

The Assembly met at 2 p.m.

Prayers

ROUTINE PROCEEDINGS

INTRODUCTION OF GUESTS

Mr. Shillington: — Thank you very much. It's with great pleasure that I introduce to the Assembly 22 students who are here from SIAST (Saskatchewan Institute of Applied Science and Technology). The name of the class is English as a Second Language, and that, I guess, describes what they're doing. I look forward to meeting the students as I always do after these proceedings. I look forward to listening to your impressions of what you see today. I ask all members to join me in welcoming you here.

Hon. Members: Hear, hear!

Hon. Mr. Schmidt: — Thank you, Mr. Speaker. I would like to introduce to you, and through you to this Assembly, 11 students and two teachers from the adult basic education class in Melville, Saskatchewan in my constituency. They are seated in your gallery. They're here today with Darlene Lanceday and Trudy Hutchinson. I will be meeting with them following question period. I would ask the members to welcome them here today, and we encourage them to continue their education during question period today. Thank you very much.

Hon. Members: Hear, hear!

Mr. Goodale: — Thank you very much, Mr. Speaker. I would like to take this occasion to introduce to members a familiar face that I'm sure all hon. members of this House know as a previous member of the legislature, one of my predecessors in the constituency of Assiniboia-Gravelbourg, who is seated behind the bar. I would like you to welcome Mr. Roy Nelson.

Hon. Members: Hear, hear!

ORAL QUESTIONS

Hog Slaughtering Plant for Saskatchewan

Mr. Upshall: — Thank you, Mr. Speaker. Mr. Speaker, my question is to the Premier. Mr. Premier, you may well know the name of Peter Pocklington who came to Saskatchewan with a lot of big promises. In exchange for those promises you opened the provincial treasury to him. One of those promises was that he would undertake to build a hog slaughtering plant in this province. Mr. Minister, can you tell this House how far along that particular project is?

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Well, Mr. Speaker, we have now a new bacon processing plant in the community of North Battleford, or in The Battlefords, that processes Canadian pork into bacon which is packaged and particularly marketed into the United States. We have provided the normal incentives, Mr. Speaker, to anybody who will

increase processing and manufacturing in the province.

With respect to further killing capacity, it depends on the numbers. And as the Saskatchewan hog marketing board and other packers know, as the numbers increase, then we may look at additional packing facilities. And if that follows, then we can, Mr. Speaker, look forward to more packing facilities in the province. We want to make sure that we don't have more packing facilities than you do hogs, and it's a balance of bringing them in. We now have expanded facilities at Intercontinental Packers, a new bacon plant in North Battleford, and we look forward to expansions in other packing plants, Mr. Speaker, as numbers warrant.

Mr. Upshall: — Supplementary, Mr. Speaker. Mr. Premier, in the story from *The Western Producer* out of Edmonton points out that Pocklington's promise to build a slaughter plant has come to nothing because there are not enough hogs. In 1985 your intention was, through Sedco, to finance \$21 million of the \$36 million operation through loans and grants.

Now, Mr. Premier, can you tell this House how much of that money has been paid to Gainers, and how much of it was designated for a pork slaughtering plant?

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Mr. Speaker, the industrial incentive package that we have for people who will increase processing and manufacturing — in the case of Gainers in North Battleford, was for the bacon plant. And that's what it's used for, and in fact the plant is built and there are, I believe, in the neighbourhood of 100-and-some people, local people, in North Battleford employed there.

The NDP said we wouldn't build it, it wouldn't be built, but it's there and it's operating. They also said we wouldn't have new recreational vehicle manufacturing; it's there and it's up, with industrial grants. They said we wouldn't build an upgrader, and it's being built in the city of Regina. They said we wouldn't build a paper mill, but it's going to be opened in August, Mr. Speaker. Yes, we're continuing to build, manufacture, and process here, Mr. Speaker, because it helps us be more prosperous and provides jobs for Saskatchewan people.

Some Hon. Members: Hear, hear!

Mr. Upshall: — Supplementary, Mr. Speaker. Mr. Premier, you had a \$25 per hog cash advance and it was supposed to increase hog production. Now a simple question, Mr. Premier. Maybe you can answer this one without so much rhetoric. Can you tell this House how much tax credit has been used in this program so far, and how long do you intend to continue that program?

Hon. Mr. Devine: — Mr. Speaker, I can say to the hon. member that the hog population has increased rapidly in the province of Saskatchewan, and beef on feed has increased rapidly as well, Mr. Speaker. In fact, we're going against the Canadian average.

Mr. Speaker: — Order, order. The Premier is having

difficulty answering the question. If we have interruptions, and sometimes it's from one side and sometimes it's from both, but the bottom is that it's difficult hearing the Premier at times. So let him answer the question.

Hon. Mr. Devine: — Mr. Speaker, on behalf of the young people that are in the gallery, I want to thank you because the opposition always and most often in this House talks as I'm on my feet. When I'm on my feet they're supposed to listen, and often they speak from their seat and get into trouble over there. And I appreciate . . . see here they go again. Mr. Speaker, here they go again.

I will say, Mr. Speaker, that hog numbers and beef numbers are up in the province of Saskatchewan. We're going against the flow nationally. We're encouraged by the results that we see, and, Mr. Speaker, we will continue to provide appropriate incentives to balance the livestock industry with the grain sector here in the province of Saskatchewan.

Some Hon. Members: Hear, hear!

Mr. Upshall: — New question, Mr. Speaker. Mr. Premier, in the *Western Producer* article it states that the Economic Development minister, Larry Shaben, said it was possible that Gainers will not be building a new slaughter plant in southern Alberta if hog production doesn't warrant it. And I might add that hog prices are down low, and the projection for this year is they will maintain that low price. But he says that Pocklington will get the benefit of the government's \$67 million anyway.

Now my question is to you, Mr. Premier. This is your friend, a peer of the free enterprise system and how it works. Does he take government money for breaking his promises and he never delivers, while preaching the evils of a controlled market-place? Do you agree with that, Mr. Minister?

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Mr. Speaker, we often encourage people to invest in the province of Saskatchewan, and that's how you build upgraders and paper mills and processing plants and expansion in various kinds of manufacturing and processing. We have turbines being manufactured in Saskatoon by the Japanese — first time ever in the province of Saskatchewan. Cable and wire in Moose Jaw, Mr. Speaker; you work with the co-operative sector and the private sector, Mr. Speaker, so that you can build here; you just don't beat on them or try to push them away. We will continue to co-operate with the private sector, Mr. Speaker, in joint ventures, encouraging them to build here in Saskatchewan as opposed to Manitoba or Alberta or down East because here's where we want to have processing and value added to our raw and processed products.

Some Hon. Members: Hear, hear!

Mr. Upshall: — Supplementary, Mr. Speaker, Mr. Premier, the price of hogs is down in this province. You have given Pocklington \$21 million, which you will fail to say how much or what it was earmarked for. You have

a new livestock incentive program in your budget that's going to give up to \$8 million for corporations. Is that your idea of how the hog industry in this province should be built on corporate entities rather than on individual farm production units?

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Mr. Speaker, the numbers that the hon. member uses are not accurate, and I don't want anybody that's watching this or listening to it to think that he has his numbers accurate. Secondly, he will have to admit the cash advances and the tax breaks and the other economic opportunities and incentives we provided for the livestock industry are head and shoulders above anything that a previous administration, particularly the NDP, has ever done in the province of Saskatchewan. Third, Mr. Speaker, we are not just running out, Mr. Speaker, and saying that we are going to have to take over farms, or nationalize packing plants, or kick them out of the province. I remind the NDP member opposite, we had a packing plant in North Battleford, and when the NDP came in they kicked it right out of the province, Mr. Speaker. They nationalized the other one, Mr. Speaker, that was in here and took control of it.

Mr. Speaker, we are building them, creating them, allowing them to come in here. We're not nationalizing them and kicking them out like the radical socialists you see sitting on the other side . . .

Some Hon. Members: Hear, hear!

Mr. Speaker: — Order. Order. I recognize the Deputy Premier.

Hon. Mr. Berntson: — Mr. Speaker . . .

Mr. Speaker: — Order, please!

Renovations to SaskPower Offices

Hon. Mr. Berntson: — On page 425 of *Hansard*, about a third of the way down, under Hon. Mr. Berntson, where it says, "Mr. Speaker, I will take notice . . ."

That was in response to a question from the member for Regina North West, a very urgent and compelling question — a very urgent and compelling question dealing with renovations on the 12th floor of SaskPower in the area where Don Stankov, chairman of the board of SaskPower, and George Hill, president of SaskPower have their offices; and the question was as to the cost of the renovations and the extravagance of the renovations, Mr. Speaker.

And I want to answer that question because it was such a compelling question, and so this is my first opportunity, since today is Monday, Mr. Speaker, and I thought I would answer it now.

In fact, Mr. Speaker, there was a renovation on the 12th floor of the SaskPower building and that renovation was to provide space for more people. Now you might ask: why would you want to provide space for more people when in total we have 27 per cent fewer people working

at SaskPower than in 1982. Well it has to do with a consolidation of space requirements, Mr. Speaker, and as contracts come up outside the building, we're bringing them back into the building.

So with respect to the 12th floor of the SaskPower building, there was a renovation that cost about \$13,000. The net effect of that renovation, Mr. Speaker, was that the chairman's office was reduced to 483 square feet from 591 square feet . . . that's a 25 per cent reduction. The president's office was reduced, Mr. Speaker, was reduced . . .

Mr. Speaker: — Order. Order. Order. Order. Order.

The hon. member is answering a question of which he did indeed take notice, but he has taken already a considerable length of time. He has taken a considerable length of time, and I ask him to finish the answer to his question now.

Order. Order. Order. Would the member for Regina North please be seated.

Hon. Mr. Berntson: — I apologize for the time required to answer the question. I think it's because of the interruptions from members opposite. But the president's office was 752 square feet, and it has been reduced to 376 square feet — half the size, Mr. Speaker. And in addition, the president no longer has a bathroom. He now has to go out into the hall with the rest of them.

Mr. Speaker: — Order. Order, please. Order.

Some Hon. Members: Hear, hear!

Mr. Solomon: — If I may, Mr. Speaker, I have a supplementary question to the minister responsible for the Saskatchewan Power Corporation. I'm assuming then that the \$13,000 is part of the furniture that's in there, including the oak table and the bar. In the annual report of SaskPower Mr. Hill says, and I must quote this, that he has asked all employees, that he's asked the employees to ask these questions of themselves, that whenever there's a spending of over \$10 involved, and I quote, "Is it necessary to spend this money, and if the answer is yes, can it be deferred?"

Do you think this expenditure of \$13,000, which is far greater than \$10, could have been deferred?

Hon. Mr. Berntson: — Mr. Speaker, I suppose . . . and let me tell you this, Mr. Speaker. I don't know where that member gets his information, but the suggestion of a bar in the executive offices of Power is totally, completely, and absolutely false, and that member ought not to get away with that. That's point number one.

Point number two, as it relates to discretionary spending, \$13,000 to save I don't know how much, because of the consolidation of the space, Mr. Speaker. It was a board decision to do this renovation. I think it was the right decision. I support it; it is responsible, and a \$36 million profit in the annual report indicates that it was responsible.

Some Hon. Members: Hear, hear!

Proposed Legislation on Minority Language Rights

Mr. Goodale: — Thank you, Mr. Speaker. Mr. Speaker, my question is for the Minister of Justice, and it has to do with his proposed language legislation. The minister will know that there is considerable doubt and controversy about several aspects of the government's proposal, including the degree of consultation that occurred with Saskatchewan's francophone community . . .

Mr. Speaker: — Order, order. I'm afraid that . . . I certainly can't hear him; perhaps other members can. But I can't hear the member for Assiniboia-Gravelbourg, and because of that I'll give him an opportunity to start over if he so wishes.

Mr. Goodale: — Thank you, Mr. Speaker. Because this subject is serious . . .

Mr. Speaker: — Order, order. Order. Now, you know, we've just asked the hon. members to allow the member for Assiniboia-Gravelbourg to state his question in a way that can be heard, and already they're not allowing that. So may I ask them again?

Mr. Goodale: — Thank you, Mr. Speaker. It is a serious subject and I would like the minister to hear the question clearly. It refers to the proposed legislation on minority language rights, and I was referring to the doubt that exists, Mr. Minister, about a number of the aspects of this proposal, including the degree of consultation that occurred in detail with Saskatchewan's francophone community before the government's Bill was introduced, and also including the actual financial cost of the government's proposal compared to the specific alternatives requested by Saskatchewan's francophone community.

And I want to ask the minister if he would give us his specific commitment before the Bill is proceeded with in this House. Will the minister table, in detail, a full description of that consultative process so that we can see, in detail, what it entailed? And secondly, a full description, item by item, of the government's cost analysis.

Hon. Mr. Andrew: — In response to the hon. member's question, Mr. Speaker, let's deal first with the question of consultation. I have personally met with the francophone community of Saskatchewan on four occasions. I met with them in Prince Albert, along with the Premier; I met with in Regina — I met with them in Regina about three or four days prior to that Bill being introduced as first reading. I discussed with the individuals from the francophone community what we intended to do with the legislation. We listened to their observations and we took a decision, Mr. Speaker.

Now there's one thing to say, will you consult? And we will consult and we have consulted. But there's another thing to say that what their position is will be adopted, and that's for the government to take that position. We will listen to what they say and then we will respond.

With regards to the cost and the question of cost, I can advise the hon. member that we . . . the officials in my department have gone through this. They looked at the province of Manitoba. Manitoba has gone through this process, and it's very difficult to distinguish in the Manitoba experience the exact cost of this. Now there is a minimum cost in Manitoba of 8 million and a maximum cost of 25 million, and that's because Manitoba, in the process, reorganized their way of drafting legislation.

The best information I have available, Mr. Speaker, from the Department of Justice, given the fact that there are 7,000 pages of legislation in this province, well in excess of 7,000 pages of regulations, and then various types of services that might arise out of that if the francophone community would wish; clearly, that, in our view, would cost in excess of \$15 million — \$15 million, Mr. Speaker, I might say that is difficult to come up with these days. And that is one of the problems, obviously, that we face with regard to the speed by which we might pursue this particular situation.

Mr. Goodale: — Mr. Speaker, thank you. I hope the minister would consider specifically the suggestion that I've put to him, of providing the House and the people of Saskatchewan with the details of these matters in writing, because I think that would be helpful to any rational analysis of this discussion.

If I could, Mr. Speaker, I would like to address a supplementary to the Premier on this same subject. The Premier has said that he wants and intends to be more generous in future than the present draft Bill allows on the question of language rights. I wonder, in his meeting later this week with Premier Bourassa, will the Premier of Saskatchewan be raising the possibility of changes in Quebec's Bill 101 as one way of encouraging and prompting a more generous approach to minority language rights in both Quebec and Saskatchewan?

Hon. Mr. Devine: — Well, Mr. Speaker, I can only speak for Saskatchewan, and will not want to, and would not speak for the province of Quebec.

Under Saskatchewan's jurisdiction we can move towards bilingual, a bilingual province at a pace that will be different than other jurisdictions because we have 97 per cent, or about that, of this population that speaks English or English non-French, and about three per cent, mother tongue, that is French.

