

The Assembly met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

INTRODUCTION OF GUESTS

Hon. Mr. Hepworth: — Thank you, Mr. Speaker. I'd like to introduce to you, and through you to the members of the Legislative Assembly, some guests in the Speaker's gallery. We have a number of people from Radville and area in southern Saskatchewan, Mr. Speaker.

There are a number of people here, parents and some children, but I would particularly like to introduce four women. Together these women have created an innovative magazine called **Kid Proof**, which encourages our children to read and write. They recently celebrated their first year of publication, and this magazine is now circulated across Canada and the United States. And as I introduce them, I'd ask them to stand, Mr. Speaker. They are: Lynn MacDonald, who is a lawyer and a school trustee from Radville area; Geeta McLeod, who is a farm wife; Lynne Hall, who is a farm wife and a school trustee; and Therese Durston, who is a grade 1 teacher.

I want to congratulate them on being awarded the Hilroy Fellowship sponsored by the Canadian Teachers' Federation. This award recognizes innovative education projects. It should also be pointed out that Debby Noble of Deschambault won the award of great merit for her slide library about native art. It is this type of leadership and devotion that continue to make Saskatchewan such a great province.

Mr. Speaker, I would ask all members of the Assembly to welcome and to congratulate and to acknowledge these women on their fantastic achievement, and as well to welcome the other guests from Radville and area, who I would also ask to stand at this time and be greeted by all members of the Legislative Assembly, Mr. Speaker.

Hon. Members: Hear, hear!

Mr. Muirhead: — Thank you, Mr. Speaker. It is a great pleasure this morning, Mr. Speaker, as I introduce to you and to the members of the Assembly, one student from grade 6 elementary school at Craik, from Craik, Saskatchewan, the school that I attended. This student is a very important student to me this morning. He happens to be my grandson, Trevor Muirhead. Trevor has been spending the holidays with us, Mr. Speaker. He has shown a great interest in the proceedings. He attended the budget yesterday, and it wouldn't surprise me at all, Mr. Speaker, that Trevor might be a future Progressive Conservative candidate for the great constituency of Arm River.

I would ask all members to please welcome my grandson, Trevor Muirhead.

Hon. Members: Hear, hear!

Mr. Pringle: — Thank you very much, Mr. Speaker. On behalf of my colleague from Saskatoon Sutherland, I

would like to introduce a group that is sitting in your gallery, the 52nd Sutherland Ventures Company. These are four young people — Don Lepard, Karen Orman, James Gregory and Jamie Wilkesheski, and their leader, Neil Gregory.

They had a tour of the Legislative Assembly last fall but decided to come back, tour Regina and a number of sites here, including the barracks, but thought they would like to take in question period.

They have a trip planned for this summer to the Maritimes, and so they've had some great learning experiences, and look forward to question period today. I would invite all members of the Assembly, in their usual manner, to warmly welcome this group today.

Hon. Members: Hear, hear!

ORAL QUESTIONS

Increases in Taxation

Mr. Tchorzewski: — Thank you, Mr. Speaker. I direct a question to the Minister of Finance. Mr. Minister, yesterday you presented your annual tax grab, which you call the budget, in this House. Once again, in your budget you have added to the crushing tax burden on Saskatchewan families, which your government created. Saskatchewan's families' purchasing power has been shrinking dramatically over recent years, and you only need to go to any business place in Saskatchewan and they will tell you what impact that's had on them. And while that's happening, Mr. Minister, the profits of Canadian corporations have increased in 1988 by 59 per cent.

In view of this, Mr. Minister, how do you justify increasing your tax revenues from individuals and families in Saskatchewan in this year by \$145 million, but only \$23.6 million from the corporate sector? Where is the fairness in that kind of budget making, Mr. Minister?

Some Hon. Members: Hear, hear!

Hon. Mr. Lane: — Well, I appreciate the questions from the new Finance critic of the opposition, Mr. Speaker. But let me indicate to the hon. member that when we began tax reform last year, as we made it abundantly clear, we were making our corporate tax side competitive with Alberta because that is the main competitor for the province of Saskatchewan, and with all of the adjustments we would in fact see an increase in the revenues from corporations. And of course, that in fact shows up in the budget, Mr. Speaker, that the tax revenues from corporations increased.

Let me also suggest to the hon. member, because he will remember this, he will remember this better than anyone else in the Assembly as a former Finance minister, that in his last budget, Mr. Speaker, corporate taxes paid 4.2 per cent of the provincial budget revenues. Under this government, Mr. Speaker, corporate taxes are up to 6.1 per cent, a 50 per cent increase in revenues from corporations by this government over what the NDP did.

And I'm not including in that, Mr. Speaker, the fact that businesses are paying the fuel tax; individuals are not.

So I suggest to the hon. member to also say, as he is alluding to, that the tax in liquor and the tax on cigarettes hits the poor people; that it's the poor people that are the drinkers of this province, I frankly would think is an insult to the people of this province, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Tchorzewski: — New question to the Minister of Finance. Mr. Speaker, I find it rather interesting that he is so unable to defend his budget today that he's got to hearken back to a period seven years ago.

Some Hon. Members: Hear, hear!

Mr. Tchorzewski: — It doesn't say much for his budget.

Mr. Minister, you, better than anyone else, will recall that you promised the people of Saskatchewan a 10 per cent decrease in their personal income tax. The Premier promised it, you promised it, every member of that House promised it. You broke that promise and you betrayed the people of Saskatchewan, and instead what we have is your imposition of a 2 per cent flat tax which is causing people's taxes to go up even more.

Why then, Mr. Minister, I ask you, did you give a 2 per cent tax decrease to large corporations this year, while you are increasing the taxes on people who are struggling to make a living on the farms and the homes in the province of Saskatchewan?

