm therefore going to, because my colleague neglected to put this motion in place, I am going to read an amendment to the motion and file this amendment:

That all the words after Assembly in the first line be deleted and the following substituted therefor:

Commends the Government of Saskatchewan's fiscal and economic management, characterized by fair tax policies and the efficient handling of Saskatchewan's resources, and further, that the Assembly commends the Government of Saskatchewan for the concrete steps taken to create jobs, solve the farm crisis, and stimulate economic activity in ways which will benefit Saskatchewan and small business.

Mr. Speaker, this motion is seconded by the member for The Battlefords, Mr. Morin.

MR. LUSNEY: — Thank you, Mr. Speaker. I'm pleased to join with my colleagues in this debate this afternoon. I approve of the resolution that was moved by the member for Regina North East.

Mr. Speaker, the amendment to the resolution is one that I can hardly agree with. I certainly will be supporting the main resolution, but the amendment is something that I certainly cannot support.

If this government was really serious about doing something for Saskatchewan people, they had almost four years to do it in. And what did they do, Mr. Speaker? One can say that all they have done was make promise after promise, and then proceeded to break every one of them.

They talk about all the jobs that they are going to create and all the jobs that they have created. They set up a minister of jobs. Well, Mr. Speaker, there aren't too many people in this province today that think that there were very many jobs created. There aren't too many people that say that we have employment out there. There are many young people that are looking for work, many young people looking for work and haven't got it. They can't find employment. Yet this government stands up in this House and says that they have done a tremendous job of creating employment in this province. Employment has never been worse. We have more unemployment in this province today than we've ever had. That, Mr. Speaker, is what this government has done regarding jobs.

They talk about all the good things that they are going to do for business people. And they talk about all the things that they have done. But, Mr. Speaker, one only has to look at some of the articles that you see in a paper regarding business, and you can go to one here where a business man says, when it comes to some of those jobs that they say they've created and some of the money they put into creating jobs, this business man says, now I don't have enough business to hire someone. But he says if that money went directly to the farmers they would come in and buy more and then I should afford to hire someone.

That, Mr. Speaker, is what the business people are saying. Let's not put in some band-aid solutions, but let's put the money where it should be. Let's put the money in the hands of the people that are going to spend it. That's what the small-business people of Saskatchewan are saying. That message is clear.

But is this government doing anything for the small-business people? No, they're offering little job programs and asking them to hire someone and they'll give them a few dollars back three months later or six months later. These people don't have the business at this point, and they don't need to hire anyone if the business isn't there. But you get this economy moving and every small-business person in this province will be hiring people to serve the ones that need the business, that need the products that they sell. You don't have to try to entice them in some way to hire someone. They will do that on their own. All we have to do is see that this economy gets going. But this government, Mr. Speaker, has done very little to encourage business and to help business people in this province.

The member for Saskatoon Mayfair, in his speech a short while ago, was talking about all the good things that they have done for business people and how they have increased the tax load on the big business of Saskatchewan. He talked about increasing the income tax on all the businesses as the highest income tax there has ever been in this province.

Well, Mr. Speaker, we all know that every multinational business in this province that operates in Saskatchewan has accountants and has tax people that find ways that they don't have to pay hardly any income tax. So you can assess them as high an income tax as you want; they pay very little to begin with. These people find all the loopholes and they use them. But somehow they think that if they can tell the public that they've increased the income tax on big business that the public's going to believe that. Well, Mr. Speaker, the public knows better; the public knows better.

They talk about all the good things they did for agriculture. They go on to talk about the gasoline tax. The Premier still talks about it — all the other members talk about it — this great discussion in the gasoline road tax that they took off. Well somehow this has helped every farmer in the province and it's helped everyone else, and true, it's helped a little bit. I think every individual could say they maybe saved \$100 or \$150 depending on how much they drive. The way the gasoline has gone up, people are driving less and less all the time. So if they save that \$100 or \$150 on the gasoline road tax, Mr. Speaker, it has cost them a lot more to save those few dollars. Because when you look at what it's costing every man, woman, and child in this province today for the deficit that this government has placed on their shoulders, we're looking at about \$1.5 billion that we're going to be faced with, that we're going to have to carry as residents of Saskatchewan. That amounts to \$1,500 for every man, woman, and child in this province. And if you've got a family of four, they've got a debt load of 46,000 on it.

And they talk about a \$100 saving. And then they say you've got \$6,000 that you're going to have to carry on your shoulders. And that's the debt load. But that debt has to be paid. And there's interest on that debt. Mr. Speaker, every person in this province knows very well that that billion and a half is going to cost them every cent that they saved in gasoline tax. That is going to have to pay for that deficit, and as that deficit continues to increase, it is going to cost them a lot more than what they saved on that gasoline tax.

That, Mr. Speaker, is what really happened in this province. That is what this government has done. They haven't done anything that will help the farmer. That gasoline didn't help them very much when the price of gasoline kept going up and up and up. The price of gasoline continues to go up, and the farmers are finding themselves in a position where they can't afford to pay for that gas any more.

And what does the Premier do when he goes to Halifax? Does he come up with a solution that's going to get the farmers a little cheaper gasoline price? No. He just tells the Prime Minister that he's doing a good job, and every time the Prime Minister increases the tax he says keep up the good work. And the Prime Minister put 9 cents a gallon on the farmers this fall. We called it the harvest tax, and

that's what it was because the farmers had to pay for it.

And now they are looking for a way that they can make a few dollars themselves. Because what are the farmers making? If you look at many of the headlines, it says here farm income could average under \$5,000. Well, Mr. Speaker, \$5,000 is what the farmer can expect to make. I wonder if the Minister of Highways took that into consideration when he spent over \$3,000 on a weekend flight.

(1530)

When a farmer is going to have to work all year and make no more than \$5,000 — and that's about every headline you look at. One in four farmers in the West are in trouble. Well, Mr. Speaker, those are the facts. That is exactly what is happening in this province today. The farmers are facing some very difficult times, and this government refuses to act on behalf of the farmers.

The member for Prince Albert says that the governments have put this province on the edge of bankruptcy. Well he was right, and I'd have to agree with him, both federal, and now, provincial.

We have never had a deficit of that magnitude in this province. But in the last three and a half years, going on four years now, this government has taken this province into debt so far that it's true, and I think one might have to use the words of Brian Mulroney, that we are on the verge of bankruptcy, and this can't continue. This can't continue.

This government is going to have to take control of that deficit, and they keep talking about it. But how can they take control of it when they are controlled by the multinationals, the big oil companies where they continue to give them tax holidays and put the debt on the people of Saskatchewan?

Mr. Speaker, they will never, never be able to take control of that deficit as long as someone else is controlling them. The only way . . .

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

SOME HON. MEMBERS: — Hear, hear!

MR. MORIN: — Thank you very much, Mr. Speaker. I find that I'm very happy to rise today and talk on motion no. 16. I regret that the member from Quill Lakes can't figure out what he is and that he is somewhere in between.

But I want to talk on this motion and I want to deal directly with the motion. And when it says it deals with unfair taxation policy, I'd like to speak momentarily on what the NDP did, and I'd like to talk about their unfair taxation policy. I think it was unfair to the people of the province, Mr. Speaker, that when they were in power they raised the personal income tax rate from 34 to 51 per cent. I think that was unfair. And I don't think it's particularly unfair that while we have been government we've held that rate.

Mr. Speaker, I think it was unfair to the young families in this province that they had to pay sales tax on the clothing for their children like they did when the NDP were in power. And I think that it was fair that we remove that, and that saved the people of this province \$9 million.