In Quebec, it's obviously different than that. In New Brunswick it's about 40 per cent French speaking and 60 per cent non-French speaking. And the rate at which we move across the country towards bilingualism will be different. And what we've said here, and I will say to the Premier of Quebec, that this is Saskatchewan, as indeed he will have to manage Quebec, and I won't tell him what to do with Quebec. You will find that it's under provincial jurisdiction as it is here. And, Mr. Speaker, I will say the same thing to any premier who wants to talk about his jurisdiction, whether it's Ontario or whether it's British Columbia or Newfoundland or Nova Scotia.

So under — if I could just add to this — finally, Mr. Speaker, under the whole concept of a constitutional

change that would endorse the Meech Lake constitutional amendment, what we've said is that we will make sure that this country recognizes minorities, and we will, and we do. But how you recognize that and the speed at which you recognize that may be different in Nova Scotia with respect to French speaking people or New Brunswick or Quebec than it is in the province of Saskatchewan, and I believe other premiers recognize that, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Speaker: — I would like to just make this comment that, you know, I know ministers have a great deal they could say about any particular question, and I know that it's information that we'd all like to hear. However, I would like to ask you to kind of judge the length of your answers.

Rafferty Dam Project

Mr. Lyons: — Thank you very much, Mr. Speaker. My question today is to the Deputy Premier, the minister responsible for Saskatchewan Power Corporation, and it concerns the Rafferty dam project.

Mr. Minister, on the CBC radio this morning, the director of the inland waters branch, Mr. Bob Halliday, said that it will be some months before approval is given for the construction to begin on the Rafferty or Alameda dam project by the federal government — licences which are required, which are required under the law of this land to be granted.

I wonder, Mr. Minister, if you can enlighten this House as to when can you expect a decision from those federal counterparts, and why is it that George Hill, the president of SaskPower, has publicly announced that the construction on the project has already commenced.

Hon. Mr. Berntson: — The construction on the — what do you call those little dams? — coffer-dams has in fact commenced, Mr. Speaker. These don't become part of the ultimate structure, Mr. Speaker; they are there only to facilitate construction in the event that approval is finally given. And by the way, Mr. Speaker, we anticipate approval of the project sooner rather than later, as suggested by the member opposite.

The reason for the coffer-dams is because, Mr. Speaker, if the dam site is not in a condition to get on with construction immediately that approval is given, that the project delay for over a year, because of the time frames that roll into this thing, would cost significantly, Mr. Speaker. So we are spending, I guess, maybe — and don't hold me to this, but I would say around \$200,000 to save millions of dollars in that eventuality, Mr. Speaker.

Mr. Lyons: — Supplementary to the minister, Mr. Speaker. It's obvious from the answer of the Deputy Premier that he doesn't know when approval is going to be given, and when he throws out a number around \$200,000 that once again he's proven his ignorance on the subject; he doesn't know how much it's going to cost.

Mr. Deputy Speaker, if approval is not given, will you — if

it is not given by the federal government, will you tell us now, will you tell us what the cost of the construction will be, and also what the cost of tearing down will be, and the cost of mitigation of the tearing down will be if approval is not given, which you've admitted is a possibility.

Some Hon. Members: Hear, hear!

Hon. Mr. Berntson: — Mr. Speaker, I, this very morning — I believe it was about 8:13 if you want to deal in precise terms — I talked with the federal Minister of Environment, one Tom McMillan, from his office in Charlottetown, and as a result of that conversation I have a very high degree of confidence that approval will be forthcoming, Mr. Speaker, as soon as the issue of water quality is dealt with to the satisfaction of the federal department. And so, since that member, Mr. Speaker, is so concerned about the preciseness of the detail, Mr. Speaker, I want to take notice of this question so I can get absolute, concise . . .

Mr. Speaker: — Order. Order. Order. I think at this time I'd just like to make this comment, that unfortunately I have seen in the past and now, as a matter of fact, where a minister will comment on a question at some length and then say he'll take notice of it. I'm not sure if that's the way we want to take notice.

Some Hon. Members: Hear, hear!

Mr. Lyons: — Thank you, Mr. Speaker. Obviously we're not going to get any kind of straight answer out of the Deputy Premier, so I'll address a new question, this time to the Premier of the province.

Mr. Premier, your government seems to be hell-bent, hell or hot water, to complete this project, yet you've heard your Deputy Premier here say today that approval for the project will be short coming, will come in a very short period of time.

Will you now undertake to the people of this province to do the reasonable thing and to wait, and to wait until that approval is either approved or rejected until you spend more taxpayers' money on your political boondoggle in your own riding. Will you undertake to do that?

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Mr. Speaker, when somebody says to the Premier, it's a political boondoggle, it takes a while to respond to that. So if you'll bear with me, I would like to tell the hon. member that if he gets away with asking about political boondoggles, I'll get to explain to him that in southern Saskatchewan water conservation is very, very important. And you may not recognize that in Regina Rosemont, but you should just go outside the city any place in southern Saskatchewan and ask any member of the community whether they think that water conservation would be a very good idea.

And, Mr. Speaker, you notice that he speaks from his seat. He won't listen to the truth. He won't listen to the facts. I want to tell him that the people of Saskatchewan are

proud of Diefenbaker Lake and Gardiner Dam, proud of water conservation, proud of the fact that in Moose Jaw and Regina you can get access to that water — good, clean drinking water year round, as a result of the things that we're doing. And he stands in his place and says Saskatchewan people should not be able to conserve water in southern Saskatchewan.

I want to say to him, Mr. Speaker, that Saskatchewan people will look forward to this dam. They look forward to water conservation. And yes, Mr. Speaker, we intend to build Rafferty and Alameda dam for the benefit of the entire population of Saskatchewan.

Some Hon. Members: Hear, hear!

Mr. Speaker: — Order, order. Order, please.

ORDERS OF THE DAY

SPECIAL ORDER

ADJOURNED DEBATES

MOTION FOR COMMITTEE OF FINANCE (BUDGET DEBATE)

The Assembly resumed the adjourned debate on the proposed motion of the Hon. Mr. Lane that the Assembly resolve itself into the Committee of Finance, and the amendment thereto moved by Ms. Atkinson.

Mr. Van Mulligen: — Thank you, Mr. Speaker. Although the budget that we're considering sets out the government financial plan for the current year, the '88-89 fiscal year to be exact, it's important to note that a budget reflects more than contemporary conditions and influences.

For example, a budget can reflect future priorities. It can plan to spend funds this year even if there is to be no tangible results until some future time. A budget will almost certainly reflect the past. As an example, if a government has a surplus from the previous year, that surplus can be rolled over to a current year's budget even if the conditions surrounding a current year's budget suggest falling revenues and a need to raise taxes, or to reduce expenditures — a surplus could help to cushion that impact.

And of course this year's budget is a poor example to describe the fact that budgets can reflect the past. Saskatchewan has not had a budget surplus since 1982. Saskatchewan has instead experienced deficits. Every year we've experienced deficits. Every year since 1982 the PC government has spent more than it's raised, Mr. Speaker. In fact, the government entered the current budget year with a total accumulated deficit of \$3.4 billion — \$3.4 billion, Mr. Speaker.

Now this budget reflects that deficit, and drastically so. One of the expenditures provided for in the current budget is for servicing the public debt, and this amounts to \$329,499,500. And this millstone, Mr. Speaker, clearly illustrates that a current year's budget can be affected, and drastically so, by more than contemporary conditions.

And so as we debate this particular budget, and as we attempt to bring light on this subject for the people of Saskatchewan, it is important to keep in mind that this budget, in all or the little that it offers, is heavily influenced by the immediate past and the PC government's decision making during that time.

Now before I deal with the government record, a government record that has resulted in a massive debt and in the current budget, let me put this government's record of fiscal management in some historical context. I think, for the people of Saskatchewan to pass judgement on this budget and this government's actions, they should first appreciate how this government compares to others.

Mr. Speaker, in the years since 1946 and until 1983 there have been only two years in which governments of Saskatchewan have incurred deficits — two years, Mr. Speaker, two years out of 36. Except for the years 1961 and '62, when there were small deficits due to extremely unfavourable economic conditions, there have not been any deficits — 34 years, Mr. Speaker, of no deficits. I should point out, Mr. Speaker, that this enviable record was achieved primarily by CCF and NDP governments.

Some Hon. Members: Hear, hear!

Mr. Van Mulligen: — And I think that I would be less than fair if I did not point out that during the Liberal administration from 1963-71 there were also no deficits. You will note, Mr. Speaker, that I did not mention PC governments. Saskatchewan did not have any PC governments during this time.

And the people of Saskatchewan might well ask: is it a coincidence that we had virtually no deficits during this period? Perhaps a review of the more recent history of the years of PC government will provide some answer to that question.

Earlier I indicated that the PCs have run up a deficit in each and every year of their administration. After 20 years of CCF, Liberal, and NDP governments and no deficits, we have a PC government and deficits every year. I leave it to the people of Saskatchewan to judge: is this a matter of historical coincidence, or is it a testament to the PC government's mismanagement, waste, and utter incompetence?

Now the government members will say, it's not our fault. They will say, it's our misfortune to be governing at a time that the economy is faltering. They will say, it's the world economic conditions. They will say, it's the trade barriers; it's the tariffs. They will say just about anything. Mr. Speaker, to avoid saying that they might be responsible for any part of this massive debt.

Some Hon. Members: Hear, hear!

Mr. Van Mulligen: — Mr. Speaker, they will even go so far as to say that it's the NDP's fault.

Now let's look at these claims. How realistic are these claims? How realistic is it to say it's no fault of the PC government that the PC government has saddled the

people of Saskatchewan with debt every year, every single year of their administration? Are the PCs asking the people of Saskatchewan to believe that we have not had tough times before?

Well the people of Saskatchewan know that's not true. They remember other times when times were tough. They remember other times when wheat prices were depressed. They even remember Pierre Elliott Trudeau, some many years ago in the midst of an agricultural crisis and falling prices in Saskatchewan; they remember him asking, why should I sell your wheat?

And they remember when oil prices, Mr. Speaker, were considerably less than they are today — considerably less — but they do not remember deficit after deficit. They remember instead surplus after surplus. They also remember fiscally competent governments, and they do not remember the type of mismanagement, the type of waste, the incompetence, the misspending that they have seen with this government.

They also do not remember the extent of patronage and the strong smell of corruption that they associate with this PC government. And the people of Saskatchewan do not understand how an NDP government, which had 11 years of surplus, 11 years of competent fiscal management, should somehow be responsible for six years of PC deficits. Well the PCs may believe that, Mr. Speaker, but the people of Saskatchewan don't. In fact, they now believe very little when this government has anything to say about budgets and deficits.

The people of Saskatchewan do recognize, however, the considerable, if dubious, achievements of the Premier and his ministers of Finance. Never before have we been deeper in debt. Never before have we been so highly taxed. These are no small achievements, Mr. Speaker.

And let it not be said that, when it comes to mismanagement and incompetence and waste, the PC government does things by half measure. That government mismanages and wastes by the full measure, Mr. Speaker, without restraint. You know, there should be a special award, a Will Klein award, a Jean Drapeau award, for the PC government, to recognize them for their all-time fiscal irresponsibility and incompetence.

Some Hon. Members: Hear, hear!

Mr. Van Mulligen: — Of course the PC government has already earned their own special place in history, Mr. Speaker. At a time that the oil companies were enjoying among the highest prices for their oil, this PC government decided that it would be in the public interest to give these companies a tax break.

Now one would think that, having among the highest prices ever for their product, the oil companies wouldn't need more of an incentive to look for oil. Well what I forgot was that when it comes to logic, this PC government knows none. It has its own peculiar reasoning. They decided that high prices just wasn't enough for the oil companies; tax breaks were needed.

I would think, Mr. Speaker, that future students of

economics and financial management will puzzle over that decision for many years to come. Why, they will ask, did the PC government give the oil companies a tax break at a time that the oil companies were in the best shape ever to pay those taxes? Why, indeed?

Now the PCs will say, of course, that it was to stimulate oil production, to create jobs, especially in the constituency of the Premier and other senior cabinet ministers. But people will ask: are high prices not incentive enough to drill for oil? People will also ask: where are the jobs today? They know that this very stupid decision has so far cost the taxpayers almost \$2 billion, Mr. Speaker. They know that a large part of the current deficit is the result of that stupidity. They know that the deficit would only be half of what it is today, because of that decision alone.

So I would say, Mr. Speaker, that the past can influence the present. Were it not for the PC government's decision on taxes, tax breaks for oil companies, today's budget, as last year's, could contain a lot less bad news for the people of this province. It would contain a lot less bad news about health, about education, about agriculture and, I would suggest, a lot less bad news for the taxpayers of Saskatchewan.

Now of course the government will point out that they are increasing taxes on oil in this year's budget, and so they are, Mr. Speaker. But when you look at it, you realize that it's a mere pittance in comparison with what we've lost — a drop in the barrel, as it were. When it comes to taxing oil companies, this government is a day late and a nearly \$2 billion short.

Mr. Speaker, we cannot, however, blame all of the deficit on that peculiar bit of fiscal folly. Beyond the spectacular, there remains a long list of examples of fiscal irresponsibility. Consider if you will, Mr. Speaker, the largest political bureaucracy ever. And yes, we do pay a price for all the additional political hacks that this government and Premier seems to find so necessary. And yes, we do pay a price for the annual get-togethers of this group in expensive locations.

Consider if you will, Mr. Speaker, government advertising that is now costing the taxpayers \$20 million per year. And yes, we do pay for all that vague advertising telling us how good the Mulroney-Reagan trade deal is for us all. And yes, we do pay for George Hill, the president of the Saskatchewan Power Corporation, telling us what a good job he thinks he's doing for us all.

Consider if you will, Mr. Speaker, patronage. Yes, we do pay a price for George Hill and Paul Schoenhals and Gordon Dirks, and many others. Consider, if you will, Mr. Speaker, office space. Yes, we do pay for all that empty office space. And yes, we will pay \$12 million for expensive office space that isn't needed in the Ramada Renaissance Hotel in Regina.

Consider if you will, Mr. Speaker, incompetence. Yes, we did pay \$25,000 U.S. for an airplane that we don't have. And no, we didn't get to kick the tires, and no, we didn't get to spin the propeller. And yes, we will pay \$370,000 and more for the rental of one-half of an office building after selling the whole building for \$280,000.

An Hon. Member: — Half is better than none. They could have given it away.

Mr. Van Mulligen: — Well my friend says, half is better than none because they could have given it away. Well I'll leave that to the government to explain, Mr. Speaker.

Consider if you will, Mr. Speaker, economic development. I'm sorry, you should consider the gifts to their big business friends. Yes, we will pay for the millions they've showered on Peter Pocklington. Yes, we will pay for no end of bad decisions and more largesse resulting from a rush to privatize everything in sight.

(1445)

Mr. Speaker, the list goes on and on and on, and I don't have the time today to list all of their bad decisions. I don't have the time to list every example of waste and incompetence and mismanagement. But I would like to tell you that what you see is not the whole story. What we see, I would submit, is simply the tip of the iceberg. If the PC government is adept at anything, it's hiding and obfuscating their waste and incompetence.