Some Hon. Members: Hear, hear!

Hon. Mr. Lane: — I've already answered that a tax policy, Mr. Speaker, that is designed to both maintain Saskatchewan's competitive position, vis-a-vis the province of Alberta, which we did because . . . (inaudible interjection) . . . whether the hon. member from Quill Lakes likes to hear it or not, the province of Alberta is a main competitor of the province of Saskatchewan, and we have to give our corporations, as close as possible, an equal opportunity to compete with Alberta corporations.

We went through this debate last year. It was fundamental to last year's budget. But what we did indicate that the changes we made in the corporate tax structure last year would in fact increase the revenues from corporations, and we made that clear, and that is precisely what happened, Mr. Speaker.

And I don't think it unfair. As a matter of fact, I think it fair to say that when we take a look at the budget I tabled yesterday, that corporation taxes are now 6.1 per cent of the budgetary revenues, compared to 4.2 per cent under NDP, a 50 per cent increase, tells us that our tax system is increasingly fair, Mr. Speaker; that the initiatives we took yesterday are reasonable, and, Mr. Speaker, the initiatives we took yesterday help pay for health care increases, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Tchorzewski: — A new question to the minister, Mr. Speaker. Mr. Minister, if you are that concerned about competitiveness, why in Heaven's name have you not removed the education and health tax which you promised to remove in 1982 in the election campaign?

Some Hon. Members: Hear, hear!

Mr. Tchorzewski: — Mr. Minister, I want to ask you a question about fairness. For every dollar in tax that is paid by the corporations, by individuals . . . for every dollar in tax paid by individuals, the corporations in Saskatchewan pay only 17 cents. Ever since you've been in power there has been a steady shift of the tax burden from corporations to individuals. The numbers show that this year alone, \$145 million increase in income tax is paid by individuals.

Why then, Mr. Minister, do the people on your side of the House and you and the Premier not realize that tax reform means a fairer tax system and some fairness in the tax system, and not tax breaks for the wealthy and tax breaks for the corporation at the expense of the families in Saskatchewan who are struggling to make ends meet?

Some Hon. Members: Hear, hear!

Hon. Mr. Lane: — Mr. Speaker, it makes eminent sense to most fair-minded people that corporations in fact pay more tax and a higher percentage of government revenues today than did they under the NDP. Secondly, I think it makes eminent sense to the people of this province when we're trying to attract businesses that we should be competitive with the province of Alberta. So, Mr. Speaker, yes, we are trying to get it both ways: we're trying to get more total revenue, at the same time be competitive.

But let me remind the hon. member, as well, that it was this government, Mr. Speaker, that took the sales tax off clothing under \$250. You voted against it; you and the NDP voted against that. We took the sales tax off power utilities and the NDP voted against that. Mr. Speaker, the province of Alberta pays health care premiums; the province of Saskatchewan does not.

I suggest to the hon. member: you voted against the reductions of sales tax in this province, not for them, and I suggest the hypocrisy we've seen since the beginning of this session is continued today.

Some Hon. Members: Hear, hear!

Tax on Gasoline

Mr. Shillington: — Thank you very much. I have an offer to extend to the minister after yesterday's budget. If you need your nose wiped let me know; I think I can do it from my chair over here, Mr. Minister.

Some Hon. Members: Hear, hear!

Mr. Shillington: — Mr. Minister, I want to ask you about one of your many broken promises, the gas tax. This is the tax you recall, Mr. Minister, that you castigated when you were in opposition because it was too high and it was

unfair. Mr. Minister, it's now 72 per cent higher than it was when you took office.

I ask you, Mr. Minister, if you think that's fair to the public of Saskatchewan?

Some Hon. Members: Hear, hear!

Hon. Mr. Lane: — Mr. Speaker, let me remind the people of this province that Saskatchewan individuals that keep their receipts do not pay the gas tax. Let me indicate and remind the people of this province of two positions by the New Democratic Party and its leader. One, the member from Saskatoon University has publicly stated that the New Democratic Party would bring back the total gas tax.

And secondly, Mr. Speaker, let me remind the people of this province that it was the NDP . . .

The Speaker: — Order, order. Order. Order, order.

Hon. Mr. Lane: — Let me remind the NDP that prior to the rebatable gas tax that it was the NDP . . . Here's what the NDP said, that Saskatchewan people should not have to pay the tax, but truckers, tourists and out-of-province people should pay the tax. That is precisely what happens with the rebatable gas tax, Mr. Speaker.

Let me also indicate to the hon. member that the criticism of the now Finance critic — and I ask him to remember this — when he complained that there was no gas tax and the major benefit did not go to Saskatchewan people but went to the trucking companies, you cannot have it both way, hon. member. You can't say you want the tax on and then complain when it comes . . .

The Speaker: — Order.

Mr. Shillington: — I want to get off the issue of your broken promises, Mr. Minister. The public of Saskatchewan don't believe it any more than we do.

Mr. Minister, I want to talk about this gas tax, which might have been called the tax on small businesses, municipalities, and school boards because it is they who are going to pay the bulk of this tax in the long run. Mr. Minister, we checked with a cab driver who works 246 days a year, will pay \$5,000 in a non-refundable tax.

We checked with a trucking firm, relatively small, 12 diesel units. They'll pay \$107,000 in your tax.

A school bus company, a relatively small one with 12 buses, they'll pay 20,000 a year in non-refundable tax.

Mr. Minister, I wonder if you'd tell this Assembly whether or not you believe this is an appropriate time to levy such a sharp tax on small business.

Some Hon. Members: Hear, hear!