I think it was unfair, Mr. Speaker, that when the NDP were in power, everyone had to pay tax on their electricity bills because no matter who you are, how poor you are, you have to heat your home in this province and you have to have electric lights. I think it was unfair of them to put a tax on those bills, and that's why we removed it, and I think that's fair.

Mr. Speaker, I think it was unfair of them to have a tax on irrigation equipment because our farmers in this province are trying to overcome the vagaries of the weather, and irrigation is one of the ways that they can do that, and we removed that tax. And I think those are fair approaches to taxation that help out the average person in our province, and I think that they did away with a great, great number of

unfair taxes that the NDP were on.

And finally, Mr. Speaker, on taxation, possibly the most unfair taxes that we saw when the NDP were in power were the floating 20 per cent gas tax. Taxation through our utility bills; taxation through our insurance; taxation through the Crown corporations where, although they were losing money in many cases, they'd declare a dividend to the consolidated fund so that the former government could quite creatively say, well, we balanced the budget. And, Mr. Speaker, I think that it was fair to the people of the province of Saskatchewan to do away with all those negative and regressive taxation policies that the former government had.

They talk about mishandling Saskatchewan's resources in this motion. I put the question, Mr. Speaker: was it proper handling of our resources to nationalize our potash industry, give money to the people who were involved in the potash industry here so that they could go into other provinces and set up in competition against us to drive the price down and undercut our industry here so that we would have difficulty in our potash industry? Was that intelligent resource management? I don't think so.

Was it smart resource management on their part to enter into the national energy program which gave away millions of dollars of Saskatchewan money to Ottawa? I don't think so.

Was it smart resource management for the former government to be involved in driving out an industry that today employs roughly 15,000 people in our province, the oil industry? Was it smart for them to set up an oil company that to my recollection, overall, never made any money when they operated it? Was that good resource management, when today we're seeing that same industry, that same resource, create many, many jobs, not only directly in the oil industry but indirectly through manufacturing, and contribute the largest amount of tax dollars from any sector into the general revenue. I think that that's good resource management.

Is it good resource management, Mr. Speaker, for them to get involved in the uranium industry to the tune of roughly \$800 million and then decide that they're going to shut it down? And we've heard both the northern members talk about the difficulties in the northern areas — the member from Cumberland and the member for Athabasca — and we hear them continually talk about poor employment in the North.

Well, the figures that I've seen indicate that northern mining companies employ roughly half of their labour force from the North, and if they employ 20,000 people in this province, then 10,000 of them are from the North, and if they want to shut them down, Mr. Speaker, then they just cut the throat of 10,000 of their constituents and put them out of work; but they're prepared to do that. And they're prepared to call that good management, good practical management.

Well, Mr. Speaker, I don't think the people of the province believe that. The people of the province watch what they say and they hear what they say and they know that they're just politicians talking. It's all talk. They had 11 years, not bad years, in this province when the whole world was on an economic upswing, and they couldn't quite manage to solve all of our problems. Our people still had to leave, our manufacturing sector didn't really increase, stayed relatively stable, and now they're going up during relatively . . . in the world relatively tough times. And they have the nerve to suggest that that was better. Well I don't think it was better.

They want to talk about concrete steps to create jobs, and I'll deal with just a few. I came to this legislature out of the business creation industry, the economic development industry, and a number of the programs that we have seen initiated by this government are programs which come directly from ideas that the business, the economic development industry have recommended, because while the NDP were in power we saw none of them, and we saw business going broke because of high interest rate and no government help.

And today we have business resource centres all over the province which are helping establish small

business. We have nine and five-eighths per cent interest rebates. We have Venture Capital Corporations helping to create business in small communities. We have fixed rate financing, none of which we had when the NDP were in power during their 20 and 22 and 24 per cent interest rates when people were going broke all over the province, and they wouldn't help them. Now they can talk, but when they had the opportunity, they wouldn't help.

We have an Industrial Incentive Program creating jobs in small communities in this province. And what do they do? They talk about small business. Well not long ago, Mr. Speaker, we had the chamber of commerce annual meeting in Regina and these people, the NDP, who claim to care so much about small business, didn't even send an elected representative to meet with them. Wouldn't even talk to the small-business community who create 70 per cent of the jobs in our economy.

And I remember a day in this legislature when one of their members, a member for one of the Regina ridings, stood up and said, what are you guys talking about these four and five-man business operations, that mickey mouse stuff? Well Mickey Mouse stuff, as they call it, is the backbone of Saskatchewan business. The average business in our province is a four or five man shop. And they ridicule it, because their idea of business is taxing the average person in Saskatchewan, setting up a Crown corporation so that they can play high roller while they run it into the ground. And, Mr. Speaker, the people of our province hasn't forgot that. They remember how they were when they were there. They remember how they operated. And it's fine for them to wander around now and talk about all the things they'd like to do, but the people remember what they're like, really, because they watched them for 11 years when they had the opportunity.

And finally, Mr. Speaker, I'd like to take an opportunity because the member for Regina North East said, look around your constituency, when he introduced this motion. And I would like to take him on a verbal walk through my constituency. In my constituency I have tow communities. I have the town of Battleford and the city of North Battleford. In the town of Battleford — and I commend them for it— they came up with a program called a Main Street development program, and they did a beautiful job of putting historic facades on the front of our businesses in Battleford. And when you walked down main Street Battleford, you had a beautiful Main Street composed of historic facades and empty stores. That was in 1981 and early 1982.

Today, if you walk down Main Street in the town of Battleford, what you see is one store after the other — full. We have new restaurants; we have new service stores; we have a new grocery store which we haven't had for 12 or 14 . . .

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

MR. ENGEL: — Thank you, Mr. Speaker. I hadn't intended to get into the debate but I realize there's some minutes left. After listening to the members opposite and the amendments they made to this motion, I thought I'd like to interject a couple of items.

One of them that I had just been discussing with our leader here right now is that in the farm manufacturing industry alone, for example, when we took office back in 1971 there were about 500 jobs in manufacturing farm equipment. In those short 10 or 11 years, Mr. Speaker, that increased fivefold — a fivefold increase in manufacturing of farm equipment.

What's happened to those 2,500 jobs today, Mr. Speaker? Where are those 2,500 jobs today? Half of them are out there looking for work — half of them — in your term of office, in this wonderful business climate when they're saying we don't know business men; we don't talk to them; we don't talk their language.

How come those business people were able to get up, move in it, and manufacture equipment? How come the member from Prince Albert was in construction and was making money in those years and isn't able to do it today in the construction industry? I want to tell the member that it's wise he didn't decide to run again because in the next regime there will be work for plumbing contractors. There will be work again when we used to be able to get out there and earn an honest dollar. That's why the

minister saw the handwriting on the wall. He saw what time it is for the Tory party. That member decided not to run again.

I think we're listening to speeches after speeches in this Assembly, and people are getting up and trying to pat the government on the back, and yet when you look at the reality of it, they don't have the guts to stand up and run again in their seats. They decided to quit. And I wonder how many of those members are standing up in this Assembly and can't defend the resolutions that are up before this House. They try and amend them, but they really speak with tongue in cheek when their own record is at stake.

If the member is so convinced that they're doing such a good job and would really be sincerely making a speech, he could say it by his actions. And he'd realize that there is something out there. But this Assembly expresses regret that the Government of Saskatchewan's fiscal and economic mismanagement has created a chaos in construction, in small business. The businessmen in my constituency are saying, when is the election? They're waiting with baited breath for a chance at fair bids, be it an automobile dealer that's bidding on supplying vehicles to Government Services or whoever it is. They're saying it's time for an election. We've had it with those guys and their administrative and their fiscal policies, their mismanagement of the tax policies. They've had it.