Consider if you will, Mr. Speaker, the fact that this government has set new records for the late tabling of the *Public Accounts*. Now that's the record of public spending where usually one finds the latest examples of waste and incompetence.

The point that I've been trying to make, Mr. Speaker, is that this year's budget is influenced more than by this year's economy and current conditions. It is heavily influenced by the accumulated deficits of the PC government. Those deficits are the result of their stupidity, the result of their incompetence, the result of their wastefulness, the result of their mismanagement.

So when the people of Saskatchewan examine the budget and wish for more, or less, I suppose, in the case of taxes, they should bear in mind the reasons for budgetary predicaments. They should understand that if it were not for the PC government deficits, the government would have more options than it has now to ensure that services would be adequate.

Were it not for the PC deficits and their sad priorities, there could be money to restore the prescription drug plan. There could be funds to restore the children's dental program. There could be money to provide for adequate funding of our hospitals to reduce long, long waiting lists. There would be money to provide adequate funding for our education system and the future of our children. There would be money to deal with the agricultural crisis as opposed to simply washing our hands of that crisis.

The government, I would submit, would also have more options with respect to personal taxes. Personal taxes are at an all-time high in Saskatchewan, Mr. Speaker. Personal taxes have doubled, doubled since this government came to power. And as the people complete their tax returns, they should ask themselves, does it have to be this way; does it have to be this much? I would say no, Mr. Speaker, a resounding no is their answer.

The people of Saskatchewan are paying and paying dearly for this government's bungling, and that's why their taxes are so high. And the people get less for what they pay. And that's why, every time that they have dealings with government and they set out to renew a licence or to pay some fees, they find those fees have increased. They'll find a list of over 200 small tax increases here and there, Mr. Speaker, whether it's a licence for an auctioneer that's increased by 25 per cent, or whether it's taxes for the courts. The new fee to commence court action is now \$50 as opposed to \$25, an increase of 100 per cent; whether it's to file a notice of appeal, and an increase of 100 per cent. The list just goes on and on and on and on and on, Mr. Speaker. There just seems to be no end when it comes to taxing Saskatchewan people. School bus registration fees, from \$25 to \$48, an increase of 92 per cent, and the list just goes on and on and on and on, Mr. Speaker.

There's just simply no end, no end when it comes to tax increases, when it comes to hitting the people of Saskatchewan with increases here and there. And this is just the small stuff, Mr. Speaker. This doesn't deal with the flat tax which they didn't have in 1982; it doesn't deal with the low level, relatively, of income taxes and personal taxes that they had in 1982.

Mr. Speaker, I will not be supporting the motion that's before us to support the budget. To support the PC government, to support the government motion would be to support years of PC stupidity, years of PC government incompetence, years of PC government waste, years of PC government mismanagement. The people of Saskatchewan can no longer support that, and I no longer support that. Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Thank you, Mr. Deputy Speaker. I want to take this opportunity to say a few words with respect to the budget. Obviously, Mr. Deputy Speaker, I will be endorsing it.

I want to say at the outset that my remarks today are going to be on two major things. One will be on the whole question of providing sufficient revenue and sufficient moneys for not only health and not only education, Mr. Deputy Speaker, but on the question of those that are disadvantaged in society, the lower income people, students, farmers, homeowners, families, people who are ill, people who are disabled — that category, Mr. Speaker, because this budget addresses them in a fashion, and in a fair fashion, that we have not seen in previous administrations in this province.

Secondly, I'm going to touch on the whole question of creating economic opportunity and wealth. One of the major things that we're going to do is provide for diversification, Mr. Deputy Speaker, and that means that we're going to have to be promoting more trade and freer trade.

And I want to table here today some research that we have with respect to free trade, Mr. Deputy Speaker, so that in fact the members of the opposition who have been asking — particularly the Leader of the NDP and the

member from Riversdale have asked for research on trade and on free trade — and I'm going to present some in the legislature today so that, in fact, that he can be aware of the facts that have been going on here in the province of Saskatchewan.

I want to point out then, Mr. Deputy Speaker, that one of the reasons that we have been able to take the Health budget from \$700 million up to \$1.2 billion, and almost double Health expenditures, is the fact that we have been able to capture revenue and dollars from the resource sector that weren't there before. And I want to point out, Mr. Speaker, that our government policies have resulted in 725 million more in net revenue in the oil industry, Mr. Deputy Speaker; an additional \$1.6 billion in investment; 6,600 more wells drilled; and 32,000 additional person-years of direct and indirect employment as a result of our oil policy, Mr. Speaker.

Now what I'm saying is, almost a billion dollars in additional revenue coming into the province of Saskatchewan as a result of us working with the oil industry to encourage the investment here, so that we can have 6,000 more wells drilled in the province of Saskatchewan pumping the oil so, in fact, that we can collect the revenues, Mr. Deputy Speaker. And that's extremely important, because under the old NDP policy they were drying up and going away. People did not want to invest here; they'd go to Alberta or they'd go to Texas or they'd go to some place else. And under our royalty structure, which is one of the highest in North America, we have encouraged the oil revenue to stay here, and revenues to go up almost a billion dollars more than what they would have been under the NDP.

That money, Mr. Deputy Speaker, can be used now for health and education which is extremely important, and as you know, and I do want to reiterate, when we took office the Health budget was 700 million something; today it's almost double that at 1.2-\$1.3 billion, and that expenditure, Mr. Deputy Speaker, in good part, in good part came from the oil and the energy sector, and we have allowed that to grow here in the province as a result of us co-operating with the energy sector.

Let me make a second point. I believe that it's relevant today, Mr. Deputy Speaker, because the Leader of the Opposition was on radio or television saying that we have had no co-operation from the oil patch at all in generating revenue and economic opportunity; therefore, people in Regina and Saskatoon should obviously support the NDP because we haven't generated any economic activity associated with energy.

I want to remind the member from Riversdale, and I just ask him, and to the public that is watching: has he ever stood in his place any place in the province and talked about the new Regina co-op Saskatchewan NewGrade upgrader? Has he ever mentioned that?

This is the largest single project in the history of Saskatchewan, let alone the history of Regina, linked to energy — their confidence in our energy policy being built right here in downtown Regina for the whole province, and indeed the whole country to see. Did he ever mention that?

I want the people of Regina Elphinstone, the people of Regina Rosemont, the people of Regina South, the people of Saskatoon and the people of Estevan to recognize — in the Queen city of this province, energy is number one; energy is key. NewGrade, a combination of the federal government, the provincial government and Federated Co-op, putting together the largest single project in the history of this city and the history of this province, and did the NDP ever mention it? Not one word, and you talk about energy policy.

Why would they be ashamed to mention the co-op? Why would they be ashamed to mention the provincial government? Why would they be afraid that the provincial government got the federal government to come in here to build the largest project in the history of the whole province?

Mr. Speaker, the member from Riversdale never acknowledges success. He never acknowledges building. We've got more revenue, more money, more natural gas in more towns, on more farms, and the largest single project in the province's history, in right downtown Regina, and it's never mentioned by the NDP — not a boo, Mr. Deputy Speaker.

Now that upgrader will generate revenue for decades and decades into the future to provide money for health and education, and without it we wouldn't have the kind of money that almost doubles the Health budget in this province.

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — We take it from \$700 million to 1.2 billion because, Mr. Deputy Speaker, we're building, not buying — building. Now I make that point.

I want to also add that the natural gas distribution system that we provide here, \$350 million — and I want the people of Regina and Saskatoon to recognize — all the folks in the province of Saskatchewan that want access to energy, natural gas in this province, now can have it as a result of our government saying, we will have a distribution mechanism that takes it to the farm, takes it to the North, takes it to the East, South, West, the entire province. Communities, towns and villages and farmers have access to the lowest-priced energy you'll find in North America.

Now that's energy policy that encourages economic opportunity, that creates processing, hog barns, welding, local industry, and business initiatives, because we have taken the initiative to take the energy out of the ground and provide it to the people.

Everybody's in favour of it. Do you ever hear the NDP acknowledging that? Never, just complain, complain, complain. They say, cut, cut, cut, cut. They don't recognize that the Health budget went from 700 million to 1.2 billion, natural gas across the province, an upgrader in the city of Regina, and more revenue coming from oil than in the history of the province. What do they say? Cut, cut, cut.

Mr. Deputy Speaker, the home owners in Elphinstone, in Regina — here in this city of Regina, and in Eastview in Saskatoon — know that energy is important. Resources are important. That's why we build together with the Co-op, with the private sector, with government itself, and we are building, the government, a rural gas distribution system in this province second to none any place in North America.

I make that point, Mr. Deputy Speaker, because on the radio this morning, and on television, the Leader of the NDP said there is no money for health because they've given it all away to the oil patch.

I want to say, Mr. Deputy Speaker, come back and look at the revenue, look at the Co-op upgrader, look at the rural gas, look at the whole picture. You've never seen so much money and investment and resources coming into the city of Regina in the history of Regina, ever, as a result of energy policy — only energy policy.

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Now I will say, we like to build. We are not buying our power from Manitoba just because they're NDP. We built the Nipawin power project, we're going to build the Shand Power project, using our own water, using our own coal, so Saskatchewan people can have the jobs and economic opportunity here, and it saves us a \$150 million. Now we're going to do that, Mr. Deputy Speaker.

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — The NDP wanted us to buy the power and electricity from the Manitoba people as long as they were NDP. If the government changes, it would be the farthest thing from their mind. We know that. We understand the politics of that. But, Mr. Deputy Speaker, I want you to know, using Saskatchewan coal, using Saskatchewan water, is very good for Saskatchewan people. We should be building our resources here, and we're going to continue to build here because we have \$150 million more for health and education that wouldn't be here otherwise.

I also want to say, Mr. Deputy Speaker, the Leader of the NDP stood in his place, and their member from Rosemont today and said, you'd have all this money for health, a billion dollars, if you weren't building this water project in southern Saskatchewan.

(1500)

Now I want to just remind them as I did in question period. Everyone in Saskatchewan, even those in Prince Albert and north, understand the drought and the fear of the lack of water in southern Saskatchewan, and we've understood it for years.

Premiers of this province for the decades over decades, going back to Tommy Douglas, for Heaven's sake, said: we should conserve water. And premiers here, and members of parliament and the . . . the only prime minister we had, Mr. Diefenbaker, from Saskatchewan, recognized that we should be conserving water in the

province of Saskatchewan, and put his chin out, and his neck and he had the courage to say, we are going to provide Diefenbaker Lake and Gardiner Dam, which was non-partisan. We got all parties to agree in southern Saskatchewan. We got the CCF and the Liberals and the Tories together to build and conserve water.

Not today; the CCF are gone, we know that, but the party that's left is the NDP, and they will not acknowledge the need for water conservation, or building a dam, or building a power project. And you can go any place you want across southern Saskatchewan today and they'll tell you, water shortage is serious business — if we should be conserving water when we can, so we can have it not only year round but year after year after year, as we do now.

If you're from Moose Jaw, you get access to that beautiful drinking water — comes from Diefenbaker Lake — because we've been able to do that and manage. In southern Saskatchewan we need the same.

I say to the member from Riversdale, he stood and he said to the people of Saskatchewan today, because of energy give-aways there's no money for health care. Because of a project that's going to conserve water, there's no money for health care.

I want the people of Elphinstone and the people of Saskatoon Eastview to recognize the truth. The truth is we've got more money coming in from energy in the history of our province ever. Just look at the upgrader in Regina — a magnificent illustration of us building here for the people of Regina. And the same applies to water conservation and power projects using our water in Nipawin, and our coal in Estevan, and conserving water with Rafferty and Alameda.

If there's a man or woman in Regina or Saskatoon, in this province, that doesn't believe we should be building here, building the power projects, conserving the water, building the upgraders, doing these kinds of things, I would be surprised. I've talked to thousands and tens of thousands of them and they say, build in Saskatchewan. Processing, manufacturing, diversification — let us be more independent; let us stand on our own two feet.

Well I raise that because I'm sure there will be the similar kinds of nonsensical statements coming out of the mouth of the Leader of the Opposition which don't make any sense. They don't add up.

The health budget is almost doubled and we've got more money than ever from resources and we're building the largest energy project. How many times do we have to say that, Mr. Deputy Speaker, to get the NDP to just acknowledge the truth, just even say there's an upgrader in Regina. Just say it once. Stand up and say, we have an upgrader in Regina. If one of them would just acknowledge this 600 and \$700 million project. People in their riding can look out there and see it, Mr. Speaker, but they will not acknowledge it. It shows how insecure they are, Mr. Speaker. They are so insecure, they can't even acknowledge the largest project in the history of Regina. Well, Mr. Speaker, I just want to take this chance and this opportunity to remind the public — the NDP are

afraid to mention it; I'm not afraid to mention it, and I will continue to remind Saskatchewan people of the building we're doing for decades to come.

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Mr. Speaker, with building — that is building paper mills and bacon processing plants, manufacturing wire and cable, power projects, upgraders — we generate revenue. The key to generating the revenue, Mr. Speaker, is diversification. And diversification means you add more processing and value added, and you export it all over the world.

I want to present today some research, Mr. Deputy Speaker, that I will leave with the House, that documents the value of free trade to the province of Saskatchewan. And I'm going to read you some excerpts from this document. And a considerable amount of research and time and effort has gone into this, Mr. Deputy Speaker. But this is sent to the Minister of Industry, Trade and Commerce in Ottawa and it's from a Saskatchewan cabinet minister. I'll just read the covering letter:

That the Government of Saskatchewan is very concerned that it has every opportunity to encourage the federal government to adopt the recommendations in this report.

We invite (and I'm just quoting the letter) senior representatives of the federal government to discuss these procedures with us in Regina to ensure that they work effectively and with as few complications as possible. The position of the Government of Saskatchewan could also be discussed for any clarification required.

And it's forwarded to a federal minister from the provincial minister.

Now I want to point out, and I'll read some of the research, Mr. Deputy Speaker, and then I'll be prepared to table it. Because the leader of the NDP and the member from Riversdale has been asking for research and documented evidence of the value of free trade to the province of Saskatchewan. He's been asking for it. Okay. We go back and we introduce . . . I'll just talk about the introduction of the research:

Since the national tariff protects many inefficient manufacturing industries in central Canada which market goods at higher prices than would be the case if the goods were imported duty free, we noted (that as far back as the) Western Economic Opportunities Conference, that the tariff structure has caused consumers in the western provinces to subsidize that inefficient production by a net transfer of some \$200 million per year to central Canada (\$200 million). (This submission shows that the transfer is substantially more than this).

The four western provinces called for a wide range of new policy initiatives that would result in more upgrading, (Mr. Deputy Speaker, more upgrading) resource processing and other high value-added activities in the West. The high tariff and non-tariff

barriers, imposed by Canada's trading partners on processed and semi-processed natural resources were cited as being major deterrents to such industrial expansion.

And what that essentially says in one sentence is that the tariffs have reduced the possibility for western Canada to get into processing and manufacturing and diversification.