Hon. Mr. Lane: — Understand, Mr. Speaker, what the opposition today . . . on the one hand they're complaining that corporations are not paying enough tax, and then when they pay the gas tax, it's too much. Mr. Speaker, we have seen inconsistency — inconsistency — since the

day this House started.

I suggest to the hon. member, and I simply remind him of December 2, 1982, when he himself said in this Assembly: the major benefit from the cut in gas tax went to trucking companies. That's what he said in 1982.

I suggest, Mr. Speaker, one of the concerns last year with the rebatable system is that propane was increased. And that was a concern to school boards, many transportation companies, cab companies, and what not. It's noticeable in this budget, Mr. Speaker, that the propane did not increase under the budget, so they do have the alternate use. I'm sorry the hon. member missed that.

Some Hon. Members: Hear, hear!

Mr. Shillington: — The member seems to find it impossible to distinguish between small Saskatchewan businesses and large corporations. Let me see, Mr. Minister, if you have any more ability to deal with municipalities.

Last night you and I appeared on a television show and you complained that the federal government was going to transfer its deficit to this level of government by reducing transfer payments. Mr. Minister, I wonder if it has occurred to you that you're doing precisely that when you levy this gas tax on the municipalities.

The city of Saskatoon has told us that it will pay \$697,000 in gas tax, all of it non-refundable. The school boards are going to pay \$2.7 million in non-refundable tax. That's going to result in an increase in property taxes for those municipalities.

Mr. Minister, if it isn't fair to you, why is it fair to them?

Some Hon. Members: Hear, hear!

Hon. Mr. Lane: — Let me remind the hon. member, because we've now been through this debate, and I'm very pleased, Mr. Speaker, as Finance minister, to stand up today and realize that all of the questions that the NDP have are one's that they had from last year, Mr. Speaker. And I think that says a great deal about the budget I brought down yesterday.

Let me remind the hon. member what was said by the city of Saskatoon when the gas tax was removed in total. What they said was there should be some assistance to the city of Saskatoon because bus ridership dropped because people were driving. You can't have that both ways.

So, Mr. Speaker, there is, and we did maintain at the request of municipalities and school boards, the lower differential on propane, and the gas tax increase was not extended to propane. There is an option, Mr. Speaker, and I'm sure that most municipalities will use it.

Secondly, let me remind the hon. member that for the first time in the history of this province a government has brought in a capital program for rural municipalities, something ignored by the NDP.

Some Hon. Members: Hear, hear!

Hon. Mr. Lane: — And secondly, Mr. Speaker, the new municipal capital programs and assistance for communities.

Hospital Tax on Gambling

Mr. Calvert: — Mr. Speaker, we ask questions about taxes every year because every year this minister increases the taxes.

Some Hon. Members: Hear, hear!

Mr. Calvert: — My question is a question to the Finance minister, and it's a very straightforward question. Mr. Minister, how is it that you intend to collect your new gambling tax, particularly in the bingo halls? Is it your intention that the bingo players should be paying an extra 10 cents when they buy the dollar card, or is your plan that the charities should be taking from their proceeds to fund your budget deficit?

Some Hon. Members: Hear, hear!

Hon. Mr. Lane: — Mr. Speaker, as I indicated yesterday and indicated on numerous occasions, that the hospital's tax on gambling will come into effect July 1. We have some proposals that I've indicated publicly that we will take to the charitable organizations and Sask Sport Trust. We will discuss those proposals with them. It is not designed to have a serious impact on the charities, Mr. Speaker. That's not the intent of the legislation. I believe that our proposals will be workable and accepted by the charities, but let me remind the hon. member, Mr. Speaker, that this government believes fundamentally that more of the gambling revenue should in fact go to hospitals, and we intend to carry out that commitment.

Some Hon. Members: Hear, hear!

Mr. Calvert: — Mr. Speaker, clearly the minister has just said to the House he doesn't know how he's going to do this. He's floated this trial balloon for some months, and then he comes into the House today and says he doesn't know how he's going to do it. But, Mr. Minister, can you explain to me how yesterday, in this House, you indicated that this new tax was going to raise \$26.5 million, when today you're telling us you don't even know how you're going to do it.

Some Hon. Members: Hear, hear!

Hon. Mr. Lane: — I'll try and talk a little slower, Mr. Speaker, because I'm having difficulty explaining to the hon. member what I said. What I said was that we have proposals that we are going to take, and I think properly so, to Sask Sport Trust and the charities. I've indicated as well that we will sit down and discuss with them and try and minimize the impact, if any impact, on the charities.

Having said that, Mr. Speaker, we base our estimates on our proposals. I can assure the hon. member that the proposals we have are cautious, like our revenue projections right through the whole budget, Mr. Speaker, and we are extremely comfortable with the numbers that we have placed in the budget, Mr. Speaker. But there will

be consultation. I've said that; I'm sorry he wasn't listening.

Mr. Calvert: — Mr. Speaker, it's clear the minister does not have a clue how he intends to collect this tax, and, Mr. Minister, we've learned that it is a gamble to trust this minister's estimates in revenue.

Mr. Minister, a new question, and this is — I'd ask you to listen carefully, Mr. Minister. The Regina hospital foundation has a lottery in place to fund hospitals in this city because of your government's underfunding. Now you introduce a lottery tax to raise money for hospitals, so the Regina hospital foundation now has to pay a hospital tax for money it raises for hospitals. Now, Mr. Minister, isn't that clever?

Question, Mr. Minister: have you named this the hospital tax because you intend to tax hospital foundations?

Some Hon. Members: Hear, hear!

Hon. Mr. Lane: — Let me remind the hon. member that it is base . . .

The Speaker: — Order, order. Order, order. Order, order.