(1545)

My colleagues have done an excellent job today. But when it comes down to the crisis facing family farms, that's where the real crisis is, Mr. Speaker, and we've talked about it over and over and over again.

The Ottawa drought aid came up dry on details. The present government, that's coming up with some matching grants, are coming up dry on details. The farmers are left high and dry and they are wondering, where is it at? Where are we going to get some help and where are we going to get some emergency relief? Where is the heart and soul of this government when it comes to the major industry facing Saskatchewan? They're coming up cold. They're coming up with no ideas.

Mr. Speaker, I believe that this resolution that was put forward today is a good motion. This Assembly needs to stand up and condemn the government and say, look, you've got a couple of months left. Your time is running out. You're running out of a mandate. But do something in the last months that you have left.

I will stand behind any motion that's set before this Assembly that's going to do something for the farmers of Saskatchewan. I'll support any effort that's out there that's going to do some good, that's going to help farmers and give them some peace, give them some hope for the future.

This resolution and this amendment that they moved doesn't give the farmer any hope. It doesn't give the small-business man any hope. There's no hope for the future as far as creating jobs. There's no program out there that's going to help them to stimulate employment and to create some economic activity.

When I think of the way Morris manufacturing expanded, the way Friggstad grew up and expanded, the Crown manufacturing came out, those manufacturing firms were doing good. Degelman was doing great. Right across the province, we had firms that were making stuff that farmers were buying.

What's happening today? They're discouraged; they're discouraged, Mr. Speaker, and they're wondering, how long can we hang on? How long can we hang on till there's a breath of new life and there's some hope for the future? I think this resolution tells us that the crisis facing family farmers needs to be attended to, needs to be addressed.

I'm waiting for the minister, right after this debate, to introduce the resolution or the motion for Bill

116 and tell us how he's going to implement a half-baked measure, a third of what Alberta's doing for farmers as far as their fuel crisis are concerned. I think it's time that they stand up and stimulate economic activity in ways which will benefit all of Saskatchewan people — the Saskatchewan farmers, the Saskatchewan businessmen and the Saskatchewan working people.

This is time for us to act. The time is now, Mr. Speaker. And I am pleased to say that I am going to support the resolution from my colleague, the member that so handily won in Regina North East. Both other parties lost their deposit because the people have lost confidence in the old line parties. They want to get back to a program that's administered and supportive of the people of Saskatchewan, not just a select few.

Thank you, Mr. Speaker.

Amendment agreed to on the following recorded division.

YEAS — 38

Birkbeck	Sandberg	Hampton
McLeod	Klein	Gerich
Berntson	Martens	Schmidt
Taylor	Smith (Moose Jaw South)	Muller
Duncan	Domotor	Meagher
Katzman	Folk	Glauser
Hardy	Muirhead	Sauder
McLaren	Petersen	Zazelenchuk
Smith (Swift Current)	Hodgins	Johnson
Myers	Swenson	Baker
Hepworth	Young	Parker
Dirks	Weiman	Morin
Currie	Rybchuk	

NAYS — 9

Blakeney	Engel	Lusney
Tchorzewski	Lingenfelter	Shillington
Thompson	Koskie	Yew

Motion as amended agreed to on division.

GOVERNMENT ORDERS

SECOND READINGS

Bill No. 116 — An Act respecting the Transfer of Revenues from Oil Resources to Farmers in the form of refunds in respect of Fuel Costs

HON. MR. HEPWORTH: — Thank you, Mr. Speaker. It is my honour to begin second reading debate on the Farmers' Oil Royalty Refund Act. As Premier Devine said when he announced this program, this royalty refund will save farmers 21 cents per gallon farm fuels and, thereby, significantly reduce the high cost of farm inputs.

Farmers currently spend over \$400 million per year on farm fuels and lubricants, Mr. Speaker. This

program will reduce that amount by more than 10 per cent. I would suggest to you that is a very substantial saving for the farmers of Saskatchewan. In total this oil royalty refund will save Saskatchewan farmers approximately \$42 million on their fuel costs in 1986.

That means for a grain farmer with 1,200 cultivated acres it will mean something in the order of \$1,300 a year less in farm fuel costs — \$1,300 a year less on his farm fuel bill — \$1,300 that that farmer can use in other productive activities on his farm, whether it be purchase of fertilizer, purchase of chemical, or other farm inputs.

Mr. Speaker, this is based on a saving of 21 cents per gallon, not 7 cents a gallon, not 10 cents a gallon, not a maximum of \$300, not an average of \$92.83 as was the case in 1976 with the NDP fuel rebate of the day, but, Mr. Speaker, 21 cents a gallon.

Mr. Speaker, I would like to share with you and members of the Assembly a bit of the history of this government's approach to dealing with farm fuel and farm energy costs. For our party, reducing farm fuel prices and other input costs like interest rates is not an election game, it's a fundamental objective of our government, and it will remain that way.

In the broader picture, Mr. Speaker, cutting fuel and energy costs for all Saskatchewan farmers, one might say, is a trademark of our government. Let me review this record briefly. And when I say I'm going to review it, Mr. Speaker, I do not intend to talk about the removal of the gas tax. But what I am going to talk about is the fact that this government eliminated the E&H tax on farm electricity bills, a 5 per cent surcharge that's gone. I am going to talk about the benefits that rural Saskatchewan farmers and communities have come to enjoy with the bringing of the Saskatchewan Power Corporation rural gas program to farmers and to residents in rural communities.

And by way of example, Mr. Speaker, in my own constituency, an example of a farm family saving big with natural gas, the story goes, Mr. Speaker, that this farm family reduced its heating bill by \$2,225 . . .

MR. SPEAKER: — Order, please. I would ask the minister to stay on the subject matter of the Bill. Otherwise we open debate for all areas.

HON. MR. HEPWORTH: — Thank you, Mr. Speaker.

The point that I am making, Mr. Speaker, is this Bill before us today is an example of how, by passing back the oil royalties that this province accrues, how can we pass them back to our farmers to keep them competitive, to reduce their input costs and provide them with very real savings, energy savings on their farm — energy savings, Mr. Speaker, that will tackle the number tow farm input costs, and that is the price of farm fuel and lubricants.

(1600)

AS the title of this Act suggests, Mr. Speaker, this Act refunds the farmers the Crown royalty and freehold production tax on farm fuels used in farming. In other words, we are putting this province's oil royalties in farmer's hands. We are using oil royalties to help Saskatchewan farmers to be more competitive and productive. We're using oil royalties, Mr. Speaker, because this government believes that farmers and agriculture are the life-blood of our provincial economy. We believe this is the best way to use this money.

And what does it mean, Mr. Speaker, for an average farmer? What does it mean, for example, for a farmer farming 1,200 acres? What does a \$1,300 saving mean? Well, based on Saskatchewan November '85 average diesel price, Mr. Speaker, — and these kinds of numbers come at least in part from our farm input price survey — the average diesel price in Saskatchewan in November of '85 was 38.6 cents a litre. For this oil royalty pass-back, Mr. Speaker, of 4.6 cents a litre, the net average price to that farmer is 34 cents per litre. In fact that refund, Mr. Speaker, amounts to a 12 per cent saving in November of '85 based on that month's prices.

That \$1,300, Mr. Speaker, in this example for a 1,200-acre farmer, that means he buys at no cost, if you like, 850 gallons of diesel. And what can you do with 850 gallons of diesel, Mr. Speaker?, Because that's, in fact, what that represents in savings to that farmer.