Now Saskatchewan, like other western provinces, recognizes that Canada's trade and commercial policies are of great importance to our economic development process. It is for this reason that Saskatchewan has consistently pushed for an opportunity to have a meaningful input and dialogue with the federal government in the preparation of the Canadian position with respect to tariffs and trade. It is also for this reason that Saskatchewan adopted a serious and comprehensive approach to the preparation of the provincial position here in the province of Saskatchewan.

A draft Saskatchewan position paper on the General Agreement on Tariffs and Trade subject (has been) reviewed and discussed by cabinet planning committee. This paper being presented (here) is the result of a long process of analysis and discussion — a process that was taken very seriously given the importance of the need of the subject matter.

I want to go on, Mr. Deputy Speaker, and point out that . . . in page 6 of the report:

Saskatchewan is generally recognized as one of Canada's disadvantaged provinces (as a result of high tariffs). Employment opportunities have grown at slow or negative rates; incomes have been depressed in Canadian terms. The province's fiscal capacity has, over the long (haul), been below the national average (as a result of higher tariffs and tariff constraints).

I want to also add, Mr. Deputy Speaker, that:

On a per capita basis, exports are much more important for Saskatchewan than for the total Canadian picture.

Saskatchewan's economy is very heavily dependent on success in exporting. (Going back as far as) 1971, the estimated \$963 million of Saskatchewan products found their way into foreign markets; in 1972 the level was (1 point . . . 1100 million). This export performance accounted for roughly 5.5 per cent and 5.8 per cent respectively of the national performance in those years. Canadian exports per capita in 1972 were \$894 while the same figure for Saskatchewan was \$1,243.

Documenting as far back as the early '70s. Mr. Speaker, the fact that our living depended on us having export . . . access to export markets. Foreign trade barriers — I just want to make a couple of points.

Sizeable foreign tariffs exist on processed goods exported from Saskatchewan.

And I make this point, Mr. Deputy Speaker, because:

Tariff rates of Canada's major trading partners for Saskatchewan's major export categories (agriculture products, minerals, forest products, iron and steel) . . .

. . . find that the tariffs are the highest on the processed goods as opposed to the raw material. So we find

. . . tariffs are almost non-existent for raw (materials) and forest product exports. In sharp contrast, high tariffs exist on the export of agricultural products and light farm machinery produced in Saskatchewan, two very large markets where Saskatchewan products have high tariff rates.

So it points on in some detail, Mr. Deputy Speaker, that to be involved in processing and manufacturing we should be removing the tariffs. I want to add:

Saskatchewan, like every other province, received protection for domestic industry. However, Saskatchewan (the report points out) does not benefit as much from the Canadian tariff structure as do many other provinces. In fact, existing tariffs result in substantial income transfer from Saskatchewan to other (parts of Canada).

And I quote here on page 15:

Of course Saskatchewan imports many products other than just food items (as well). One of the large categories is consumer (goods). Table 6 lists many consumer products purchased in Saskatchewan. Tariffs on consumer products raise consumer prices (here in Saskatchewan) above those at which they would otherwise be available. Many of the items listed have tariffs of more than 20 per cent (here in the province of Saskatchewan).

The Canadian tariff structure presents other costs to the Saskatchewan economy than just consumer products. No attempt is made here to evaluate the additional costs to Saskatchewan manufacturers and processors because of the application of tariffs on machinery and materials (that must be present).

When considering the total protection received by Saskatchewan processors and manufacturers the picture does not change. Table 7 indicates that Saskatchewan manufacturers and processors receive about \$39 million protection on about 88 per cent of the total value of manufactured (goods).

Other parts of the country receive many times that kind of protection.

This is evidence that the Canadian tariff structure does not take into account the needs of the

Saskatchewan economy and in fact is, in general, a hindrance to the development of manufacturing, and processing industries in (the province of) Saskatchewan.

Well again I point out, Mr. Speaker, the research documents in considerable detail that manufacturing and processing in the province of Saskatchewan means that we have to move towards a free trade arena between our major trading partners. And I quote; this is on page 18:

The temporary use of trade barriers for the purpose of creating price stability is not inconsistent with our philosophy, (our philosophy) that free trade is superior to no trade, and that the province favours reduced trade barriers, both in exports and imports.

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — I just want to point out, Mr. Speaker, that I say here, and I read the document carefully:

Our philosophy that free trade is superior (in this document — it's well documented) and that the province favours reduced trade barriers, both in exports and in imports.

I make the point very clear, Mr. Speaker, because that's what's in the documents. If I could, I will go to briefly what the cost benefits are to us as a result of free trade.

The Canadian tariff structure creates an annual cost for Saskatchewan consumers of more than \$119 million.

The Canadian tariff structure raises the cost of machinery and materials used by Saskatchewan manufacturers and processors . . .

An estimate that we have not been able to make, but it's in the process of being made.

The Canadian tariff structure creates an annual benefit (some of it unnecessary) for Saskatchewan manufacturers and processors of \$39.8 million.

And the report proves that it's to central Canadian manufacturers and processors.

The foreign tariffs and levies create an average annual cost to Saskatchewan of \$50 million (alone, Mr. Speaker, to the grains and oilseeds sector — 50 million alone) to grain and oilseeds.

Thus (Mr. Speaker) the net costs of tariffs and levies to the Saskatchewan economy is easily in excess of \$130 million a year.

Page 20, if I could just summarize, Mr. Deputy Speaker — because the members opposite wanted some research — here it is.

The net cost of tariffs and levies to the Saskatchewan economy is easily in excess of \$130 million annually (Mr. Deputy Speaker).

Well if I could go to the conclusions, Mr. Speaker. Page 22. I want you to listen carefully to the summary because I believe that it will be important to the members opposite.

Point number one on page 22:

Saskatchewan is interested in seeing the major trading countries move towards free trade (— move towards free trade). Saskatchewan would not endorse general increases or maintenance of protection, either at home or abroad.

That's in the summary. It says that our philosophy is free trade, we want to move towards free trade, and that we would not endorse general increases or maintenance of protection, either at home or abroad.

I go on to point number two.

Extensive trade liberalization at the international and domestic levels, such as will be recommended below, could result in savings to the Saskatchewan economy of more than \$130 million annually (Mr. Deputy Speaker) and to the grain industry, more than \$50 million annually; to consumers, \$80 million annually . . .

And this is on page 23.

(1515)

And I point out specifically on page 23, section 3(c):

The reduction of United States tariffs on processed and manufactured forest, minerals and agriculture products would assist the Saskatchewan economy.

And obviously it's been documented in . . . (inaudible) . . .

So we have recommendations here on page 25:

. . . that we should eliminate, reduce tariff or non-tariff barriers; we should eliminate or reduce tariff or non-tariff barriers on a wide range of consumer (goods), products and manufactured goods eliminate or reduce United States barriers on processed manufactured forest, mineral, and agriculture products.

And it's highly recommended and documented.

Mr. Deputy Speaker, this research was done for planning and priorities, out of cabinet. It was done with a great deal of care. It's been well documented; it's tabled. The research, Mr. Deputy Speaker, was done under the guidance of, and published under the guidance of, the leader of the NDP Party who was the deputy premier of Saskatchewan in 1974, and submitted to the federal government when he said he believed in free trade.

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Mr. Deputy Speaker, I would just add a little bit of research. In 1974, if you look at those

numbers of \$130 million annual saving as a result of lower tariffs and less protectionism, documented by the NDP planning and priority — this means the premier, the deputy premier, cabinet ministers that did this research, had their very best people do it, submitted it under the letter, and the letter is to the Hon. Alastair Gillespie, signed by Kim Thorson, who was the member of Estevan and the cabinet minister responsible for trade, sent November 1974, said, this is the position of the province of Saskatchewan.

I just took the numbers, Mr. Speaker, and took the inflation rate from 1974. What it means today, 1987 dollars, is that free trade, according to NDP research, is worth \$335 million a year net benefit to the province of Saskatchewan — 335 million.

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Now, Mr. Speaker, I'm going to wrap this up. I'm going to wrap this up, Mr. Speaker, on one point, on one point. I want the public of Canada, not just Saskatchewan, to go back and examine every single solitary thing the leader of the NDP, the man from Riversdale, ever said on any one particular issue, because he's been on every side of every issue that ever was.

He stands here today and he says he's against free trade, he's against the free trade with the United States. And he'll take this document and say, well I didn't see the free trade deal. I mean, you can't weasel out of this, Mr. Deputy Speaker.

This talks about the United States, it talks about Europeans, it talks about GATT (General Agreement on Tariffs and Trade), and it says, the province of Saskatchewan is for lower tariffs, freer trade, and would never be for protectionism. Now how would it be against an example of free trade? I don't think the public will let him off the hook. This is his — this is the man from Riversdale's research.

Now today he's against free trade because we're doing it. He's against creating economic opportunity because we're doing it. He's against upgraders because we're doing it. He's against the Shand power project because we're building it. He's against water projects because we are doing it, Mr. Speaker. He doesn't like the fact that we have almost doubled the health care budget, because he didn't do it.

Mr. Deputy Speaker, they talk out of both sides of their mouth, I've said on more than one occasion. The CCF Party had some heart and some soul. They knew the people, and particularly the rural people, and they stood for and stuck up for low-income people, disabled people, students and seniors and many others. They did not exploit them, Mr. Speaker.

What you see opposite over here are people who are now the NDP Party, who are so far from the CCF Party. We have replaced the CCF in rural Saskatchewan and will continue to replace them in urban Saskatchewan, because we believe in helping people, not using them.

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Mr. Speaker, the opposition says that they defend the poor, but the opposition — and I'm not going to speak long on it — they got caught buying votes, Mr. Deputy Speaker, and they said, not only did they acknowledge it, but it's okay as long as they're poor. Now can you imagine a statement like that? You wouldn't get that out of a CCFer, but you might get it out of an NDPer.

They say, Mr. Speaker, they're for students. The students don't have much money. They say for the students ... 18,000 students wanted to write their exams and the NDP voted against them. The CCF wouldn't have done that. The CCF would have been on behalf of the students and the families of this province. But the NDP said no, I'm for those radicals that want to strike at exam times.

Whose side are you on — students, low income people? I didn't see many wealthy students when I went to university, and I don't expect there's many now. But they would put them out of their summer work; they wouldn't be able to write their exams. They voted against that legislation. I want people in Regina and Saskatoon to ask: is it a good idea to join with the NDP and not allow 18,000 students and their families to have access to exams? No.

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Mr. Speaker, they say they defend the poor, the low income, low-income farmers, low-income home owners. I won't dwell on it. But obviously we have a law firm, Mr. Speaker, a law firm in this province, and the law firm is Mitchell, Taylor, Romanow and Ching. It's a partnership, a partnership, a law partnership in this province that forecloses on home owners and forecloses on farmers. And they do it to make money. And when people are hurting and down and out because of high interest rates, that law firm of Mitchell, Taylor, Romanow and Ching goes out and forecloses on them on behalf of the Bank of Nova Scotia.

Do you think a CCFer would do that? I don't think so, Mr. Deputy Speaker. I don't think you'd get CCFers running around and saying, this law firm under the leadership of the NDP is going to foreclose. They say they're for the poor. They say they're for the poor; they say they're for students. But, Mr. Speaker, you can't trust them.

They say, Mr. Deputy Speaker, they say, Mr. Speaker, they're for children; they want to defend children. They've already said in the front page of the paper, they would provide new kinds of rights for homosexual people, which means they would encourage the adoption of children to homosexual couples.

They say they're for families. They say they'll stick up for families and real families, but they would pass legislation, as they did in Manitoba, that is not pro-family. They say that they're protecting the defenceless child, but they would pass abortion on demand in clinics like they have in Winnipeg. They would say that.

Well the CCF were a party of the people — of families, of children, of low income, of students, of farmers, of home

owners. And every one of the things that I've just mentioned, they have gone against it.

It's so obvious when they stand up and say they're against free trade and publish documents and gave them to the federal government, that said they were in favour of free trade. They cannot be trusted, Mr. Speaker, they cannot be trusted. And until the people see through that — I guess they are going to — they're going to continue, Mr. Deputy Speaker, to listen to some of those people tell them stories and say that buying votes is okay, foreclosing on farmers is okay.

Well, Mr. Deputy Speaker, I won't list all the things that are in this budget, but if you look pre-1982, and now 1988, you will find pension legislation for seniors, you will find a heritage program for seniors, you will find funding up for seniors. For low-income people we have protected their mortgage. We create welfare reform to provide them with opportunities to work. You'll see building at universities and schools and hospitals and nursing homes, Mr. Speaker.

The man from Riversdale says that he supports senior citizens. He is the man who said, not one new bed for five years in this province would he build. Half a decade he didn't build one new nursing home facility — not one. And he stands there and goes to the poor and the senior citizens across the province, and, I'm for you, he said. He had his chance, he had his chance. He's telling them about as much truth as he did in this document. He denies it.

Well, Mr. Deputy Speaker, I just want the public to know, 10 years ago, 10 years ago I didn't know anything about politics. Some would say that I might not know anything about politics today, but I'll say, Mr. Deputy Speaker, 10 years ago, 10 years ago I wondered what was going on in Saskatchewan that was holding people down. What was the problem? Why weren't we building and growing and taking a leadership position all across this country and indeed the world. And I couldn't find it; it wasn't in research.

Somebody said, well, Grant, it's in politics. So I looked there. I didn't realize at that time the wool that these people would pull over the eyes of folks for decades — for decades. The unfairness, the hypocrisy. It's pathetic, Mr. Speaker, it's absolutely a shame and it's a sham. The people of this country should never ever, ever vote NDP again because of their record and their hypocrisy. And as long as I'm anywhere near this place, Mr. Speaker, I will be taking them on because I intend to vote for this budget 100 per cent.

Some Hon. Members: Hear, hear!

Mr. Trew: — Thank you, Mr. Speaker. I'm pleased to be entering the budget debate. I'm particularly pleased, it's the first opportunity I've had to follow the Premier in a speech. It's the first opportunity I've had to share some thoughts on his lack of credibility and indeed, Mr. Speaker, his lack of honesty. When . . .

Mr. Speaker: — Order. Order. I don't think that this House is accustomed to accusing individual members of

lack of honesty or dishonesty. I ask the hon. member to withdraw and apologize.

Mr. Trew: — I apologize for my choice of words, Mr. Speaker.

Mr. Speaker: — And I'd also ask you to withdraw.

Mr. Trew: — And I withdraw those words, Mr. Speaker. My apologies to the Premier for my indiscretion in words that were brought on when in the speech we just heard, we heard the person speaking say, if one member of the opposition would stand up, just one member would stand up and acknowledge here that we have an upgrader . . . and he went on and mumbled some things.

I want to take you to *Hansard*, March 24, 18 days ago, when I said in this House, right here:

There was a job creation program in Regina and it was the oil upgrader. It created a good number of jobs . . .

And I go on and talk about the upgrader at some length.

Mr. Speaker, that is what prompted the remarks that I just withdrew. There is a lack of credibility in speech after speech from government members. They mislead us intentionally. If they don't mislead us intentionally, then it's because they aren't paying attention to what is going on.