Hon. Mr. Lane: — Thank you, Mr. Speaker. Let me remind the hon. member that it is base . . .

The Speaker: — Order, order. I once more ask the hon. members to allow the House to hear the Minister of Finance.

Hon. Mr. Lane: — Thank you, Mr. Speaker. It is base hospitals that have the foundations to raise revenues for their purposes. Let me explain to the hon. member how that arose.

It is the base hospitals that used to have to put up capital moneys to get a new hospital. That's the way it was under the previous administration. At the request of the base hospitals, they asked the provincial government to put up the capital cost, that they would try and raise their equivalent share for equipment and other uses. They thought it would be easier for them to come up with the money through the alternate methods that they brought forward, Mr. Speaker. It was at their request.

Secondly, Mr. Speaker, I said at the outset, and I've now repeated three times, we do not expect much of an impact, if any, on the charities with the way the tax will be imposed. And I've said that several times. And I've indicated that we have proposals that we're going to take to the charities and to Sask Sport Trust. Now he doesn't want to listen to that. I've said there'll be a minimum impact, if any.

Revenue Sharing with Municipalities

Mr. Van Mulligen: — Thank you, Mr. Speaker. My question is also to the Minister of Finance and, Mr. Minister, I see that you've given the people of Saskatchewan yet another hidden tax increase. You have failed to increase the revenue sharing pool for urban and rural municipalities even to the level of inflation. This will

leave municipalities with no choice but to increase taxes and/or to cut services.

Mr. Minster, are you going to tell our municipalities that they should do what you have been unable to do, and that is to hold the line?

Hon. Mr. Lane: — Mr. Speaker, I do not expect any tax increases by municipalities as a result of this budget. And I remind the people of this province and the hon. member, that the NDP government in the city of Regina — the city council of Regina, Saskatchewan's only NDP government, has made the commitment that it wouldn't raise taxes well in advance about any speculation about a provincial budget, Mr. Speaker. They made that firm commitment. Secondly, Mr. Speaker, the communities . . .

The Speaker: — Order, order. Order, order. I know it's Friday morning and people are enjoying themselves with question and answer, and it's after the budget, but we're having a little difficulty actually hearing the member. We're having a little difficulty hearing the member so I ask for your co-operation. Order, order.

Hon. Mr. Lane: — Thank you again, Mr. Speaker. We did, and I remind the hon. member again, and even your NDP colleague, the mayor of the city of Regina, welcomed the announcement of a municipal capital program which will be of assistance. And, Mr. Speaker, I believe and I can show in terms of the Regina city council that it has ample opportunities to save money in its operation, and I'm prepared to discuss that publicly at any time.

Mr. Van Mulligen: — Well that's one of the municipalities in this province, Mr. Speaker, and I wonder about the other 845 organized municipalities, and I wonder if the minister has any words for them. But I might say that any words coming from the author of the biggest fiscal boo boo in the history of the Commonwealth are really not well received by municipalities.

Mr. Minister, my question is, by extending your new capital fund to include rural municipalities, urban municipalities will be receiving less for capital projects than they did in 1986. When you cut the same pie into more slices, each municipality gets a lot less. Have you figured that out, or does that elude your masterly control of mathematics, Mr. Minister?

Hon. Mr. Lane: — Well, it's nice to get the slow and painful unveiling of NDP party policies, and we've had some consistent examples of inconsistent policies having been brought forward since the session started, and I want everyone to remember what this hon. member has just said. The NDP today has stood up and disagreed with the first capital program for rural municipalities in the history of this province. He didn't like it.

We have just had the attack, Mr. Speaker, on a capital program for rural communities. At the very time that rural communities need assistance because of the farm crisis, Mr. Speaker, this government came forward with a plan to try and keep rural communities viable. And today the NDP said no to that plan, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Van Mulligen: — Supplementary, Mr. Speaker. Mr. Minister, you and your government will know that municipalities since 1982 have been on your back for more operating funds, for more capital funds. You have denied them. And the question I have for you is a simple one: why have you turned a deaf ear to municipalities in his province?

Some Hon. Members: Hear, hear!

Hon. Mr. Lane: — If you want to know what an MLA sounds like when he's mortally wounded, I think we just heard it, Mr. Speaker.

Some Hon. Members: Hear, hear!

Hon. Mr. Lane: — I do say to the hon. member that we have announced in the budget yesterday a municipal capital financing program. We have announced, Mr. Speaker, initiatives, particularly in the smaller areas, the smaller communities, to try and ensure their viability and survival. We've done that with extending the rural development corporations' eligibility for the venture capital, business associations for smaller communities, the rural capital program, the new capital program for recreational facilities and cultural facilities, Mr. Speaker; and, Mr. Speaker, the previously announced Saskatchewan government growth fund to get \$100 million into primarily rural Saskatchewan to diversify their economy, and above all, Mr. Speaker, to ensure their viability.

Some Hon. Members: Hear, hear!

MINISTERIAL STATEMENTS

Review of The Occupational Health and Safety Act

Hon. Mr. Schmidt: — Thank you, Mr. Speaker. I'm pleased to announce today that I have asked for a review of The Occupational Health and Safety Act and the way it functions in Saskatchewan.

The Occupational Health and Safety Act was first enacted in 1972. Now despite efforts to reduce injuries since that time, there are still approximately 30 lives lost each year in industrial accidents, and an additional 20 in agricultural accidents in Saskatchewan. This causes a great deal of grief to families in Saskatchewan. It also costs money to employers, and the workers' compensation fund annually spends in excess of \$100 million to assist and rehabilitate workers who've been injured.