That farmer, Mr. Speaker, who might have, for example, a 150-horse John Deere 4640 tractor and a 60-foot harrow packer and a 30-foot discer (I think not uncommon equipment, for example, from where the member for Assiniboia-Gravelbourg farms), this rebate would provide the fuel to disc or seed and harrow-pack twice the 800 acres he might have seeded on that 1,200-acre farm.

It will run that John Deere 4640 or other tractors of similar horsepower, Mr. Speaker, based on our 1985 custom rate rental guide that the Saskatchewan Agriculture department puts out, it will run that tractor for something in the order of 120 hours on the savings that will accrue from this oil royalty refund.

I think, Mr. Speaker, you can see by using this example in very real terms, that's a significant saving to the farmers of Saskatchewan. It's a saving we can pass back because we have an oil resource sector that in fact, Mr. Speaker, has performed very well for the province's taxpayers. And now Saskatchewan farmers can enjoy those benefits — a sector that, Mr. Speaker, has yielded Crown land sale results of 123.9 millions of dollars in '83-84, and '84-85, \$127 million — records, Mr. Speaker, as I'm sure everyone is well aware of.

Attacking farm input costs, Mr. Speaker, is fundamental to the direction of this government; it's fundamental to keeping our farmers competitive. And as I mentioned before in Saskatchewan, this fuel bill — the fuel and lubricant bill, for example, in 1984, based on the statistical fact sheet that Saskatchewan Agriculture puts out for the 1985 period — in 1984, fuel and lubricants, the bill that farmers had to pick up for those farm inputs was \$406.8 million — 16 per cent, Mr. Speaker, of their total operating expenses, second only, Mr. Speaker, to the interest bill that farmers paid last year that was 455.3 and, in fact, the very issue that this government addressed yesterday when I gave second reading on the 6 per cent operating loan, the enabling legislation for that loan at 6 per cent.

I would suggest, Mr. Speaker, that it's this kind of one-two punch, attacking farmers' two biggest threats, interest rates and fuel costs, these are the measures that are going to allow our farmers to survive through this year and through the years to come.

Mr. Speaker, I would suggest that this initiative shows to our farmers that we're prepared to tackle tough issues. And in fact, Mr. Speaker, I think by taking this lead the Premier has set an example for the federal government to follow. Some have suggested, Mr. Speaker, that this whole question of fuel prices, of the taxes on fuel prices, on fuel, has not been raised with the federal government, Mr. Speaker. Such is not the case. Our Premier, very eloquently and very succinctly, raised this issue with the Prime Minister at the recent first ministers' conference in Halifax. I think this Bill is a lead step, and we're hopeful that the Prime Minister will follow up with similar moves from the federal treasury.

I'd just like to quote briefly from the Premier's remarks to put in perspective, Mr. Speaker, and I quote by saying:

By spring of 1986 Canada, in co-operation with the provinces and private sector, has in place a mechanism to restructure and redesign Canadian farm debt, including both interest rate limits and targeted tax changes to lower input costs.

I might remind you, Mr. Speaker, this is the Premier in his remarks to the first ministers.

I have obviously made a move (and he was referring to the 21 cents a gallon). Alberta has made a move recently with respect to farm fuel. You are hard pressed, Mr. Prime Minister (the Premier said), you are hard pressed, Mr. Prime Minister, to explain to farmers why they pay tax on farm fuel for their tractors. You are not on somebody's road;

you are not on somebody's parking lot; you are not on somebody's airport. You are on your own land trying to make a living and make a standard of living for the rest of the country.

So ends the quote, Mr. Speaker. We have taken the lead. The Premier has put it on the line. We would like now to see the federal government follow our lead, and we're hopeful that that can unfold as part of a national agriculture strategy, Mr. Speaker.

And why is it important to tackle farm input costs, whether they be fuel or interest rate or chemicals? Well, Mr. Speaker, the reason it's important is because that is part of the cost-price squeeze that the farmer finds himself in today. Although cash receipts have increased 69 per cent since 1975 — and these numbers might be a few months old, Mr. Speaker, — but cash farm expenses have increased 198 per cent.

Major input cost increases since 1975 have been fuel, at an increase of 305 per cent; and chemicals, 349 per cent; and interest costs have increased 336 per cent.

Mr. Speaker, with a 305 per cent increase in fuel costs, and a 336 per cent increase on interest costs over the last decade in one year, I think you can see why it's necessary for us to take action to help our farmers deal with input costs.

As I suggested earlier, Mr. Speaker, I think this Bill, in conjunction with Bill No. 117 I believe it is, the 6 per cent loans Bill, provides our farmers with a one-two punch as they tackle rising input costs. It tackles the dual questions of interest rates and fuel costs. It makes our farmers more competitive. It helps our farmers cope with this downturn in world commodity prices. It helps our farmers survive these difficult times. And not just so that they go through this period coping, nor that they go through this period merely as a survivor, but in fact to help them through this time so they come out winners. And that is the objective of Bill No. 116, Mr. Speaker.

It is my pleasure to move second reading, Bill No. 116, An Act respecting the Transfer of Revenues from Oil Resources to Farmers in the form of Refunds in respect of Fuel Costs.

SOME HON. MEMBERS: — Hear, hear!

MR. ENGEL: — Thank you, Mr. Speaker. I listened carefully and with interest to the Minister of Agriculture's words today, and I tried to put it into a category and say: is moving into Bill 116, is it fair to the farmers of Saskatchewan? Are the farmers in Saskatchewan going to be competitive? And the third aspect of it, how does it compare with our neighbours, say in Alberta?

And I listened with interest as the Minister of Agriculture went through it. And first of all he changed the name a little bit, and he called it the farmers' royalty refund Act, is the words he used when he started the Bill.

The other day when I listened to the Premier talk about this legislation, and he was on the *Radio Noon* show, he said we're going to work out a scheme or a method where we'll be able to attack the wholesale price of fuel and see if we can get at it from that level. And I was kind of hoping they would, because if there's anything farmers dislike and farmers don't like doing is filling out more forms and more application forms, and justifying and saving bills for special reasons. And it sounds to me as though they weren't able to come up with that idea. I'm not sure if the minister has the regulations in place yet or not, but I expected something different from a Conservative trademark.

I listened to them campaign during the years prior to the '82 election. And one of the things that they kept saying over and over again — and to be honest with you, Mr. Speaker, part of it the farmers believed and the business men believed, and all of us thought, maybe you've got a point there — farmers don't like a lot of red tape and they don't like a lot of bills. My relatives in Alberta go to buy fuel, Mr. Speaker, and they don't have a lot of application forms at all. They get it off at the source.

They don't have to pay for it first and then collect it back again. I think this Bill demonstrates that they failed in being fair with their farmer friends. The oil companies and the banks, when they get their hand-outs from this government, have a little easier task than what the farmer's going to have here.

The minister said that, on average, diesel fuel is about 38 cents or in that neighbourhood and that the farmers in Saskatchewan are going to save 10 or 12 per cent. Well I want to tell the Minister of Agriculture, we're getting further behind the longer we're with you. The longer we follow this government, the longer we try and operate, the further behind I get. And I think that this minister should wake up to the fact that he's not keeping up with the counterpart in Alberta.

Before he introduced this legislation in this past year, we were only 32 cents behind Alberta, and I've been pressuring this government for three years now, Mr. Speaker, saying, pick up the same kind of tab as Alberta is doing and help our farmers out with the 32 cents a gallon. Alberta had 32 cents off for three years, Now they've increased that to 64, 65, or 66 cents. I'm not quite sure but they've more than doubled it. Sixty-four cents. This government finally comes along with 22 cents. We're further behind than we were before. We're further behind; he's not keeping up. When he says the increases in fuel costs are 305 per cent, Mr. Minister, that is a real number. That has brought the fuel costs on my farm up to 16, 17, or 18 per cent of my costs of operation. In a farmer's case where he doesn't have a lot of interest costs, the fuel costs make up one-fifth of his farming costs.