Mr. Speaker: — Order. Order. The hon. member in his enthusiasm, I know, has . . . and he's partly corrected it, I acknowledge, but I'd just like to draw to your attention we also consider unparliamentary, indicating that anybody has deliberately misled the House. And I'd like to draw that to your attention. And I recognize that in your following comments you partially tried to correct yourself, but in the future you'll have to formally withdraw and apologize for remarks of that nature.

Mr. Trew: — Thank you for your ruling, Mr. Speaker.

Mr. Speaker: — Order. Order, order. I think we should allow the hon. member to proceed.

Mr. Trew: — Thank you again, Mr. Speaker. Of course we can draw one conclusion from all of that, and that is that it's unintentional and therefore the government members don't have a grip on what is really going on.

There was some discussion about the member for Riversdale, the Leader of the Opposition, and his support of the co-operative movement, Mr. Speaker. I want to acknowledge and thank the Leader of the Opposition for his ongoing and continued support, speech after speech after speech.

The Leader of the Opposition speaks of the three distinct sectors of our economy: the private sector, which has been around since time immemorial and is doing a good job; the public sector, in other words, Crown corporations; and a third and distinct and unique sector of our economy, which is co-ops and co-operative development. And speech after speech, the Leader of the

Opposition talks of it. Indeed it's a pleasure to hear him because he has a vision of the three engines of growth in our society helping us in Saskatchewan become what we can be.

And what have we got here? We are going to be, in this session, reviewing the department of co-operation and co-operative development for the final time. Why? Because the government has chosen to ignore co-ops and co-operative development. They reorganized co-ops and co-operative development, that once proud department, they've reorganized it, put it in with tourism and small business, and co-ops was the third and distinctly junior portion of that portfolio.

(1530)

Within months of doing that they had another reorganization. And nowhere, Mr. Speaker, do we find co-ops or co-operative development anywhere in a government department. So for that reason there will be no co-ops or co-operative development for us to review. Therefore, no thrust in co-operative development, nothing being spearheaded by the government. And I think that's a real shame.

There really is a lot of things that we could be doing in terms of co-operative development. We have need for housing, not only in the cities, but in rural Saskatchewan, and housing co-ops are a logical alternative for a great many people. We could have employment co-ops, we could have farming co-ops, day care co-ops, and the lists of types of co-ops goes on and on, Mr. Deputy Speaker.

But the fact is this government has chosen to turn its backs on co-ops, and that's really not just to their detriment; it affects all of us throughout Saskatchewan, and it's really, really a shame that the government does not recognize the important contribution that co-ops could play in our province.

I want to turn briefly to highways, and we had an announcement there's an additional \$10 million for highway and road upgrading. But I want to point out, Mr. Deputy Speaker, that of the projects listed . . . There was some 30 construction grading projects that the Minister of Highways listed. Of those 30 projects, eight of them, a full eight are simply reannouncements of projects from last year.

Of the surfacing projects, 11 are simply nothing more than reannouncements of projects that the Minister of Highways, who's the same minister, announced last year. The total number of kilometres of Saskatchewan roads and highways that is going to be worked on this year is down some 85 kilometres.

So on one hand we have the Minister of Highways saying, oh we're expanding the Department of Highway's budget. He also assures us that we're getting the best possible value from the public tendering system, and I have no reason to dispute that. I think that the cost of building roads and highways is very similar this year to what it was last year and the year before.

So where is this extra money? Clearly it's not going into

the roads. We've got a total of 85 kilometres less, and that out of an approximate 1,000 kilometres of highways that are going to be worked on this year. Clearly the highways are being ignored despite the rhetoric of the Minister of Highways.

The third area that I want to get into before I talk about the provincial budget deficit, Mr. Deputy Speaker, is the Saskatchewan Transportation Company which has just issued its annual report. And I note with a great concern that for the first time ever, Saskatchewan Transportation Company, our bus system, our Saskatchewan bus system owes more money than it's worth. It has an accumulated deficit, Mr. Deputy Speaker, of 14 million-and-some dollars, and yet it has assets of about 12 and one-half million dollars, so clearly it's . . . here it is, \$14,625,000 deficit.

This is the same bus company that when the members opposite formed the government in 1982, STC (Saskatchewan Transportation Company) had an accumulated surplus of \$1,307,000. They have turned around a \$1,307,000 surplus, and created a \$14,625,000 deficit — all that in about six years. It really must have taken some creative financing. And at the same time, they've gone from 81 motor coaches or buses, with an average life, an average age of 4.8 years in 1981 or '82, they've gone from 81 buses down to 62 buses. The average age of the buses now is 10.1 years. So we have an ageing fleet, and we have a fleet that is 25 per cent smaller today than it was some six years ago.

When you sell off your assets, Mr. Deputy Speaker, it would seem to me that that should be used to buy down your deficit. What we have is a government that chose to sell off the buses and . . . I'm sorry, I'm at a loss to explain where all of that money went.

Now I want to point out one thing. I did a little bit of research to find out what is happening in the bus industry. So I thought, well, what's another major carrier. And I find Greyhound, of course, is a major carrier. Greyhound since 1982 has made a profit every single year. STC since 1982 has had a deficit every single year — has lost money every single year.

An Hon. Member: — What kind of management do they have?

Mr. Trew: — My colleague asks what kind of management they have in STC, and indeed the people of Saskatchewan are wondering and the people that are serviced on STC routes are very much wondering that very same question: what kind of management is it that would allow that to happen?

I want to turn, Mr. Deputy Speaker, to the budget, and specifically I want to talk about the deficit projections that the Conservative government has come in with. And I want to point out, just to start, that in 1982, when they formed the government, there was a \$139 million accumulated surplus budget — \$139 million. Well in 1982 they turned that around. They projected that it would have a \$219 million — remember this, member from Kindersley? — “manageable deficit.” Manageable deficit — nice words on the slippery slope. That turned

into a \$227 million actual deficit. In 1983 they projected a \$317 million deficit; that turned into a \$331 million.

And every year it gets worse and worse. In 1986 they projected a \$389 million deficit. It keeps getting bigger and bigger. What was the actual, Mr. Deputy Speaker? One billion, two hundred and thirty-five million dollars. In total, in total, the projected deficit that the Conservative Finance minister, successive Finance ministers have brought in, they've projected a total of \$2.06 billion in deficits. What has the actual deficits been? Three billion, three hundred and twenty-four million dollars to date. That's not counting this year.

In 1988 they're projecting a \$328 million deficit. But recognize, there's been a 62 per cent variance between what they project, and it's always 62 per cent or more worse. So what is it going to be — a half a billion dollars this year? It's a question that we will be watching very closely.

I want to bring it into perspective, Mr. Deputy Speaker. From 1947 to 1981, in 34 years the total deficits — total in those 34 years — totalled \$6 million — \$6 million. In seven years, seven Tory years, the total deficits have now reached \$3.652 billion. Or stated another way, the deficit now in six years is some 608 times bigger than all the previous deficits in Saskatchewan's history — 608 times bigger, and that in six years. It's mind boggling numbers, Mr. Speaker, but the point is we're faced with a very, very incompetent government, and I see nothing in this budget to change my view on that, and I'm sure that the people of Saskatchewan, certainly the people of Regina North, see nothing in it either.

I want to point out, New Democrats had introduced some 26 surplus budgets when we were in office. We left an accumulated surplus of \$139 million, which, translated to: what's it mean for me as an individual? Every individual in this province can say, it meant for me there was \$139 sitting, tucked away and invested in my future — \$139 million in assets.

The PC government has left us with a debt of \$3,700 per person, and that's something we have to ask ourselves, Mr. Deputy Speaker, are we better off now than we were in 1982? Well let's look at the history of it. In 1982 we had no flat tax. Today we have a 2 per cent flat tax on top of our regular personal income taxes.

In 1982 we had a 5 per cent E&H tax which the members opposite promised they would eliminate. Well they eliminated that 5 per cent E&H tax; now it's 7 per cent. Hardly an elimination; they just increased it.

Personal income taxes have risen. From 1982 till today they've risen 103 per cent. Corporate income tax has risen a mere 10 per cent in that same time frame. And I'd be honest if I say to the people of Saskatchewan that we campaigned on fairness of the tax system — we campaigned on it, Mr. Deputy Speaker. We stick by what we said prior to the previous election, and I'm sure we'll have more to say on that before the next election rolls around.

The government members opposite promised to do away

with the gas tax. We all remember the brave words: as long as there's a Progressive Conservative government, we'll never have a gas tax for any citizen in Saskatchewan. And what have we got now? 7 cents a litre. And I trust that virtually everyone has filled out the gas tax forms, and I very much suspect that everyone who fills it out remembers that promise that there would be no gas tax.

They also remember the promise that the Conservative government was the one that was going to eliminate red tape and do away with needless form filling and that sort of thing. Well what they've done — this gas tax rebate program has been the biggest single job creation program that members opposite have been able to come up with. I estimate it has created some 1500 person-years of unpaid employment when you figure the time it takes to gather up the gas tax receipts, find your calculator and a pen, dig out the form, figure it all out, follow your complicated formula, then post the application — 1500 person-years of employment.

To the list of broken promises, Mr. Deputy Speaker, we can add a promise of a competent and a caring and a business-like government. The government members opposite are a tad business-like, but unfortunately they're following the wrong business leads. They're following Principal Trust, Pioneer Trust, First Investors and Supercart International, simply to name a few.

Mr. Deputy Speaker, in 1985 I spoke to over 500 people in Regina North at the nominating convention for the New Democratic Party. At that time I was speaking partly about the phenomenally rising number of bankruptcies that we were facing in Saskatchewan, and I pointed out then that bankruptcies had quadrupled in the three years since the Conservatives took office, from 1982 to 1985 — quadrupled.

And I thought at that time that, you know, that new record of higher number of bankruptcies than ever before, I thought that surely had to be the absolute limit. We've seen the number of bankruptcies nearly double since then — nearly double since then. It continues to spiral.

We're not talking simply nameless individuals or nameless companies that are going bankrupt. We're talking about a significant and seemingly ever-growing number of people who have their hopes, their aspirations, their visions for the future, all of them being shattered — in a large part due to the incompetence of the members of the government. I think it's a shame. It's terrible that we have people of Saskatchewan struggling hard, trying to make things work, and at every corner they're met with more government red tape, more taxation, more road blocks, and less help — and it's a shame.

We have seen, Mr. Speaker, Saskatchewan turn from a "have" province — a "have" province — to today it is a "have not" province, which means we qualify for some equalization payments, some extra equalization payments from the federal government. In 1986-87 that totalled \$146 million. Last year it totalled \$300 million. That was \$115 million more than the provincial treasury people in Finance department had estimated it would be. That \$115 million extra is the only thing that enabled the

Minister of Finance to come in close to his projection of what the deficit was going to be. And what do we see? Next year we see the equalization payment going to \$360 million. So we've seen it grow from \$146 to \$360 million, as the rest of Canada progresses economically, and relatively we fall farther and farther behind.

(1545)

Mr. Deputy Speaker, I spoke a little bit earlier about personal income taxes having risen 103 per cent. In dollars, what that means is in 1982 personal income taxes accounted for \$409 million of Saskatchewan's revenue. This year, it's projected to go to \$831 million — 103 per cent increase, or a \$422 million increase. And at the same time, government members opposite reduced the royalties that we collected from the oil industry a total of \$1.7 billion.

Small wonder that people don't trust this government; they don't trust this budget. There's nothing in it for job creation; there's only tax increases, only increases on the ordinary people.

Corporate income tax went up, from 1982 to 1987, a total of \$13 million. There's two points I wish to make about corporate taxation. One, Mr. Deputy Speaker, is corporations do not pay the flat tax. The flat tax which was meant so that . . . we were told was brought in so that everyone would pay a certain guaranteed minimum amount of money, and yet corporations don't pay the flat tax.

And people of Saskatchewan, the people I'm talking to are asking me, is that fair? And they're saying, no it's not fair. It's not what they thought was coming in even when it was announced with all the hoop-la about the flat tax and how this was tax reform. It just isn't what they thought.

Second point I wish to make about corporations and taxes is that in this latest budget, the budget we are debating right now, oil and gas companies benefit from yet another reduction of 1 per cent in their royalties that they are expected to pay to the province of Saskatchewan.

In dollars, what this means is in 1982 the province of Saskatchewan collected \$700 million from the oil industry — \$700 million. In 1988, according to the budget projections from the Minister of Finance, the member for Qu'Appelle-Lumsden, he is projecting this year that the oil royalties will be \$311 million — \$700 million in 1982, \$311 million this year.

Clearly the government is a government of big business and not of ordinary people, not of regular people, certainly not of the people that we on this side of the House purport to represent, and indeed I think we're certainly doing our very best to represent them.

This government is using people in the worst possible way. Ordinary people will make their views known. It's unfortunate that the by-elections are in Saskatoon Eastview and Regina Elphinstone. I would much rather if there was one in Regina Wascana; then we'd have somebody on this side of the House, instead of listening to

the chirping going on from that current member.

May 4, the people of Saskatchewan are going to pass judgement, and I only hope that the government will listen, will pay some attention to the message that comes through. And it will come through, and it will come through loud and clear.

What we have got here is personal tax hikes. We've got a flat tax that has increased by 25 per cent — it's now 2 per cent of income. What that means for a family with an income of \$25,000 is that today they're paying an additional \$500 that four years ago they weren't paying — 500 additional dollars of personal taxes this government is grabbing, and it's a shame.

Yet we also see a reduction in the corporate tax rate, and we see a reduction in royalty rates — all this from this government. And then, get this, Mr. Deputy Speaker, the Minister of Finance has the gall and the audacity to stand up and say, ah, but we need some more tax reform. Tax reform, that's what we need. Well putting the members of the government in charge of tax reform is something like putting the fox in charge of the chicken coop, or putting the wolf in charge of the sheep. And the people of Saskatchewan know it, and they just will not buy any of what they're saying in terms of tax reform. They don't trust the government, and rightly so. All the tax reform that we have had to date has simply been hurting us.

So what have we got? We've got hospitals that are forced to run ads showing operating rooms that are barren — no equipment at all — trying to get people to make donations, trying to instill in them that if they don't make additional donations when they need that hospital, it may not be there. They may not have the equipment, they may not have the people to handle it. That's what we've had, and it's only since 1982 that we've had the spectre of hospitals having to go out and actively try and fund-raise — actively trying to get some money — only since '82.

We've got waiting lists in excess of 15,000 people between Saskatoon and Regina, a waiting list of 15,000 or more waiting to get into hospital beds. It's not just 15,000 nameless people. It's fathers and mothers and sons and daughters and grandparents of people of Saskatchewan — 15,000 families are affected, not just 15,000 individuals. The families know that the wait is there. It's causing a great deal of hardship and a great deal of uncertainty amongst the people of Saskatchewan, and frankly, they think there's got to be a better way. They'd love to return to the days when the waiting list, when it got above 3,000 people, we got very concerned and started spending some extra money in getting those waiting lists reduced.

Mr. Deputy Speaker, we've also in this budget got no money for changes to the prescription drug plan. The government introduced some changes last year. There's been much to-do in the past week about members of the opposition using the prescription drug plan for political, partisan purposes.