So there's a lot more that we can do in this area. And therefore I've asked the Saskatchewan Occupational Health and Safety Council to undertake a review and to get the comments and the commitment of employees to protect employees; to promote healthier life-styles by reducing injury, illness, and disease related from work; to promote increased employer, employee, and private sector involvement in work place health and safety.

I've asked the occupational health and safety council to undertake this review and make recommendations to me early this fall. In particular, I've asked them to focus on employer commitment to occupational health and safety, employee involvement, enforcement of the Act, and program delivery issues.

During this spring and summer the occupational health and safety council, consisting of 12 members representative of labour, management, agriculture, medicine, and government, will be soliciting written briefs and entertaining oral representations. It is my understanding that they will be holding hearings in the month of June.

And, Mr. Speaker, I await on behalf of the members here their recommendations, so that this fall we can formulate changes and improvements to occupational health and safety, and enact those through the legislature.

So I ask the public to put their input into this review, and I encourage everyone to participate.

Some Hon. Members: Hear, hear!

Mr. Hagel: — Thank you very much, Mr. Speaker. It is interesting that when the minister announces a review of occupational health and safety, that what he chooses to focus on is the Act and not the administration.

It is well-known within this nation, Mr. Speaker, that Saskatchewan already leads this nation, has provided leadership through its occupational health and safety legislation, largely, I would add, Mr. Speaker, because of the initiatives of the New Democratic Party government in the province of Saskatchewan.

Some Hon. Members: Hear, hear!

Mr. Hagel: — Because the New Democrat government, Mr. Speaker, has recognized the importance of safety for workers in the work place, it has been a priority to ensure that through legislation. I just refer for a moment, Mr. Speaker, to the cynical application of occupational health and safety legislation as exemplified by the minister opposite.

Last year in this Assembly, with unanimous consent of the Assembly, the work place hazardous material information system amendments were made to the current Occupational Health and Safety Act. And as I get around the province of Saskatchewan, despite the fact that it was to be ensured through that change in legislation that WHMIS (work place hazardous material information system) was to be implemented by October 31, in many, many . . . in fact, the majority of work places around the province of Saskatchewan that should be implementing it have yet not. And why is that? The reason, Mr. Speaker, is because that minister opposite does not have the commitment to even enforce the legislation that's in place, including the legislation amendments that he brought to the Legislative Assembly.

So if we want to review occupational health and safety, and I concur it needs reviewing, the minister has focused on the wrong thing. The Act doesn't need improvement;

what needs improvement is the administration of the Act. If he's really concerned about occupational health and safety for the workers of Saskatchewan, all that minister needs to do is to enforce the legislation that's in place today.

And I would suggest, Mr. Speaker, that when this commission starts to receive input from people in Saskatchewan, that if it is reported honestly, and we have reason to doubt the pure honesty that oftentimes comes from the other side, then that will be precisely the point that the working people of the province of Saskatchewan will say the Act does not need major review, but what needs review is the administration and the political will of this government to make the current legislation work.

Some Hon. Members: Hear, hear!

ANNOUNCEMENTS

Appointment of Acting Clerk

The Speaker: — Before orders of the day, I wish to inform the Assembly that our Deputy Clerk, Gwenn Ronyk, has been appointed Acting Clerk of this Legislative Assembly effective April 1, 1989.

Hon. Members: Hear, hear!

ORDERS OF THE DAY

SPECIAL ORDER

ADJOURNED DEBATES

MOTION FOR COMMITTEE OF FINANCE (BUDGET DEBATE)

The Assembly resumed the adjourned debate on the proposed motion of the Hon. Mr. Lane that the Assembly resolve itself into the Committee of Finance.

Mr. Shillington: — Thank you, Mr. Speaker. Before beginning the main text of my remarks, I want to join my colleague from Moose Jaw North in commenting on the proposed revisions to The Occupational Health and Safety Act. I may say, Mr. Speaker, a chill goes up my spine whenever the current Minister of Labour decides he's going to do anything. The member from Yorkton undertook to review The Trade Union Act, and the trade unions in this province have never recovered from that.

The current Minister of Labour reviewed The Labour Standards Act, and the war goes on. It may well be that this government has experienced something akin to a blinding light on the road to Damascus, but I for one wait to see it, and I for one am concerned about what he's doing with The Occupational Health and Safety Act.

With respect to the comments, the monologue of the minister yesterday, let me say that I was struck by a couple of things — struck by the false way that that minister had presented his deficit. I'll get into more of that later. I was struck with the cruelty of the taxes, particularly as they relate to small businesses, to municipalities, to school boards, and to people who drive older vehicles — by and

large, lower income people. I was struck with its incompetence, its failure to deal with the key issues in Saskatchewan — agriculture, the jobless, education, young people.

If there is a single statement which sums up this government's approach to administration, it's the Premier's comments of some 10 years ago almost, when he said that Saskatchewan was so rich you could afford to mismanage it and still come out ahead.

In those days many of us were prepared to be a good deal more generous to the member from Estevan than we are today. In those days we assumed it was hyperbole, the sort of thing we all engage in, exaggeration for the purposes of emphasis, not intended to deceive. No one expected it to be a guiding principle for this government in office, but that is what it has become.

Some Hon. Members: Hear, hear!

Mr. Shillington: — If, Mr. Minister, this government has proved nothing else, it's proved two things: one, that at least they were deceived, they took it seriously; secondly, they could not have been more wrong. Certainly, Mr. Minister, this government opposite gave that comment the acid test. If ever it should have succeeded, it should have been under the mismanagement of members opposite.

Let's just for a moment briefly review this government's record. You repealed the gas tax, reduced oil royalties, ran up an enormous deficit. Now they've reinstituted the gas tax at a rate which is 72 per cent higher than it was when they took office. Thanks to interest payments, we still have deteriorating services and an accumulated deficit of \$3.9 billion, the highest per capita in Canada — all accumulated within seven years.