(1615)

A farmer came into my office in Assiniboia the other day — and if I'd mention his name, I'm sure the Minister of Agriculture would recognize it — not known to be one that is a strong supporter of real left-wing ideas, but he says, when are you going to get back to being a CCFer? He says, we know that the price of grain isn't going to come up; we know that. Over the next three years the farmers haven't got that hope and that vision that the price of grain is going to go up. In fact, it's going to level or maybe go down a little bit. When are you going to have the courage to bring the price of fuel around, and the price of interest around, so that the farmer can grow \$2.50 wheat? When are you going to do that?

I said, this something we're looking for. We've been asking and repeatedly asking for 32 cents off on fuel as a starter. Well when the federal negotiations took place and when they got down to Ottawa to talk, and it's time to talk about the prices, and he read a quote from our Premier Devine. He said Devine raised the issue with Mulroney. Well I read the press clipping where our Premier says, keep up the good work. Well I want to tell you that I'm not so sure that I would call it good work when our prime Minister introduced a harvest tax and upped the price of my fuel by 9 cents last fall.

I'm not so sure it's good work, Mr. Minister of Agriculture, when he's upping it and putting on a New Year's tax, and we're going to get another tax of 5 cents a gallon on our fuel, and you're coming along with a measly 22 cents that's barely keeping up . . . the 21 cents is barely keeping up with what your counterparts . . . Keep up the good work, Charlie. But that Charlie is taking it from us just about as fast as you're dishing it out.

Why didn't you just simply say to Mulroney, look, here's the millions of dollars; you take it because you don't have to run it through the farmer. Why not give it to him directly if that's what you want to do? The farmers of Saskatchewan are saying, reduce the price of my fuel. They're not saying, give me a form to collect a few bucks here and a few bucks there. I think you should have straightened it out with Mulroney once and for all.

If you would have gotten that 13 cents off the gallon onto your 22, you would just about be there. You'd at least be where Alberta started from before and doubled their hike. So I think that the 12 per cent or 11.5 per cent saving the farmer gets here now . . . My relatives in Alberta are having a 35 per cent saving on their fuel. They've got 35 per cent off on their fuel, Mr. Minister, and I want to tell you it's not fair if you don't keep up. We can't compete.

An Alberta farmer isn't saving \$1,300, he's saving \$3,900 according to your numbers, Mr. Minister, and with \$3,900 he can make a dent into the price of his operation. The \$3,900 will run that 4640 an awful lot longer than \$1,300. Well, in fact, it will run it three times as long, Mr. Minister.

And I think you should sit up, and if you want to hold your seat . . . He was doing as much time talking about this debate, Mr. Speaker. He wasn't talking to the farmers of Saskatchewan, he wasn't even talking to this Legislative Assembly. He was talking to the person that's seated directly in front of him. He was trying to get a message through and saying, please sir, leave me hang onto the job; I'll pat you on the back; I'll tell you, Mr. Premier, what a good fellow you are. He was talking to the Premier. He doesn't care about the farmers of Saskatchewan, because if he cared, he would have said to the Premier, he says, we've got to do as much as Alberta's doing.

Our farmers are in just as big a trouble and are facing just as much of a difficulty paying their fuel bills as the farmers in Alberta are. And I want to tell you, that in Alberta when they get their rebates on their fertilizer, and they get their help on their chemical costs, the 3,900 bucks on a 1,200-acre farm is going to do some good. In Saskatchewan, you've got a measly \$1,300 bucks. It's an unlucky number, Mr. Minister; it's an unlucky number.

I feel sorry that one of my constituents is going back to pasture. I really do. I think he would have had the guts to stand up in this House, and stand up in his cabinet and say, the farmers need a fair deal. I think when you talk about, is this Bill fair, I think he's missed the mark. He brought all the right members out. He said the fuel costs are up 305 per cent since he's taken office. Interest rates are up 336 per cent according to his numbers, Mr. Speaker. And he's coming out with some deal saying, borrow some more money. Borrow some more money. And here's a third of what Alberta's doing for you.

I think this Bill is a token. Twenty-one cents is better than paying the full price. And if we have to fill out an application, things are tough; we'll fill out the application, Mr. Speaker, and we'll take what we get.

But boy, do we wish we were in Alberta. Boy, do we wish we had the kind of Conservatives that they said they were going to be, when they were out campaigning, when they were trotting around and saying, we're going to take off the education tax and we're going to take off all kinds of costs to farmers. Look what they're doing in Alberta. Well, Mr. Speaker, the longer they're around, the further behind we're getting. Farm costs and farm profits in Saskatchewan are falling behind that of Alberta every year, and we used to be way ahead of them, Mr. Speaker.

As I mentioned in the debate that my colleague from Regina North East introduced as the emergency debate today, I said that the manufacturers in Saskatchewan were doing three times as much as they are today, and the farmers were buying three times as much because they had a government that had the . . .

MR. SPEAKER: — Order, please. I stopped the minister from covering areas that were not in the Bill and I will have to do the same for the Opposition.

MR. ENGEL: — Good point, Mr. Speaker. It's a point well taken and I will try and keep my remarks within the framework of this Bill 116 that transfers some of the revenues from oil resources. And I suppose I could talk about where those revenues were coming from and if they would have attacked the oil companies the way they did when we were in office.

We got as much money from oil revenues, Mr. Speaker, we got as much money from oil revenues. And I'm talking about his 21 cents instead of 64 cents. This Bill says 21 cents, and he's getting it from oil revenues. But he's given the oil companies \$300 million more a year than we did — 300 million. Just imagine how much he could be paying farmers on this Bill if they'd have the same kind of an oil revenue policy in place like there was there when they took office.

Just imagine the oil resource paid to the province of Saskatchewan — \$700 million when they took

office. Today it's still only paying \$700 million, but the production is twice as high. So we could have \$1,500 million — \$1.5 billion — to pay the farmers some money. If they want to transfer some oil revenues, let's start being fair.

Like I said at the outset of my remarks, I thought we should talk about, is it fair to the farmers of Saskatchewan? Well I want to tell the minister that it's a start and under your present administration and under the oil revenue sharing program you've got in place and the kind of deal you've got with Ottawa, I suppose that's the best you could come up with. And because that's all you could come up with, maybe that's why your job's on the line. I don't know. Maybe that's why his job's on the line.

But I want to say that I think the farmers aren't happy with the oil revenues that are going back to them. I think the farmers are saying, it's time we get a fair deal. We want the same kind of billion dollar pay-outs as the banks got, or as Dome Petroleum got, or as other people in the oil industry, and the 350 or 400 million that's going back to the oil revenues that could be going to farmers, and then you could have a Bill that's worthwhile.

In Alberta they pay 26 cents. They pay 26 cents under similar legislation. Instead of 38 they pay 26 cents, a saving of 35 per cent of their fuel bill — 35 per cent of their fuel bill — not 10 per cent like you are doing. Mr. Minister, at 10 per cent you're a total failure. Ten per cent is a failure, Mr. Speaker. I think that this minister could have come up with better.

I think we could have had a Bill before us today that would have done proud to the farmers of Saskatchewan, that they could have produced some grain that could have been sold on the world market at a competitive price. I thought you're the free enterpriser that would help our farmers be competitive, but no, we're supposed to come out and borrow our operating capital, Mr. Speaker. There's not enough in this Bill to help us. The extra \$2,600 that the Alberta farmer is getting more than we are here in Saskatchewan on that 1,200-acre farm he's talking about, that extra \$2,600 will go a long way to paying some of the bills that they need to pay.