I just want to state something for the record. I took an individual member of . . . someone from my constituency, a constituent's case to the Minister of Health and to the

Minister of Social Services. Both promised, we will look into it; we will look after this situation. A 59-year-old woman with a total income of \$480 a month — and do you know what they were able to tell me? Sorry, there's nothing we can do. That's the kind of help that they're able to give. And they say, oh well, give us the individual's name and we'll help. Well if they can't help a 59-year-old woman that has drug bills . . . (inaudible interjection) . . . Her drug bill was roughly in the neighbourhood of \$350 per month, and they couldn't come through with any help for her. If they can't help that person, I don't know who in the world they can help.

We see no money in this budget, Mr. Deputy Speaker, for the children's dental plan. We see the number of children that are covered being reduced, as they've lopped off two years of coverage. We see a continuing erosion of the children's dental plan, and it is a shame. We see a continuation of the 7 cent per litre gas tax. We see insurance rates on vehicles rising.

The only good news, Mr. Deputy Speaker, is that we have not seen the \$25 per vehicle that cabinet met and discussed about. They were going to implement April 1 a \$25 per vehicle increase at the time that the registration was completed. We were able to get the government to back down on that, simply by blowing the whistle on it and having a press conference. And the government was embarrassed by it and they said, well, we won't do that; that was never our intention all along.

Mr. Deputy Speaker, the members, and particularly the Minister of Finance, is clearly devoid of cash and even more clearly devoid of ideas. And what we would like is for them to get out of the way, get on with it, so that we could get on with doing the job of governing Saskatchewan. It's a job that needs to be done and should be done, but it should be done in a competent and a caring fashion.

Clearly the budget portrays none of the good things that Saskatchewan is about. It doesn't talk of job creation. It doesn't talk of any expanded kilometres of highway and road repairs. It ignores the co-operative sector. In the Crowns we continue to see a government that doesn't believe in Crown corporations, and hence is determined to manage them into the ground. And that's the only thing . . . that's the most positive way I can describe what this government is doing with the Crown corporations.

Mr. Deputy Speaker, I have enjoyed sharing my thoughts on this confused Conservative budget. I will be unable to support the budget and I will be continuing to speak out against it at every opportunity. I'm indeed happy and honoured to have been able to stand up and speak out for the people of Regina North and for the people of Saskatchewan, against this budget.

Some Hon. Members: Hear, hear!

Mr. Gardner: — Thank you, Mr. Deputy Speaker. I would like to say that it's indeed a pleasure for me to enter into the debate this afternoon on this our 1988 budget speech.

I'm pleased, Mr. Deputy Speaker, because this budget is one which I believe can command the respect and

support, not only of my constituents, but of voters across Saskatchewan.

When I joined in the throne speech debate, I stated that the record of this government in the field of health care is a proud one and I specifically mentioned some of the initiatives undertaken in the constituency of Pelly. The government has reinforced that record of commitment with this budget.

An increase in health care spending of 6.2 per cent, Mr. Deputy Speaker, is a clear and unquestionable demonstration that this government is prepared to use the greatest resources possible to ensure the quality and availability of health care for its citizens.

I would hope, Mr. Speaker, that people would take the time to examine the health budget with some care. There's a good deal of information contained in the documents that can be used to start the process of consideration leading up to submissions to the task force on health care that is to be struck.

For example, it is, I think, notable that the expenditures on long-term health care exceed those for medicare payments. And that fact is very important when one considers that our population is ageing rapidly.

I would also like to commend the government, Mr. Deputy Speaker, for addressing the question of the municipal business tax. If one wants to characterize this budget, I think it can be well characterized as a small-business budget. It's a small-business budget, Mr. Deputy Speaker, in addressing that onerous business tax to the tune of \$10 million. It's a small-business budget in its commitment to the venture capital corporation concept. It's a small-business budget in its provision for an entrepreneurial institute, and it's a small-business budget in its efforts to develop and expand our tourism sector. It's also a small-business budget in its Buy Saskatchewan program, and the many businesses that that program has not only assisted, but actually been responsible for their establishment.

And it's a small-business budget in its orientation to commitment and content, Mr. Deputy Speaker. From the extension of the small-business tax holiday to continued commitment to deficit reduction, this government has proven that it does listen to small business and that it can and will work with small business to ensure the future prosperity of this province.

And, Mr. Deputy Speaker, the Leader of the Opposition likes to talk about small business and how his party would like to work with them. But what is the record? What are the facts? The first fact is that the folks across the floor see small business as a tool for their political purposes rather than an institution that is responsible for the greater part of the jobs in this province.

The members opposite do things like the member from The Battlefords — threatening small business. How many small-business people in North Battleford are sorry today that they are represented by a man who would attend their chamber of commerce meeting with the purpose of placing ultimatums on the table, Mr. Deputy Speaker?

(1600)

And, Mr. Deputy Speaker, it is the Leader of the Opposition who has said that private enterprise is a loser's game, that government intervention should be the primary tool of economic growth. He's so committed to extremes of government intervention that he can look to this government's record of public sector involvement and call it "nothing," Mr. Deputy Speaker.

He calls hundreds and hundreds of millions of dollars of government investment in natural gas distribution, in the underground cable program, in the private line telephone service program, in the creation of Sask Water, in the construction of the Nipawin power project, the construction of Rafferty, Alameda, and Shand, the building of the upgrader, the support of Saskatoon high-tech companies, and on and on and on — he calls all of this government involvement "nothing," Mr. Deputy Speaker.

How much would he then call "something," Mr. Deputy Speaker? Does the government really have to do it all? Can he not see the folly of his own past practice of buying instead of building, of demanding that government be the be-all and end-all of economic policy? That approach has proven itself unworkable, and the gentleman ought to have the sense to admit that and accept that fact.

Clearly, Mr. Deputy Speaker, there is a role for government, a role as the servant and not the master; a role as a facilitator and not the ultimate arbitrator of literally everything. There is a role for government, and that role is exemplified by this government, Mr. Deputy Speaker.

From the construction of hospitals and schools, to the incentive for diversification, to full partnership in such things as the upgrader, the role is there. And the NDP should be ashamed to say that the government is not involved. Indeed, many would argue that it remains too involved.

But the key point, Mr. Speaker, is that we cannot wear these ideological blinkers that the NDP have welded to their eyes. We cannot be wed to the idea that unless the government owns it, it's no good. We must be flexible to use government where it is appropriate and to work with the private sector to benefit everybody.

Mr. Speaker, this budget continues the building of this province. This budget maintains the best commitment to health care in Canada. This budget expands the opportunities for our young people, both through enhanced support for education and the economic development it embodies. This budget is one that I am proud to support, Mr. Deputy Speaker, and I congratulate the Minister of Finance on a job well done.

Some Hon. Members: Hear, hear!

Mr. Lyons: — Thank you, Mr. Speaker. I didn't anticipate that the member from Pelly would keep his remarks to such a brief period of time. It's obviously he does not have much to say about a budget, and I think he

reflects the fact that there's not too much to say about this budget when we speak of support.

Some Hon. Members: Hear, hear!

Mr. Lyons: — I'm certainly happy to be able to enter into this debate this afternoon, particularly after the Premier of this province has spoken. I'm happy to be able to get into the debate to try to clear up some of the half truths and the misconceptions and the deliberate misconceptions put forward by the Premier of this province.

Mr. Deputy Speaker: — Order, order. I find that unparliamentary. I'd ask the member to . . . casting reflections on the Premier. I would ask the member to retract that.

Mr. Shillington: — Mr. Speaker, I want to address myself to that comment. Whether we like it or not, and some of us don't, the member for Estevan ran for office and was elected as Premier. His conduct of the affairs of the province and his personal conduct are proper matters for reflection in this Assembly.

Some Hon. Members: Hear, hear!

Mr. Shillington: — Mr. Speaker, I wasn't listening with great care, quite frankly, at that point in time, I didn't catch everything that was said. But, Mr. Speaker, reflections on the way the Premier conducts himself as Premier and reflections on his personal qualities are a proper subject for discussion in this Legislative Assembly. He is, after all, the Premier.

Hon. Mr. Andrew: — Mr. Speaker, I understood your ruling to be that the use by the hon. member of untruthfulness and stuff like that is unparliamentary language, and half truths and this type of thing is unparliamentary language. And I think the books clearly state that as well, Mr. Deputy Speaker. I think it's only appropriate that members of this House recognize what is unparliamentary language and refrain from using it. And I think that's quite frankly what you're ruling it.

Mr. Deputy Speaker: — Order. Page 104, paragraph 319, item (3):

In the House of Commons a Member will not be permitted by the Speaker to indulge in any reflections on the House itself as a political institution; or to impute to any Member or Members unworthy motives for their actions in a particular case; or to use any profane or indecent language; or to question the acknowledged and undoubted powers of the House . . .

I ask the member to withdraw his statement.

Mr. Lyons: — Mr. Speaker, I withdraw the statement that you consider unparliamentary. I made two statements, both of which I have heard time and time again used in this House — half truth or deliberate misrepresentation. Which would you like me to withdraw?

Mr. Deputy Speaker: — Both.

Mr. Lyons: — Mr. Speaker, I challenge your ruling. I challenge your ruling on this. That's an outrage.

Mr. Deputy Speaker: — Order. I would ask the member once more to apologize. The member is challenging the Speaker's Chair. I would ask him to apologize. There's no debate. There's no debate. There's no debate.

Mr. Lyons: — Mr. Speaker, I will withdraw the remarks I made, under protest. I would ask you to check your ruling and to have it verified by the officials of this Assembly, and particularly the precedence therefor. I will therefore withdraw it in order to be able to exercise my right to speak in this Assembly. They are withdrawn; you may take it as withdrawn.

Mr. Deputy Speaker: — Order. There is no opportunity to challenge a ruling from the Chair. If the member refuses to withdraw the statements, he will have to be named and remove himself from the House.

Mr. Lyons: — With all due respect, Mr. Speaker, Mr. Deputy Speaker, with all due respect, unless you have . . . suffering from congenital deafness, I withdrew my . . .

Mr. Deputy Speaker: — Order. I would ask the member once more for an unequivocal . . . unequivocally to withdraw his remarks and apologize to the House.

Mr. Lyons: — As I said before, Mr. Deputy Speaker, I'll withdraw my remarks.

Mr. Deputy Speaker: — I asked the member to apologize to the House. I'll give him one more chance.

Mr. Lyons: — Out of due respect for the institution of this House, I will put forward an apology at this time.

Mr. Deputy Speaker, not often in the history of parliamentary democracy, not often do we see a deliberate attempt to muzzle a member of this Legislative Assembly.

Some Hon. Members: Hear, hear!

Mr. Lyons: — What we have seen consistently to date, what we have seen consistently is attempts to muzzle, deliberate opposition, and deliberate characterization of individual members in this House, through technicalities, through the use of rulings which are unprecedented . . .

Hon. Mr. Andrew: — Mr. Speaker, the hon. member from Regina Rosemont was asked by the Chair to apologize for unparliamentary language and to withdraw his comments. He reluctantly did that after about three or four times, only then to stand up and accuse, in so many words, the Speaker of muzzling the opposition. That is a blatant disregard and contempt for this Assembly, Mr. Deputy Speaker, a blatant disregard and contempt for this institution, and I would suggest that you ask that member once again to withdraw those comments in the interests of this institution and to act like a grown-up.

Mr. Shillington: — I'm not sure whether that constituted a point of order or whatever. The member from Regina Rosemont . . . surely the rules are not so strict that the

member from Regina Rosemont cannot comment on whether or not rulings taken as correct might inhibit the proper conduct of this Assembly. That's all he was saying. That's all he was saying.

And I say to you, Mr. Speaker, that he was simply reflecting on whether or not the rulings, which he took as correct, for which he admitted and apologized . . . (inaudible interjection) . . . the member from Maple Creek will have a moment to throw these pearls of wisdom on the floor when I'm finished. I'd ask you to let me finish.

The member from Regina Rosemont was simply reflecting on whether or not that ruling was in the best interests of the Assembly and promoted debate. That is not out of order.

Mr. Deputy Speaker: — Order. I would ask members to govern themselves to the tradition of this House and try and get on with the debate.

Mr. Lyons: — Thank you very much, Mr. Deputy Speaker. As I had previously indicated, I was pleased to speak after the Premier, to clear up the misconceptions put forward in the words of the Premier, to deal with some of those things which may be construed by others outside this House as half truths and untruths, to deal with questions of substance as opposed to the kind of political rhetoric we heard from the supposed leader of this province, the Premier of Saskatchewan.

I'm pleased to be able to stand after that, because as the Premier said and as the member from Pelly said and as other members of the House have said, the question of the budget is a question of political priorities. It's a question of choice. It's a question of deciding who shall count in this society and who shall not count in this society, who shall take precedence and who shall be left behind, who shall be first and who shall be last in the eyes of the government opposite.

And it's clear, it is clear from the words of the Premier and it is clear in the facts and figures put out, the alleged facts and figures put out in the budget, of where the priorities and where the choices and where the precedences of this government lie.

It is clear as day to the people of Saskatchewan, as it has been clear as day since 1982 and was reflected by the popular vote results in 1986 in which the members of this side of the House received a greater popular vote than the members opposite. And it shall be clear, it shall be clear, Mr. Deputy Speaker, it shall be clear on May 4 when the people of Saskatoon Eastview and when the people of Regina Elphinstone cast their choice, cast their precedence, and cast their judgement on the performance of the members of the government opposite.

It shall be clear because, Mr. Deputy Speaker, as they have been rejected by a majority of the people of this province, so shall they be rejected again, and so shall they turn into what for them will become a political and moral disaster, which are the two by-elections upcoming. And we will be glad to welcome two new members to this side of the House.

Some Hon. Members: Hear, hear!

Mr. Lyons: — Because, Mr. Speaker, as I said before, this government reflects, this budget reflects the priorities of this government. And this reflects the choices they've made. It reflects the choices they've made in the tax structure.

What do we find when we look through the budget of this government? Do we find a tax structure and tax reform which benefits the average working taxpayer of this province? Do we find a lightening and a lessening of the tax burden which falls upon the taxpayers of this province? Do we find that in the budget? The member from Saskatoon Mayfair, I believe, says he does, says he does. Well, Mr. Speaker, that is not correct. That is not correct.

(1615)

We have seen this government make choices on taxes. We have seen this government decide who shall have precedence when it comes to tax reform. And what do we find in the budget? We find the corporate tax rate reduced from 17 per cent to 15 per cent. The corporations do benefit from this budget, there is no doubt. The multinationals in particular will find their coffers enriched because of the tax structure put forward by this government and this budget.

But, Mr. Speaker, do we find, do we find the average taxpayer in this province benefitting from this budget? Do we? The answer is no. The answer is no. The facts speak for themselves.

What do we find instead? We find the flat tax, the infamous flat tax imposed by the member from Qu'Appelle-Lumsden over the objections of the majority of the people of this province imposed on them. We find an increase in that flat tax, an increase. And why? Because the Minister of Finance put forward the reason why. He said, because we want to maintain our programs in education and health. He wants to maintain our programs in education and health. Well for those people who have suffered at the hands of the cut in the dental plan and those people who have suffered at the hands of the cuts in the drug plan, that's small comfort.