But the government didn't stop at rifling the province's finances which had been well managed through a number of administrations. They went on and fired a large number of career public servants who were competent administrators and replaced them with political hacks who had no idea of what they were doing. There's an endless number of examples. I'll mention the name of Paul Schoenhals whose experience consisted of kicking a ball around a field for several years, then he got elected . . .

An Hon. Member: — Without a helmet.

Mr. Shillington: — Then when he got defeated . . . The member from Moose Jaw North opines that it must have been without a helmet. Then when he got defeated he was appointed chairman of one of Canada's largest mining corporations, the Potash Corporation of Saskatchewan — could not have been less qualified for the job.

If the management of the province's fiscal affairs could only be described as irresponsible, if they were cruel with respect to the treatment of public servants, the stewardship of this province's Crown corporations is completely irrational — irrational, unless you assume that members opposite were engaging in a scorched earth

policy; irrational, unless you believe that members opposite were attempting to discredit the Crown corporations so that the public would accept their sale.

An Hon. Member: — And a pretty good job of it.

Mr. Shillington: — Well, they've done half of a pretty good job. They've wrecked the Crown corporations. But the public, Mr. Speaker, of this province are more determined than ever that they shall not succeed in selling the Crown corporations.

Some Hon. Members: Hear, hear!

(1045)

Mr. Shillington: — Fiscal mismanagement, destruction of the public service, an intentional overt effort to discredit the Crown corporations — all of this pales beside their record with respect to patronage.

Mr. Minister, and Mr. Speaker, that's normally a sign of old age, normally a sign of a government that's getting long in the tooth when it's more concerned about its friends than it is about those who elect them. This government has made patronage a cornerstone of its policy from the very beginning. There are any number of examples, people who could be held up, people of marginal competence, hired at exorbitant salaries.

The patronage doesn't stop there. Examples continue to pour out. The latest example, Remai, who was hired as a consultant to do a study to tell the government whether or not they ought to lease some over-priced space from him. Lo and behold, what did the study say? That they ought to lease the Renaissance Hotel; they did. They left it vacant for a period of time. When that became an embarrassment, they emptied other space, filled up the Renaissance Hotel, and now the other space is vacant. Hundreds of thousands, if not millions of dollars; for what purpose? To help out a pal, nothing more.

Since this government has taken office, its spending has gone up by 57 per cent. Our rate of inflation has only been 38 per cent. Spending has gone up by almost half again as fast as inflation, while services have deteriorated badly. One might ask why that's happened. It's happened because patronage is a very, very expensive way to run a government, and that's how this government has run this government.

There's an old Scottish proverb, "Wilful waste makes woeful want."

If members opposite see their inability to respond to the needs of this province, its educational system and their silence on it; if the pleas from farmers who are going bankrupt are unheard; if you notice the complete neglect of the joblessness, then you're reaping the results of a naive and foolish boast that Saskatchewan is so rich you can afford to mismanage it and still come out ahead.

Mr. Speaker, I want to turn briefly to what has become an absolutely fixed in the firmaments, an absolutely fixed feature of this government, and that is its deficit budget.

Unlike the minister, I propose that we face reality for a moment. Mr. Minister, our deficit did not decrease last year, it increased. It has increased to the point where it is Canada's . . . it is the highest per capita deficit in Canada, a fact noted by the director of the Canadian Federation of Independent Business last night.

Mr. Speaker, this budget adds to that. It's brought in a deficit of 226 million. All this has happened in a very short period of time, and we can recount in a moment the progression of this deficit.

The first budget brought in by this government put the government 227 million in debt. That single deficit was almost three times the total accumulative deficits of the province since confederation. Then, Mr. Minister and Mr. Speaker, the next budget after that increased it to 558 million, and the one after that to 938 million. Then on the fourth try we broke the billion dollar mark and ended up 1.5 billion. The minister would like us to believe . . . But the next one really caught him off guard, it took us up to 2.7 billion. The 1987 budget brought us up to 3.2 billion, the 1988 to 3.6 billion, and now it's 3.9 billion.

This minister apparently says he's getting his deficit down. A strange way. Mr. Minister . . . or Mr. Speaker, I kind of like that logic. I had a birthday recently, and I've been telling everybody I'm getting younger every day. I'm getting some assistance in that logic from the Minister of Finance.

Mr. Speaker, and even if you accept the distorted view of the minister opposite in his comment that he's reducing the deficit, it's only applicable if you believe his figures, and quite frankly I say to the minister, who does? Who believes you? It's apparent, at a casual glance at this budget, two things are apparent: one is that the deficit is reduced only by a highly artificial mechanism of taking money from the Crown corporations, which isn't available on a sustained basis. It's also apparent, Mr. Speaker, that this government is a good deal further from an honest balanced budget this year than it was last year.

I note with interest that the minister's claiming that he doesn't anticipate a decrease in established program funding. I'd like to recommend something to the minister. I'd like to recommend a telephone. He might then call his deputy Finance minister who has told us that the province does expect a decrease in equity funding. This minister, in fact, says he anticipates an increase. Despite everything said to the contrary by Michael Wilson and his own deputy, he just goes on anticipating increases in revenue.

I'd also like to point out that in a period when alcohol consumption is decreasing, they anticipate a 40 per cent . . . 43 per cent increase in revenue from the Liquor Board. As with the dividends from the Crown corporations, which I'll get to in a moment, you can do it once, but you can't do it twice, and the minister is being dishonest with the public of Saskatchewan and this Assembly when he claims that that kind of a mechanism, that the use of those mechanisms is reducing the deficit on anything like a sustained basis.