I think the minister could have done better. I am not going to pat him on the back like our Premier did Mulroney and say, keep up the good work. I don't think this is very good work, Mr. Minister. I think this is the start of your demise and the reason for your failure and it's a reason why we in Saskatchewan are saying, it's time for the election. Thank you.

SOME HON. MEMBERS: — Hear, hear!

MR. LINGENFELTER: — Mr. Speaker, I just want to add a couple of words to the comments made by my colleague from Assiniboia-Gravelbourg. I think he very accurately pointed out the failings of the Bill which will allow for a payment of about 21 cents a gallon, and I remind the minister that the Bill says 'refund.' This is not what he was talking to the farmers about when he was travelling around last summer. What he was talking about would be the benefit of having a program similar to Alberta where the price would be lowered at the bulk station.

Now when I read this Bill, and I look at section 4, Mr. Speaker, this is quite a different Bill than what the minister was taking about when he was talking to farmers at the drought meetings and when they were talking about when the high cost of fuel, because he was saying at that time he wanted very little red tape in the program. The member for Assiniboia will remember the comments that he made about how he was going to reduce the cost of diesel fuel and gasoline at the bulk station.

But when I look at what the Bill actually says, it spends a great deal more time talking about how they have to keep their bills and how they have to make it available to the minister, and I quote part of the Bill:

The minister may require an applicant for a refund to forward to him or make available to persons authorized by him records required to be maintained or kept pursuant to subsection (1), or extracts from those records, at any time, in any place and in any

manner that the minister considers appropriate.

Now, Mr. Minister, this doesn't look like a simple straightforward Bill to me. It looks like a Bill full of red tape, where, after you get a refund, the minister can, at any time, walk into your house and get your bills, and it says, 'at any time, at any place, and in any manner.'

Now I say to the minister that he should have read this Bill before he put it before the Assembly. There are other sections in it that are even worse, because there's a section in here on what the minister is going to do if the farmer fills in the form and is out a few cents or out a few dollars, and how he's going to re-collect that money.

First of all they have to . . . by filling a certificate of the minister certifying the amount of overpayment together with interest rate prescribed in regulations to the date of the certificate. Now if there's an overpayment, the minister can set up an interest rate that, if it's like the Farm Credit Corporation, could be 15 or 16 per cent until the farmer pays the money back, even if the overpayment is made as a mistake by the government. They will charge interest to the farmer until he pays the money back. And if there's a mistake made, it goes on to say that the government, on conviction, he will be charged a \$500 penalty.

Now, Mr. Speaker, the Bill almost looks like it's set out to penalize the farmer. If you read it through, there's more about how they're going to be penalized than there is about the actual amounts. Because you can read through the Bill, and there's very little to do with the amount that will be paid out inadvertently in overpayments by the government.

Mr. Speaker, I say that the Bill means very little to farmers, because when I look at the price increases that have occurred since 1982 — checked at the Shaunavon bulk station, the Co-op bulk station, and they tell me fuel prices of diesel fuel have gone up 45 cents a gallon since the spring of 1982.

Now you'll remember the election campaign in April of 1982, the government was going to lower the cost of fuel to the farmers of the province. Well since that time, it has increased 45 cents a gallon. The person who operates that bulk station says it's the biggest three-year increase there has ever been since he started running that bulk service station — 45 cents a gallon in three years. This from a government under Grant Devine, that promised to reduce the cost of fuel to farmers.

And now when they do their polling they find that their vote is slipping in rural Saskatchewan. So what are they going to do? How are they going to do it? What they're going to do is that after the next election they're going to give 21 cents a gallon back to the farmer. Not before the next election — not in 1985; not in 1984 or 1983 or 1982. But right after the next election, they're going to give back 21 cents a gallon. We're all ready for the election in April of 1986. Four-year mandate will be up, Mr. Speaker, and not one cent will be paid back to the farmers because they won't be buying fuel before April of 1986.

(1630)

So how much will this Bill cost the government, Mr. Speaker? It will cost them nothing. Not one cent will be paid out before the next election. And I say to you, Mr. Speaker, that this government will bear the brunt of this arrogance of coming here with a Bill at this late date and say to farmers that if we get elected after April of 1986, we will pay out or refund to you 21 cents a gallon. Well I say to you, Mr. Minister, that the farmers are more sophisticated than to believe that after four years of nothing from you in terms of fuel assistance, that you'll pay it after the next election. I don't believe it; I'm sure Mr. Speaker is questioning it; and I say to you, the farmers will not believe you when you say, trust me until after the next election.

Mr. Speaker, there's a great deal that could be done to help farmers in terms of fuel — the farmers in south-west Saskatchewan who see oil companies making record profits, pumping oil from under their land; farmers being treated like paupers by the government. And they say, this isn't fair. And

they say that the \$300 million that you're giving away to the oil companies — and this has now been confirmed by the Minister of Justice, who is quoted in a book *Backrooms*, by the former minister of energy, that he agreed with the NDP about the \$300 million you're giving away to oil companies. He says you're going to get beat up by the population of Saskatchewan by giving away that \$300 million. And he was right. The Minister of Justice is right. You are getting attacked by farmers for giving away 4300 million at the same time saying to the farmers, you may get 21 cents a gallon if you vote right in the next election.

Well I say to you, Mr. Speaker, that the farmers will not be hoodwinked by this government, who have increased the price of fuel 45 cents a gallon since 1982, and now promise to reduce it 21 cents if they're re-elected. That doesn't sound like a winning formula to me. I want to say as well that when we're talking about fuel rebates and fuel increases, it seems strange, as the member for Assiniboia-Gravelbourg says, that the federal government would be increasing the taxes and the provincial government would be rebating some to farmers at the same time. And the net benefit to farmers, even if this is implemented after the next election, would amount to 6 cents a gallon — a paltry 6 cents a gallon if they are lucky enough to win the election, and if they are able to keep their election promises — and their record is not great in that area.

So I say to you that while we will be voting in favour of the Bill, let it be known to the farmers that not one cent will come to them before the next provincial election. And this sounds like a desperate attempt of a government who is failing, not only in the city but in rural areas, to try to build support without spending a cent. And I say the farmers of the province will reject that.

SOME HON. MEMBERS: — Hear, hear!

MR. KOSKIE: — Thank you, Mr. Speaker. I want to add a few remarks to that which have been said by my colleagues, who have pretty well indicated the nature of the problems faced by the farmers of this province. Certainly in respect to the rising cost of fuel, it is a concern to the farmers because it represents a very significant part of the input costs. And in talking to some of the farmers in my constituency, they are indeed concerned with the rising cost of fuel as part of the input costs. And farmers have told me that it has risen to about 15 per cent of their total input costs. And that's very significant, considering the prices that farmers are receiving in respect to the produce that they are producing.

In talking to farmers in my constituency, they indicated to me that he delivered the full quota of grain exactly the same as one year ago. And because of quality and other factors, the amount of return that he took back was one-third less than the year before. And there is a major crisis

But what is so diabolically ridiculous is that here we have a provincial government saying they're going to alleviate the cost of fuel by putting in a rebate of 21 cents at the very time not one member of the government stood up when the federal government introduced 9 cents in September, and when they're going to introduce yet another 5 cents in January. Already 14 to 15 cents of the rebate that the provincial government is offering to the farmers has been taken back by the federal government.

I say, Mr. Speaker, there is no credibility with the farmers with this government any longer. Farmers, you know, he stood up and said, on an average 1,200-acre farm, he said, oh they can save \$1,300 with this rebate. Well do you realize that the federal government, their counterpart, has already taken 15 cents out of the 21 that they're offering back? So there's very, very little net gain for the farmers.