But it's interesting to note how the Minister of Finance proposes to maintain those programs — cutting taxes of the multinationals and the rich; upping taxes for ordinary taxpayers like the people of Regina Rosemont who I have the honour and the privilege to represent.

That shows the kind of priorities this government has chosen when it comes to taxes — cut the taxes of the multinationals; jack them up, jack them up for the average taxpayer.

And you know, Mr. Speaker, there could have been tax relief for the average taxpayers of this province. There could have been tax relief if the Minister of Finance had taken a leaf, a small one no doubt, but a leaf from the federal Minister of Finance, who in fact as we're leading up to an election year, moves into the old gambit of cutting personal income taxes a bit.

And taxpayers in my constituency and throughout Saskatchewan would have benefitted from this last-minute conversion when it comes to taxing from the federal government. They would have benefitted somewhat in their take-home pay. But what happened instead? The minister from Qu'Appelle-Lumsden, the Minister of Finance has said, and did, that the federal minister, Mr. Michael Wilson, have giveth, but the hon. member for Qu'Appelle-Lumsden will taketh away. And when it comes to taxes, that's what's happened. He's taken it out of the pockets of ordinary people in Saskatchewan.

The minister, the Premier, Mr. Speaker, a few moments ago in this House, stood up to defend another one of his choices, stood up to defend a choice and a decision that was made by his government, and that's the decision to go ahead with the Rafferty dam and Shand boondoggle, a boondoggle which will cost the people of this province \$1.2 billion. That's \$1,200 for every man, woman, and child in this province.

And we heard the Premier of this province say to everybody that's watching on television, and everybody in the galleries, and to all the members here, that they're going ahead, by God, and build that project. It doesn't matter what the federal Department of the Environment said. It certainly didn't matter what our provincial Minister of the Environment said, despite the fact that that minister, in his approval for the project, said that all federal licensing regulations must be met. And they haven't met them and he's still sitting there in his seat allowing this project to go ahead. He made a choice. The Premier was as clear as a bell. He wants to spend \$1.2 billion in his own riding, of taxpayers' money, for supposed benefits.

Now in the environmental impact statement, 2,000 pages, 18 volumes of nonsense put forward by that government, they talk about flood control and they talk about recreational benefits and they talk about irrigation and they talk about water for the Shand plant. But you know, Mr. Speaker, there's not one word in that environmental impact statement about water conservation for drought relief. Not one word. And there's a reason for that and I'll get to that in a minute.

But it's interesting to note now that in this province when we are facing drought throughout southern and central Saskatchewan, when we have water problems beginning to magnify in the urban areas and on the farms of this province, all of a sudden the Premier is a great water conservationist.

Well it was very interesting that that wasn't mentioned in the environmental impact statement, but all of a sudden the Premier has become a convert. And the reason for that is clear. The reason for that is clear. He knows he cannot justify Rafferty, Alameda, and Shand on straight economic terms. He knows he cannot justify it in terms of the environmental damage done to the southern area of this province. He knows he cannot justify it in every independent study done by outside agencies outside, the bought-off people in his government, have proven that it will not stand on its own. He knows he can't justify it and

all of a sudden he's a water conservationist.

But there's a flaw in the Premier's logic. There's a flaw in that logic. And that is, if you are building a dam to control flood waters in Saskatchewan, to hold back the flood waters of the mighty Souris, what are you doing building the dam to conserve water in times of drought when there's no water there to be conserved?

I don't know about the member from Souris-Cannington. I don't know whether he's an outdoor enthusiast, but I challenge that member to try to take a canoe through the city of Weyburn where the Souris flows, to try to get a canoe through the city of Weyburn along the Souris River without making a fairly lengthy portage, because there's no water there. And the logical flaw in the Deputy Premier and the logical flaw in the Premier's reasoning is this: is that if you're building a dam, there must be some water to hold back, and in times of drought there is no water to hold back. But we'll have ample opportunity to discuss the question of water conservation and alternatives to Rafferty-Alameda.

Well let's turn to Shand for two minutes. Let's turn to Shand for two minutes. The Deputy Premier, who's there chirping from his seat, once again showing his ignorance, and I may say, Mr. Speaker, if the Deputy Premier and George Hill were put together, and if ignorance were bliss, we would have the happiest couple here in the province of Saskatchewan. When it comes to dealing with the facts and figures on this dam, they have no credibility. He has absolutely no credibility because he hasn't done his homework.

I may say, that how does the Premier and the Deputy Premier of this province rationalize power production from the Shand generating plant at a cost of 12 cents per kilowatt-hours for consumers in 1985 dollars, when we can go south of the border, we can go to their friends at Basin Electric Cooperative in North Dakota and buy power at three cents — we can buy power at three cents per kilowatt-hour.

The minister says, it's not true. Well I want to challenge the minister responsible for SaskPower here to now put on the table, as we've been asking time in and time out, month in and month out, to put on the table to prove that it's not true. Put your studies on the table, sir, to prove that what I'm saying is not true. And you know something? I can challenge you with an impunity because I know darn well you won't put them on, because I know darn well you have . . . you don't have, you don't have those studies. And I know darn well that what I'm saying is correct, as it has been time in and time out in this House when dealing with this project.

You know, Mr. Speaker, the Premier alluded to the fact — no, he didn't allude, he said openly that not one man or woman across the province of Saskatchewan would oppose the Rafferty-Alameda project, not one thinking man or woman would oppose the Rafferty-Alameda project, you know. And I think that he threw that statement out as an apology to the people of this province.

We have the Saskatchewan Wildlife Federation with

around 35,000 members who've overwhelmingly opposed that project. You have the members of my political party, the party that I have the honour to represent, with somewhat the same number, around 40,000 people who are opposed to that project. You have the Friends of the Valley, an organization representing another 40,000 groups and individuals who oppose this project. You have SCRAP, the Stop Construction of the Rafferty-Alameda Project group who've announced their opposition to the project, who just several days ago said that they represent 52,000 individuals and organizations in this project who are opposed to it.

The Premier is deliberately, deliberately not telling the truth about SCRAP or any of the organizations which deal with Rafferty-Alameda when he tries to . . .

Mr. Speaker: — Order. The hon. member has made the remark that the Premier is deliberately not telling the truth. That, according to *Beauchesne's* and under citation 316(c), the ruling is that a member may not make a personal charge against another member. I'm afraid that that's the category that falls under, and I must ask the hon. member to withdraw and apologize for that statement.

Mr. Lyons: — I withdraw that statement, Mr. Speaker. Thank you very much for your ruling.

Mr. Speaker: — And I'd ask you to also apologize.

Mr. Lyons: — I'm sorry, I didn't hear.

Mr. Speaker: — I asked you to withdraw and apologize.

Mr. Lyons: — Yes, Mr. Speaker, I withdraw and apologize that I'm not supposed to use the word "deliberately misrepresented."

The facts of the matter are that there are a great many people in this province who are opposed to this project for good, common sense economic reasons, the kind of economic reasons when, for example, you can buy power from Basin Electric at a third of the cost that it's going to end up costing power users and the people of this province, jumping their rates, jumping their rates like we have seen in the past few years when electrical rates in this province have risen 21 per cent. Well if people were unhappy with that 21 per cent, all I can say is: just watch what's coming — just watch what's coming if the Premier's able to ram through the shafferty boondoggle.

You know, Mr. Speaker, when you look at the political priorities laid out by this government, when you look at the orientation of this government as set forth in the budget, I think that people in Saskatchewan, despite the tax increases, and despite all else — despite all else — have one thing more to fear than any other thing. And that's the kind of political landscape that this budget attempts to draw, or attempts to redefine, in terms of Saskatchewan, for their primary political reason, for *les raisons d'être, pour l'existence de ce gouvernement au Saskatchewan*, their primary political reasons for existence — and that is to pave the way to make the choices which will enable multinational corporations to enter into this province, to dominate it, to subsume it in, as Reagan said, a continental constitution, to swallow up

our province in the maw of the American free trade deal.

Because the budget is one of those, one of those paving stones in the political operation of those people opposite who want to see the end of this country as a separate entity, who want to see Canada become nothing more than an appendage of the American economic and military machine, who want to sell out Saskatchewan and to sell off Saskatchewan to the highest bidder.

Their budget makes those choices clear. Their budget, in terms of where the money's going, makes those choices clear, Mr. Deputy Speaker. They have chosen the agri-business multinationals over, for example, the dairy industry, by allowing the first steps to the deregulation of the dairy industry in this province to take place.

(1630)

And we've seen it, we have seen it with the rulings to the dairy board to allow Foremost dairies and that brand to enter into the province. And that is just the first step on the road to doing away with the milk control board in this province, or to change its function, if not to do it away, to change its function from a board which guarantees dairy farmers in this province — farmers, by the way, Mr. Speaker, who make, on average in 1986, \$44,000 in net farm income, and who have prospered as a result of that supply-management board. These people are opening the way to see the destruction of those kinds of institutions to be replaced by the American multinational who — or the Canadian multinational, in the case of Peter Pocklington and Palm Dairies — to order, to see the destruction of supply-management in the dairy industry.

These people have made choices. These people have made choices when it comes to choosing multinationals or to choosing working people in this province. These people have made choices. They picked B, K and E — B, E and K Construction, or whatever that Alabama-based construction firm is called. They made the choice to allow it to come into the province to trample on the rights of Saskatchewan workers. They made that choice. That budget reflects that choice because, in their haste to develop the economic union with the United States, they want to create a level playing field, and in doing so, trample on the rights of Saskatchewan workers and trample on the kind of livelihood enjoyed by Saskatchewan farmers.

Mr. Speaker, I can go on and on and on and deal with the questions of free trade, but ultimately it comes down, I believe, to a question of a vision of Canada and how, in fact, we build that Canada. Do we attempt to build it, as the members opposite say, by opening the doors to American investment and allowing the Americans to reap the profits from our natural resources, to allowing American multinational corporations to reap the profits put forward by the labour of our citizens, and to impoverish us and to put us in the position of a third-world nation as the American multinationals have done throughout Central America, throughout South America, in Africa and around the world where they have sucked the economic life-blood of the peoples of the world dry? Is that the choice that we're going to make?

Mr. Speaker, the people on this side of the House have said no. We have another way. We have another way. It is not to rely on American multinationals. It is to rely on the strength, the individual and collective strength of Canadians, to build, to diversify, to become self-sufficient.

It cannot, and history has proven that it cannot be done, that it cannot be done if we are going to rely on the American capitalists, the American multinationals. Saskatchewan was not built that way; Canada was not built that way. It took our own self-sufficiency. It can be only done, Mr. Speaker, it can be only accomplished . . . our task of building a New Jerusalem here in Canada can only be accomplished by Canadians working together co-operatively, socially — through social ownership, through social responsibility, through socialism. It can only be built this way because those who support, blindly and ideologically support, the capitalist system will sell us down the river to the Americans — only the socialists in Canada, and their friends have stood up for Canada, who are saying: we won't trade Canada away, Canada is not for sale, Saskatchewan is not for sale, and we're going to fight you tooth and nail to prove it.

Thank you very much, Mr. Deputy Speaker.

Some Hon. Members: Hear, hear!

Mr. Muirhead: — Thank you, Mr. Speaker. It is with great pleasure I rise again to speak in this legislature. Firstly, I wish to thank the constituents of Arm River for their continuous support. This is 10 years, Mr. Speaker, that I've been serving the great constituents of Arm River.

Mr. Speaker, I have many topics that I want to speak on tonight. In this budget speech I want to talk a little bit about opinions from my constituents. The members opposite say that we are not listening, that we are not in touch. And I intend to, throughout my speech for approximately 20 minutes to a half an hour, say that we do listen to our constituents, and the member from Arm River is one of those.

In mid-February, Mr. Speaker, I advertised in my local papers, asking for my constituents' response on the following matters: the dental plan, the drug plan, the free trade, public participation, the teachers' contract, change of legislation regarding nurses, plus farm debt — concerns that they might like to relate to me in writing. When the ad went into the paper, Mr. Speaker, it was prior to the Supreme Court ruling on abortion, the homosexual scandal and also the production loan changes.

The reason why I'm doing this, Mr. Speaker, is, as I said before, I want to bring to this legislature what the constituents of Arm River plus my surrounding constituents are saying, because the four papers I put this ad in was Outlook, Watrous, Craik and Davidson, which touches seven constituencies. So what I'm saying here is on behalf of a lot of people, including the people from the constituency of Humboldt — I received many letters which offered various opinions.

Firstly, regarding the dental program, I had some people

say to me that they were opposed to our program, mainly because of location, that they were too far from a dentist. But, Mr. Speaker, when I take the dental issue on a percentage basis of the people who contacted me in writing or verbally, approximately 95 per cent said they would rather have their children going to a fully qualified dentist and were glad to be rid of that socialist program. They said to me very clearly that the next thing these socialists will want to do is to bring doctors into the schools.

Mr. Speaker, pertaining to the 1987 drug plan where our government changed the basic outlay from 3.95 a prescription to 20 per cent, I would say that nearly 100 per cent approved of the drug program after they — after they found out that the opposition members were using socialistic scare tactics . . .

Mr. Speaker: — Order. Order. Why is the member on his feet?

Mr. Anguish: — I would like to raise a point of order, Mr. Speaker. We seem to be real sticklers on the rules in the Assembly today, and I had to take note as the member was reading his speech over there, that it points out very well in both Erskine May and also in *Beauchesne's* that reading speeches are not allowed. And if we look at citation number 309, citation 309:

- (1) It is a rule in both Houses of Parliament that a Member must address the House orally, and not read from a written, previously prepared speech.
- (2) On April 19, 1886, a resolution was adopted by the House, which reads:

That the growing practice in the Canadian House of Commons of delivering speeches of great length, having the character of carefully and elaborately prepared written essays, and indulging in voluminous and often irrelevant extracts, is destructive of legitimate and pertinent debate upon public questions, is a waste of valuable time, unreasonably lengthens the sessions of Parliament, threatens by increased bulk and cost to lead to the abolition of the official report of the debates, encourages a discursive and diffuse, rather than an incisive and concise style of public speaking, is a marked contrast to the practice in regard to debate that prevails in the British House of Commons, and tends to repel the public from a careful and intelligent consideration of the proceedings of Parliament.

Now although granted there is no reflection in the *Rules and Procedures of the Legislative Assembly of Saskatchewan*, it certainly clearly states at the beginning of the rules of the Legislative Assembly of Saskatchewan, General Rule No. 1:

In all cases not provided for in these Rules or by sessional or by other orders, the usages and customs of the House of Commons of Canada, as

in force at the time, shall be followed so far as they may be applicable to this Assembly.

And there are exceptions, Mr. Speaker, for some reading of speeches that I would submit to you. Certainly, the member from Arm River has no exception to reading a speech that's voluminous in nature and often, irrelevant of the debate. And I ask you to call the member from Arm River to order, and if we're going to be sticklers on rules in this procedure this afternoon, I ask you to rule that those members opposite cannot be reading the speeches prepared by their caucus research.

Some Hon. Members: Hear, hear!

Mr. Speaker: — I have listened to the hon. member's point of order with care and I certainly agree that the House has changed a great deal since 1888. I suppose the ideal would be if every member would rise and speak without speaking notes. And that, of course, is not now and has not been for a long time the practice of this House, nor so I think it's safe to say in the House of Commons in Ottawa.