I want to address for a moment the curious transfer of 200 million in revenues from the Crown corporation. He

refers to it as a dividend. As his own documents show, no such dividend was taken in previous years. The question then arises as to whether or not such a dividend is going to be available year after year. Is it sustainable?

A review of the minister's actions, and that of his officials, suggest that it is not sustainable. The minister has expressed alarm at the level of indebtedness of Crown corporations. Indeed, two years ago he relieved the Potash Corporation of Saskatchewan of all its indebtedness on the basis that that indebtedness was more than the Potash Corporation of Saskatchewan could carry. The taxpayers are substantially stuck with that debt.

Recently, Mr. George Hill, chairman of the Saskatchewan Power Corporation, justified the selling of SaskEnergy on the basis that SPC needed to reduce its debt.

They're back in the market, Mr. Speaker, according to their own documents, borrowing another 700 . . . \$689 million for the Crowns which are apparently already groaning under the weight of an unsustainable debt.

All of this suggests that the slightest touch of good management would lead you to use the 200 million that's available, not as a dividend but to reduce some of that debt and to avoid further borrowings. You are in effect borrowing, you are in effect taking money from the Crown corporations which must then borrow at a level which is already unhealthy. In those Crown corporations . . . in these circumstances, to take \$200,000 from the Crown corporations is a phoney and dishonest way to reduce this year's deficit. It certainly is a method that can't be sustained in the future.

Some Hon. Members: Hear, hear!

Mr. Shillington: — But then this government opposite doesn't care if it can be sustained in the future. All this government cares about is getting past the next election. The integrity of your budgeting process doesn't concern you a bit.

Let's just grant, for the moment, the Minister of Finance a very rare privilege: let's believe what he says. I'm getting howls of disagreement. No one's prepared to do that. But for the sake of discussion, let's just grant the Minister of Finance this very ever-so-rare privilege. Let's accept what he says. Let's accept that there is \$200,000 available from the Crown corporations . . .

An Hon. Member: — 200 million.

Mr. Shillington: — . . . two hundred million, thank you. Let's accept there's \$200 million available from the Crown corporations on a sustained basis, and that can be done year after year. If you accept that then what, pray heaven, is your argument for selling the Crown corporations which make the most money?

Some Hon. Members: Hear, hear!

Mr. Shillington: — Surely it must be obvious, even to the Minister of Finance who has such difficulty with grade 2 arithmetic, surely it must be obvious to him that if you sell such a rich cash cow you can only watch your deficit

balloon upwards.

I say to members opposite, you can't have it both ways. Is it an unsustainable, one-time-only grab of money from the Crown corporations, which they cannot afford to give up, or is it sustainable? In which case, the obvious question is: why sell off the Crown corporations which are making the most money?

You owe it, I say to members opposite, you owe it to be honest with the public of Saskatchewan, as you have not done in the past, and if you don't do it in the future you do so at your peril.

Some Hon. Members: Hear, hear!

Mr. Shillington: — I say, Mr. Speaker, to members opposite, that I think both are accurate. I think this budget is cooked, and I think your privatization rationale is nothing but a deception. I think you're wrong on both.

Mr. Speaker, I think an honest bookkeeper would look at the figures presented by the Minister of Finance and conclude that this deficit is really very close to \$500 million. I invite you to draw, and I invite members of the public and members opposite, to draw their own conclusions, and draw their own conclusions as to why the minister cites such a different figure.

I point out that he tried in 1986 to cook the books so that the public of Saskatchewan going to the polls would not know how badly he mismanaged the economy. I think the revelations which have come from the Public Accounts Committee are nothing short of incredible. I cannot imagine a Minister of Finance in any other government surviving those sort of revelations. We have it from his own department that he knew the figures were inflated when he presented them. His department described the inflation as ministerial discretion.

I may say, Mr. Minister, I think . . . Mr. Deputy Speaker, I think a grave injustice was done to the former member from Wilkie who resigned when he misled this House on a trifling point by comparison. I say, Mr. Deputy Speaker, how can you . . . how could this government have asked the former minister of Highways, the member from Wilkie, to resign with respect to a \$200 airplane ride when this minister has apparently been guilty of ministerial discretion with respect to hundreds of millions of dollars. I say this minister cannot continue in office.

Some Hon. Members: Hear, hear!

Mr. Shillington: — It's also apparent, Mr. Deputy Speaker, that this minister knew throughout the year that those figures were inflated, and he knew throughout the year that the expenditure side of the ledger had also increased beyond what they had stated, yet he continued to maintain that that deficit was accurate. I say to the public of Saskatchewan, this government doesn't place any value on the integrity of its budgetary process. I don't expect this minister to resign.

And if the public are despairing of this government ever getting its financial house in order, I say a time will come to balance the books, and it's not going to be that far

away.

I'd like to make a comment as well on the question of taxes. With respect to that monotone yesterday, I'll venture to say that within an hour of the speech being given there wasn't a half a dozen people in this province who could repeat a single sentence of it. It's largely forgotten.

But I'll tell you what isn't forgotten, Mr. Deputy Speaker. What isn't forgotten is the increase in taxes. The public of Saskatchewan know that as of 12:01 this morning their gasoline tax, which they were promised by members opposite would not exist as long as this government was in office, went up again.

(1100)

And I have to say, Mr. Speaker, that the people of this province are disheartened. I doubt, however, that they're shocked, coming from this government. They've learned just how far they can trust this government and this Minister of Finance. Everyone in this province has been put in the position of paying a 10 cents a litre gas tax and a 45 cent a gallon tax. They say they'll rebate it, but that's 12 to 14 months down the road, and that assumes they'd have no use for the money in the meantime.