And I say that . . . As I said, this government has lost any credibility that it might have had. And what has happened is that the farmers who are looking at these patchwork programs that they are putting into place, they're saying they aren't paying for anything any more. This government's financial position is so bad they have to run up in the province here \$1.5 billion, and all that they're doing is taking my credit card and offering to buy my vote with programs. This is the position that the people of Saskatchewan is looking at this government — no credibility whatsoever. The federal government

takes 15 cents and these birds come along and say we'll give them 21.

And I say, Mr. Speaker, they also say, well what we're going to do is we're going to tie this to the revenues that we get from the oil patch. Tie it to the farm, and the farmers will get the benefit. But I'll tell you, I wouldn't want to trust their projections as to how much they're going to get out of that oil revenue if the record of this government is any indication.

I'll tell you, in 1982 with \$1.2 billion value of oil, we had for the people of Saskatchewan, revenue of \$700 million. In 1985, they had a revenue for the sale of oil in this province of \$2.4 billion. And you know what they took in for the people of this province? Six hundred and fifty-five million dollars.

Now I'll tell you the success of . . . Not many farmers in Saskatchewan, I think, will want to tie the success of their operation to the policies as exhibited by this government opposite.

So, I say, Mr. Speaker, that the problem out in Saskatchewan is they're saying, it's coming near election. That's what farmers are telling me. I asked them: what do you think of the Devine package in aid to agriculture? They say they have no credibility. They promise at one hand and allow the federal government to take away on the other hand — without even a protest — they haven't stood up for the farmers of Saskatchewan.

So what I'm saying, Mr. Speaker, that this government has lost its credibility. We are nearing the time of an election. Their four-year mandate is up. Any of the grandeurs, promises, that they're putting forward now will not be believed because the people have watched their performance in four years and were not provided any assistance.

And certainly, while we welcome this meagre pittance here of \$42 million, when they turn around and they have given to the oil companies \$300 million of tax holidays every year. They turn and they say, and they're going to brag about giving the farmers that have built this province \$42 million. And they have given to outside oil companies \$300 million annually. We're supposed to stand here and join with them and say you are solving the problems of the farmers of Saskatchewan. I'll tell you, it's hypocrisy. They have backed themselves into the financial crisis, the like of which this province has never seen before. And what they're doing now is trying to use the credit and indebt the people of this province further in order to attempt to get elected. There is no overall strategy with the federal government in order to address the magnitude of the problem that is in agriculture.

All I can say, while I welcome this meagre pittance, I think every farmer in this province would like to be an oil company because there is no limit as to what assistance they'll give to the oil companies. Three hundred million dollars annually in tax and royalty holidays. And they offer to over 60,000 farmers of this province — 60,000 — they offer \$42 million, maybe. And they say, haven't we done a great job for the farmers of this province?

Well all I can say, Mr. Speaker, is that there are indications that this Minister of Agriculture has fallen on his face so badly that he will be removed from office, and hopefully that we can get an overall direction and strategy for the assistance of the farmers of this province.

I welcome this meagre pittance that you offer to the farmers, because the federal government has taken back 800 of the 1,200 you're offering. And you say, oh, look at the job I have done for the farmers of this province.

AN HON. MEMBER: — Ask him what he did at that conference.

MR. KOSKIE: — My friend, my colleague, says: ask him what he did at that conference? Everybody knows what he did at the conference. He did the same as the Premier. Nothing.

So, Mr. Speaker, let no one in rural Saskatchewan be deluded into thinking that this is an agricultural package of significance. It's a package that has shifted . . . The provincial government is putting up 21 cents per gallon and the feds are taking 15, or already have, and possibly more in the future.

As I say, even in talking to farmers, and I've asked them: what do you think of this package? And they say, huh, you know all the hype that we get from the government opposite? Who can believe anything they say? Every press is filled with how they've solved our problems, but they haven't addressed them. Who can believe them? It's not structured programs that can be understood. It's announcements, and when the details are asked for, the Premier says, well, we haven't worked out the details yet.

The credibility is shot, I tell you, and this government is on its last leg towards the provincial election. In all conscience they should call an election, I say, before they do more damage to this province. Accordingly I will vote in favour of this disgraceful meagre amount that you are giving to the farmers.

If you want to make a comparison, let's compare with Alberta then. The Minister of Agriculture laughs. He thinks it's great that he allowed Ontario to take 15 cents of the 21 cents, and to give farmers 7. He thinks that's not meagre. Or if Alberta gives 64 cents and you give 21 — really 7— and you laugh. I'll tell you, your credibility is shot; you can't buy your way back into an election because the farming community knows that you have no overall economic strategy. It's from one crisis to the other.

You got a pollster to get you elected and you can't administer now that you're in office. That's the problem that you have, and the people of Saskatchewan are on to you boys. They know what you're like. They told you what they feel about you in Regina North East . . .

MR. SPEAKER: — Order, please. The member is straying a long ways from the substance of the Bill. If you have something on the Bill, I'd like to hear it.

MR. KOSKIE: — I want to conclude, Mr. Speaker. I really thought I was on board here, but I want to conclude by saying that when one looks at what has happened here, that they're offering — and I know it's going to be of some assistance; 21 cents is naturally going to be some assistance. But what I can't understand is this new co-operativism that they're talking about with the federal government and they allow the federal government to pluck from the pockets of the farmers 15 cents and then they offer them 21.

(1645)

This is the disaster that we have. This government can't stand up to its own shadow, leave alone represent the people of this province. And so, as my farmer friends and my constituents say: we'll take it, don't shout too loud about it; let's just get rid of them.

SOME HON. MEMBERS: — Hear, hear!

MR. PETERSEN: — Thank you, Mr. Speaker. As I rise to join this debate today I'd like to welcome the new member from Regina North East, just as I have in the past welcomed the other two members who have come to this House in by-elections. I understand that makes the score 2 to 1 at half-time. We'll have to see what happens in the final results.

The Minister of Agriculture has outlined the Bill before us today and there's really not too much one can say about a Bill that is as simple and straightforward as this one. Twenty-one cents a gallon is what farmers are going to get on their refund. And they're not going to get it out of the pockets of taxpayers; they're going to get it out of the royalties that we get from oil companies, \$42 million worth. Twenty-one cents a gallon.

Now, Mr. Speaker, this program complements the many other programs that our government has put into place. We are using that \$42 million in oil royalties to assist farmers during a time of cost-price squeezes. Diesel fuel, yes, it's expensive, and yes, our tractors need it to run — there's no getting away from it. But what I think, Mr. Speaker, is very important, is we are using those oil royalties and directly helping farmers at 21 cents a gallon instead of buying farm land as the NDP would have

done their land bank.

As a matter of fact, we're trying to keep family farms going and trying to keep farmers on the land with this type of a program. Twenty-one cents a gallon, I'm sure, will do much to keep our farm families on the farm so that we don't lose 10,000 farm families over the next 10 years, as the NDP did when they were in power. We will try programs like this again and again to keep our rural population from declining, as it did from 1971 to 1982.

Look at the differences between our refund of 21 cents a gallon, and what the NDP magic act was. Every time an election was imminent, oh boy, there was a fuel rebate — \$300 maximum. Wow! — \$300 maximum.

Today the minister has outlined that an average farmer out there will save approximately 12 or \$1,300. I think that's a fair substantial amount of money to be put directly into farmers' pockets, and out of a resource that we have here and that they had not used during their term of office. They chased the oil companies out, Mr. Speaker. That type of money was not available at that time when they were in power.