Under that observation, I don't believe the hon. member is out of order if he refers to notes or uses quotations in his speech.

An Hon. Member: — On a point of order . . .

Mr. Speaker: — Order. Order. If it's a different point of order I'll accept it. If it's on the same topic I won't.

Mr. Anguish: — It's a different point of order, Mr. Speaker. I was referring to a quotation that may have been from 1886, but it is still in the current *Beauchesne's* in use by this Legislative Assembly. In reference to your experience in the House of Commons, Mr. Speaker, I've also had experience in the House of Commons, and I don't challenge your . . .

Mr. Speaker: — Order. Order. Order. Order. I think that the hon. member realizes that besides rules of standing orders of the House, and besides *Beauchesne's* and Erskine May, customs and practice of the House also have something to do in precedence with the way the House is conducted, and therefore I rule that the customs and practice of this House do allow for hon. members to quote from relevant material, and even to read speeches. As you well know, many members do that, and I think that we will lay that point of order to rest and allow the member from Arm River to continue.

Mr. Muirhead: — Mr. Speaker, it's very easy to understand why the members opposite don't want me to read, because they don't like what they're hearing. But it would be better to listen to what . . . I'm here, Mr. Speaker, than . . . rather than if I start coughing, that would bother them a lot more.

The members opposite, for as long as I can remember . . . if they want me not to read, I won't read. For as long as I can remember, Mr. Speaker, for 10 years I've been the MLA from Arm River, I have heard nothing but scare tactics and rhetoric from that side of the House. If we ever talk about the health program in this province, it's always

scare tactics, and that's the only policy that I know they've got. And I think, Mr. Speaker, we should call them the party of scare tactics because it's the only policy they've got.

Some Hon. Members: Hear, hear!

Mr. Muirhead: — Mr. Speaker, even in 1978, Mr. Speaker . . . It seems to me, Mr. Speaker, if you say anything that upsets the opposition they don't want to hear you talk.

I would like to ask them the courtesy to let me finish my speech, because I never say one word when one of you members are on your feet — in 10 years. I do not heckle, and I will ask you the courtesy to just please let me finish my speech.

Mr. Speaker: — Order. Order, please. Order.

Mr. Muirhead: — Mr. Speaker, it's important that I read some of this off because I'm reading from statistics, from the opinions from my constituency, and they don't want to hear it.

In 1982 the people of Saskatchewan lost faith in these vicious attacks. Now this is what the people told me in letters. If they want me to take an hour or two off I will read the several hundreds of letters I got, especially when their own policy for the election platform was "save your medicare". People out there, Mr. Speaker, the ordinary voter in Saskatchewan proved they believed in the Progressive Conservatives when they elected us in 1982, re-elected us in 1986 and will again elect us in 1990-91.

Some Hon. Members: Hear, hear!

Mr. Muirhead: — Mr. Speaker, the average, hard-working citizen realizes that the members opposite can only condemn what a good government does when they haven't got any policies of their own. They only can condemn it. That's all I've heard here since 1982 is condemn, condemn, condemn. They don't come up with policies.

Now, Mr. Speaker, looking at my constituents' response for free trade. Approximately 80 per cent of my replies believed in free trade and a few wanted to know more about it. Mr. Speaker, I was able to get back to the majority of the persons that were against free trade to discuss the reasons why. One hundred per cent . . .

Mr. Speaker: — Order, order. Order, please. Order. I think it would be in the best interests of this House if hon. members just contained themselves and the remarks they're making from their seats which are certainly, to say the least, perhaps bordering on unparliamentary and allow the member to continue and I think the House will proceed in an amicable, if not agreeable, manner.

(1645)

Mr. Muirhead: — Thank you, Mr. Speaker. Every individual I talked to admitted they received this misinformation from listening to the Leader of the Opposition and the CBC because they were all told, Mr.

Speaker, and they told me very clearly, that the only thing we had against free trade is we might lose our sovereignty to the United States. But when discussing it with them, each and every one said it came from the CBC and the Leader of the Opposition. So it proves more scare tactics.

But, Mr. Speaker, after sitting down with these people, I'm pleased to inform you that they were very pleased that they could go out with a clear mind and talk to their neighbours and friends about free trade and not clouded by the members opposite.

The next item, Mr. Speaker, is regarding public participation. Again replies in writing and verbally indicated that a convincing 95 per cent clearly stated that this government is on the right track in allowing the public to become the owners of our Crown corporations. They did express the feeling that Saskatchewan Power and SaskTel should be retained, but that the public should be allowed to be involved as shareholders. The message, Mr. Speaker, was that they firmly believe that public participation in Crown corporations will serve Saskatchewan people better than being totally government-owned.

As for the issues pertaining to a contract for teachers, the only persons that responded, Mr. Speaker, were the teachers in my riding. There was a request to have a contract as soon as possible, and I naturally agree with them, Mr. Speaker. I want at this time to thank the many teachers that wrote to me with their concerns regarding many issues.

Now I would like to turn to the farm debt, and I'm glad the member from Humboldt is here. Mr. Speaker, many constituents that answered these letters, many, many people wrote concerning . . . (inaudible interjection) . . .

Mr. Speaker: — Why is the member on his feet?

Mr. Anguish: — I clearly heard the member from Arm River refer to another member on this side of the House by his title, and that's clearly against the rules of this legislature unless some kind of tradition over the years here has also made that acceptable in the judgement of this House, Mr. Speaker. I would ask that he cease from doing that and not refer to the hon. member again in regard to his presence or lack of in this House.

Mr. Speaker: — The rules do in fact state that even though it's quite common in the House . . . but the rules do in fact state that hon. members should not make reference to the absence or presence of members. The point of order is well taken and I ask members to continue with . . . (inaudible) . . .

Mr. Muirhead: — Thank you, Mr. Speaker. Mr. Speaker, when I received the information that people were telling me from . . . especially from my riding and from the Humboldt riding that these papers were circulated in, people related back to me that these are the things that they were concerned in. And they would like to see the government do something about freezing the home quarter, complete moratorium, partial moratorium, equity financing; some people said, do nothing at all.

But when you put it all together, what they said to me, that most of them wanted a freezing on the home quarter or some protection, Mr. Speaker, for the home quarter. But very, very few people agreed with what the members of the opposition perhaps suggested the other day in the House — a complete moratorium. There wouldn't be 1 per cent. So we are out hearing from responsible people here, Mr. Speaker.

We know, Mr. Speaker, when we're talking about farm debt we're talking about a very complex situation. We have problems out there. Some people haven't. There's people out there that are doing quite well; there's some people that are just hanging on; and there's many farmers desperate and don't know which way to turn.

Now this isn't an easy situation to solve, but if the members opposite would do like I know the rural members are doing here, and if the member from Humboldt would do what I do, he wouldn't have this problem, Mr. Speaker, he just tells his people there is no programs. Why doesn't he tell them there's a counselling assistance program? Why doesn't he tell them that there's a farm debt review board? Why doesn't he tell them there's a farm security board? No, he says there's nothing. He wants the farmers to believe there's nothing.

They want, the members opposite, Mr. Speaker, want the farmers to go broke. That's the socialist way of thinking, Mr. Speaker. Have the businesses go broke, the farmers go broke; take over your farms, take over your land, and that's their agenda. And it comes through the *Regina Manifesto*, and it has never changed since 1933.

And the member from Humboldt is telling people out there — Mr. Speaker, the member from Humboldt is telling people out there there is no programs; telling them not even to sign the security agreements when it comes to production loan. When it comes to a production loan, the only problem we have, Mr. Speaker, was the Leader of the Opposition and the member from Humboldt telling people, don't sign those security agreements. That's more of your scare tactics, Mr. Speaker.

This system is working very well, Mr. Speaker, this system of taking our farmers' problems to the farm debt review board, the farm security board, and going to the counselling assistance. But I'd like to ask the member from Humboldt why he doesn't do these things. Why do I have to have consistently calls from the Humboldt area, farmers that will not go to him and come to me? Now the only reason I'm doing this, because I love people; I like helping them. Now I challenge him to love people and help them, instead of saying there is no government programs.

Mr. Speaker: — Order, order. Order. The member from Arm River.

Mr. Muirhead: — Thank you, Mr. Speaker. And, Mr. Speaker, we have the Leader of the Opposition — which has been said so many times in this House, but I'm going to just enlarge on it a little more.

People are saying that he's out there saying the banks are terrible people. The Leader of the Opposition and the

member from Saskatoon Fairview, I believe it is, he says, they say very clearly that the banks are terrible people. They're frauders and they're frauding people, but they do enjoy the money they get when they foreclose on the farms. We know, Mr. Speaker, we know that all law firms in this country have a right to act on behalf of the bank, but the difference and the issue that we're missing here, Mr. Speaker, that the Leader of the Opposition is a leader of a political party and it is absolutely . . . to me it's hypocritical to be on one side criticizing banks and saying they're going to help farmers, and then taking money in his pocket one way or another. To me it's hypocritical, Mr. Speaker.

Mr. Speaker, I want to bring my remarks in to talk a little bit about socialism versus capitalism and free enterprise. If we've heard the members holler and scream before, they'll come really to life now, because they won't want to hear what the truth is. But maybe they will be quiet because I'm going to be mentioning the word *Regina Manifesto* maybe 15 to 20 times. It's their agenda, it's their constitution. And I have the whole *Regina Manifesto* here. If anybody doesn't understand what they stand for, then I'll give them a copy. They will know what their whole program is about. They'll know what they're standing for, but now I don't think they do.

Mr. Speaker, before I go into that, I just have a comment to make. I think it was the member from Regina North — and they're always standing up here talking about the Premier broke his promise when they took away the gas tax.

Some Hon. Members: Hear, hear!

Mr. Muirhead: — Well I'll tell you, Mr. Speaker, this is absolutely hogwash. When the Premier stood up in this here province in 1982 and stated there would not be any more gas tax in this province, he has lived up to his promise. Ask them if any of them pay gas tax over there. If they aren't capable enough to make out a little receipt once a year and send in their rebates, then they're not even good business men. I have no trouble in my riding whatsoever. But, Mr. Speaker, I don't stand up and tell people, here, throw them away. There isn't a farmer in Saskatchewan that's paying gas tax. There's not an individual that drives a car paying gas tax. We've only tax on the transient people who are going through this province.

Mr. Speaker, over in England many people now refer to the socialist Labour Party as the radical left. After having listened to some of the NDP opposition members in this budget debate, I am now convinced that Saskatchewan's NDP caucus is controlled by the same kind of . . . that same kind of thinking.

During the course of this budget debate the socialist, left-wing members opposite have engaged in sanctimonious and holier-than-thou, left-wing talk. The socialist member . . . NDP members opposite have gone out of their way to denounce free trade. Why? Because the *Regina Manifesto* agenda spells out that there must be state control of the economy. Mr. Speaker, they would rather cling to their *Regina Manifesto* of state control than give the people of Saskatchewan the opportunity to have

free trade.

There's another good reason why the left-wing opposition does not want free trade. They hate the United States; they hate them, and they would rather take part in demonstrations of burning flags. That's what they would rather do — they've done it, they believe in it — than be friends with the oldest neighbours that we've got in Canada is the Americans. Why don't they just stand up and admit to the people in Canada, we hate the Americans. Be honest — stand up and say what you mean. Mr. Speaker, the members opposite are so anti-American that the national policy calls for the removal of the Canada from the North Atlantic Treaty Organization.

The people of Saskatchewan need to know what this real socialist agenda's all about, Mr. Speaker. I just hope that some voters from Elphinstone are listening here tonight, and they would take heed in what they're hearing and what they're really voting for over there.

And, Mr. Speaker, if . . . I know that some of them must have heard our Premier speaking the last few weeks, and I know that some of those people over there must be thinking of what this Premier stands for. He stands for the family; he stands against these here immoral issues that they stand up for over there, Mr. Speaker. Let me cite you an example, Mr. Speaker. The Regina North West in his budget speech compared the government to Hitler, to Stalin, and South Africa. I just can't believe we have a man stand up here and say that in this House.

An Hon. Member: — When did he say it?

Mr. Muirhead: — He said it very clearly in his speech. Compared to this government, compared to this government . . . compare this budget speech to "Hitler to Stalin . . . (and) South Africa." And if you want to know where it's from, it's in *Hansard* of April 4, 1988. Look it up for yourself.

Now I note the Leader of the Opposition never says very much about this. But I think he's frightened of his left-wing element over there that he can't control. I think it's a scandal that a member can come in here and say some of the things he has when he compares us to Hitler and to Stalin. No premier, no government stands stronger for the cause of freedom, liberty, free enterprise and the family than does this government right here that I'm so proudly a part of.

Some Hon. Members: Hear, hear!

Mr. Muirhead: — Mr. Speaker, socialism is dead in England, and it is still alive here in Saskatchewan by a small element of Tommy Douglas's party. That's the only place in North America where it's alive, right here. And it's these here left-wing socialists that's keeping it alive.

They are the people who want to shut down the uranium mines of Saskatchewan, the people who want state-owned abortion clinics. They use the *Regina Manifesto* as their guide. They want to bring back the land bank, the state ownerships of farms. These people in the left wing want to take over the banks, to take over the

railways, and yet the member for Saskatoon Riversdale is afraid to deal with them. The member for Riversdale knows better. He's a person that doesn't even believe what he is saying, or else he, too, maybe is a part of this socialist agenda.

Just as the budget is the economic guiding force for this government, the *Regina Manifesto* is a guiding force for those in the opposition. The socialist *Regina Manifesto* says they want a planned socialized economic order.

An Hon. Member: — You've read that speech already.

Mr. Muirhead: — Mr. Speaker, what I'm saying must be bothering the members opposite. But you'd think they'd enjoy what I'm saying, because I'm speaking exactly right from their own constitution.

The *Regina Manifesto* calls for socialization of finance. It calls for it. How would they do this? Through state ownerships of banks and financial institutions. In the provincial budget we have a continued commitment to agriculture . . .

Mr. Speaker: — Order. Order. Order. I think the member should be able to continue his speech without constant interruptions. The odd comment of course is permitted, but constant interruptions are not acceptable, and I would like to allow the member to continue now.

Mr. Muirhead: — Thank you, Mr. Speaker. The members opposite, we know they hate businesses and small businesses. They just don't like this. They want to own them and control them; they hate free enterprise. They won't even stand up there and say that. Let there be no doubt about it where this guiding force is coming from; it's coming right from the *Regina Manifesto*.

The man who would be king over there, but he just couldn't quite make it, made a statement here that really bothered me, Mr. Speaker. He attacked the personal religious beliefs of the Premier. This really bothered me when he done this. The godless left-wing thinkers who write their speeches, they talk about speeches and reading them — they've been reading them here for 10 years. They may think it's intelligent to call the Premier of Saskatchewan names and compare him to a disgraced television preacher. And this was done in recent debate, Mr. Speaker, and it shows little respect they have for our parliamentary traditions, our heritage, and our freedom of religion . . .

Mr. Speaker: — Order. Order. Order. It being 5 o'clock, the House now stands recessed until 7 p.m.

The Assembly recessed until 7 p.m.