We have helped oil companies and we are now reaping the benefits — 21 cents a gallon. And yes, it may not be as much as we'd like it to be, but unfortunately we don't have a \$14 billion Heritage Fund like Alberta has. The NDP lost the opportunity to give us that during their 11 years of power, unlike Alberta who took advantage of their situation and can now provide their farmers with substantial — substantial — refunds for their fuel.

But, Mr. Speaker, we're doing the best we can in tough times. Forty-two million dollars was sneered at by the member from Quill Lakes as a mere pittance. Well, Mr. Speaker, \$42 million where I come from is a lot of money. Twenty-one cents a gallon is a lot of money when you add up all the gallons of fuel that we burn in a year as farmers. We're going to, Mr. Speaker, see family farms saved because of programs like this.

Who is that 21 cents a gallon going to go to? Well, Mr. Speaker, I think it's going to go to most of those 5,000 young farmers that have taken advantage of our 8 per cent program to start farming. And it may help to keep them on the farm. It may give them another reason to stay; it may give them that little extra boost that they need . . . (inaudible interjection) . . .

The member from Assiniboia-Gravelbourg rants and raves and complains and sneers and derides this program. But I ask you: are you going to apply for this? Are you going to accept that cheque? Or are you going to be magnanimous and say: no, I'm fairly well off; I'll give mine back? I'll bet you, Mr. Speaker, that you'll be the first one standing in line. I'll bet you will be.

Just as we've heard a number of times those members from Assiniboia-Gravelbourg and Shaunavon crying for \$50 an acre — \$50 an acre pay-outs in the south-west. And what would that amount to in their pockets? Well, Mr. Speaker, with that kind of reasoning I don't think they're going to turn down that 21 cents a gallon refund that we're going to offer. I think they'll be first in line.

Mr. Speaker, not only does this 21 cents a gallon show our commitment to the farmers of Saskatchewan, it comes, Mr. Speaker, from a carefully thought out plan of resource development in the area of oil.

The oil patch, Mr. Speaker, is booming. If it wasn't, we wouldn't have that \$42 million to give out. But it is, Mr. Speaker. There's jobs being created every day in there. And, Mr. Speaker, that oil patch that provides that 42 million that makes that 21 cents a gallon possible, also provides jobs for those farmers in the winter-time, as well as regular full-time jobs.

Over 52,000 new jobs have been created in this province since 1982 when we took office, as of July '85. That's the last stat that I have. Mr. Speaker, that's very impressive. That's really impressive. And I have listened to members opposite deride our record.

And here we are, Mr. Speaker, in an area that they've been running down and laughing about and scoffing at, providing \$42 million for the farmers of Saskatchewan. Mr. Speaker, that's a very important number. And I certainly will welcome the 21 cents a gallon refund for my farm.

Thank you very much, Mr. Speaker.

SOME HON. MEMBERS: — Hear, hear!

INTRODUCTION OF GUESTS

MR. SCHMIDT: — Mr. Speaker, I'd like to introduce to you and through you to this Assembly, in the east gallery, the mayor of Melville and the president of the Melville Business Alliance, together with members of the Melville Business Alliance who have been here meeting with the Premier with respect to concerns on business in Melville. They've had a, what we think is a very fruitful meeting, and I've invited them to come into Assembly to watch us work here. And I'd like the members to welcome them today.

HON. MEMBERS: — Hear, hear!

SECOND READINGS

Bill No. 116 (continued)

HON. MR. HEPWORTH: — Mr. Speaker, in the brief comments we heard from the opposition members, I think we've heard the 21 cent a gallon refund referred to in one instance by the member for Assiniboia-Gravelbourg as a token. In another instance it was called a meagre pittance. We've heard others compare what we're doing to what Alberta's doing. We've heard others suggest that we must be coming near an election. We've heard others describe what in their minds is some kind of a \$300 million give-away to the oil companies. We've heard them talk about federal inaction on the fuel tax question.

Mr. Speaker, my question simply would be this, after hearing those kinds of remarks: where do they stand on this assistance for farmers? We heard a member earlier on one of the resolutions today say that he would support any assistance for farmers. And yet, now we hear talk to the contrary, Mr. Speaker.

The question becomes one of this: where do they stand? Do they stand behind the farmers, Mr. Speaker? Are they going to vote for the farmers on this, or are they not, Mr. Speaker?

And I can see why some would question where do the NDP stand on the fuel tax question? Because one has only to check the record, Mr. Speaker, in 1981, April 23, 1981. At that time the member for Kelsey-Tisdale was questioning the then minister of agriculture of the day, Mr. MacMurchy, questioning him relative to the fuel rebate question. And in response he in part said, Mr. Speaker:

... it's time to look ahead — not look at just now — in terms of energy. I suppose it would be simple to maintain the farm cost reduction program (which was the fuel rebate of the day, Mr. Speaker), because you know how much it is going to cost.

But we decided it was not the route to go . . .

They are the ones who, Mr. Speaker, with the ebb and the flow of election calls, put in place fuel rebates and took them away, and put them in place, and took them away, Mr. Speaker. Then they have the audacity in the House today, Mr. Speaker, to call this 21 cent a gallon rebate a token. They have the audacity to call this a meagre pittance.

Well, Mr. Speaker, what was the fuel rebates when the NDP were in power? What were they? In

1974, it was 7 cents a gallon — and in 1976, that was a banner year for the farmers, Mr. Speaker. In the middle of the energy crisis out there, a banner year for farmers, the grant rate was 4 cents a gallon and the maximum per farmer was \$100. In fact, the average was worse than that. It was 492.83. But yet, Mr. Speaker, they have the audacity to call this a meagre pittance, a token.

Well let's add up, Mr. Speaker, what they spent on a yearly basis when they had a fuel rebate in place. In '74-75, Mr. Speaker, \$7.8 million, approximately. The next year it was \$10 million — \$10.9 million, Mr. Speaker, approximately. In fact, Mr. Speaker, I have to add up 1, 2, 3, 4, 5, 6, 7 years of NDP fuel rebates to get even anywhere near \$40 million, Mr. Speaker. Seven years before they got over that kind of number, and they have the audacity to say that we, Mr. Speaker, are offering the farmers a token and a pittance.

I would suggest to you, Mr. Speaker, that this fuel rebate of 21 cents a gallon — although it is not 32, although it is not 64 — I'll tell you, Mr. Speaker, the farmers of Saskatchewan very much appreciate this rebate. It's more than they ever got from the NDP, and it's certainly more than Manitoba NDP are giving their farmers today. Prices continue to go up over there, Mr. Speaker, when it comes to fuel for the farmers of Manitoba. And so I ask them: will they support the farmers of Saskatchewan, or will they not?

And, Mr. Speaker, on other point on the federal fuel taxes. I'm not happy either to see that there are still taxes at the federal level, and I'm not happy to see recent increases. But I'll tell you what, Mr. Speaker, the whole time the NDP were in, the whole time the Liberals were in Ottawa, we never ever got from the federal government 13.5 cents a gallon, Mr. Speaker, off federal fuel taxes. So there have been some moves, Mr. Speaker, there have been some moves.

Quite simply, Mr. Speaker, I think their arguments do not hold water. It is not a meagre pittance. It is not a token. I think it is going to be a very much appreciated reduction of one of the farmer's largest input costs, and that's his fuel cost, Mr. Speaker.

I rest my case, and I urge all members of the Assembly, particularly the NDP, to reverse their position and support the Bill, Mr. Speaker.

SOME HON. MEMBERS: — Hear, hear!

Motion agreed to, Bill read a second time and referred to a committee of the whole at the next sitting.

The Assembly adjourned at 5 p.m.