I have to say, Mr. Speaker, that there's a goodly number of people in Saskatchewan who desperately hope that in 12 to 14 months down the road, when those cheques arrive, they arrive bearing a different signature.

Some Hon. Members: Hear, hear!

Mr. Shillington: — I have to point out, Mr. Speaker, that the Minister of Finance wants the people of this province to believe that only out-of-province guests — one should question the wisdom of taxing tourists — but only out-of-province guests will end up paying this. Nothing could be further from the truth; nothing could be further from the truth.

I pointed out in the question period that a taxi driver, perhaps a very typical Saskatchewan small business, working 246 days a year, taking off weekends and three week holiday, will pay \$5,000 in gas tax. He's not in any immediate sense able to pass that on. That comes right out of his pocket as a small-business person.

A trucking firm with 12 diesel units per year will pay \$107,000 in gas tax. They may be able to pass it on more readily. A bus company with 12 buses will pay \$20,000 a year. That's going to get passed on; it's going to get passed on to you and I as ratepayers and as taxpayers. The city of Saskatchewan will pay an additional . . . will pay \$695,000 a year. School boards will pay 2.7 million a year. None of these people are going to find this gas tax to be revenue neutral, to use the expression of the minister opposite.

Some businesses will be able to raise their prices, and to that extent they pass it on to us as consumers. Local governments will raise property taxes and we, as ratepayers, will pay it. It's passed on to the average family and the average person in this province, where the

minister would have us believe it's been left unscarred.

Mr. Speaker, I want for a moment to turn briefly to the inherent unfairness in this tax system, an unfairness which gets worse as each year goes by, foisted on the people of this province by a government that feels it has to pay its dues to big business which bankroll its election campaigns. Taxes on individuals' income, sales tax, fuel, gambling, will increase by \$145 million. At the same time this government has the audacity to give a 2 per cent tax decrease to large corporations — this in a year when Saskatchewan people are seeing their purchasing power shrink; at a time when big business — if one is to believe the *Globe and Mail* — enjoyed an increase in profits of 59 per cent.

We say, Mr. Speaker, that's wrong. Moreover we say it shows an unparalleled contempt for the now less than one million people in this province who elected this government in the past and, I suggest, are unlikely to do so again in the future.

Some Hon. Members: Hear, hear!

Mr. Shillington: — This minister and his predecessors often spoke of tax reform. If he asked anyone in the street what they thought of as tax reform, they'd think of it as making the tax system fairer, not dreaming up ways to sock it to relatively low income people while letting big business off paying less taxes.

I'd be remiss if I didn't mention the so-called hospital tax on the hospital tax which was introduced this year — the Byzantine complexity of a tax called a hospital tax which taxes lotteries which are said to raise revenue for hospitals. It's therefore, Mr. Speaker, I assume, a safe assumption that it's called a hospital tax because it's taxing hospitals. I assume that that's the rationale. It certainly can't be called a hospital tax because the revenues go to hospitals. They don't, of course; they go into general revenues.

This raises \$26.5 million in tax, a tax that the government admits it has no idea how it's going to collect. And there's some interest in that. Almost all forms of gambling in this province, whether it be the Progressive Conservative pull-a-ticket, which I saw the other day — I didn't buy one; didn't support that charity — or whether it be the Kinsmen selling 6-49 tickets or the church bingos — almost all forms of raffles, bingos, lotteries in this province are conducted by charities, very, very few of whom are geared up in an accounting sense to collect the tax, account for it, and remit it.

I say, Mr. Speaker, that this tax is going to be an enormous nuisance for many of those charities who are already struggling to pick up and fill the vacancy left by the government opposite as the social net collapses.

Mr. Speaker, I want to turn for a moment to agriculture. I don't need to state the situation is critical. Saskatchewan is losing 1,000 family farms a year. Faced with ever increasing debt loads and a plummeting income, farm families need predictable . . . Yes, and faced also with some vicious creditors, some of whom are agents of the Crown in the right of the province.

Two of the most difficult creditors that farm families deal with are the Farm Credit Corporation of Saskatchewan, a federal Crown corporation, and the Agricultural Credit Corporation of Saskatchewan, a provincial Crown corporation, the Premier himself being the minister in charge — two of the most difficult creditors.

In this sort of an atmosphere farm families need predictable, rational, well-planned agricultural programs. What has this government done, Mr. Deputy Speaker? This government constantly tells people of this province that farm families, rural people, rural communities, agriculture are at the very top of its priorities. What's it done though, as distinct from what it says? What it has done is cut spending in the departments of Agriculture and Rural Development by \$50 million. If you believe next year's estimates, then the amount spent next year will be \$50 million less on agriculture. The buck was spent last year — a budget cut of \$50 million at a time of crisis for our family farms and rural communities.

Did the budget mention this trifling fact, Mr. Speaker? No, it did not. The drought, the rising interest rates, low commodity prices, high input costs, excessive subsidization by the United States and the European Economic Community, our family farms are falling by the wayside. And what has this government done for farmers and farm families? Nothing. This government can find no money for families severely affected by last year's drought, but it does have \$9 million for a birthday party that everybody says they don't want. And the people who are most vociferous in making those comments live in rural Saskatchewan.

Some Hon. Members: Hear, hear!

Mr. Shillington: — This government offers no programs aimed at reducing the high interest rates that are strangling many farm families, but there's millions of dollars for PC public advertising.

There's nothing to address the income stability crisis, nor is there a mechanism aimed at reducing the crushing debt load, but there's \$34,000 a day to rent empty office space from John Remai, a friend of this government. Outright incompetence, Mr. Deputy Speaker, outright incompetence, waste and mismanagement of taxpayers' dollars.

The only thing this budget gives is a clutter of ineffective programs which are not in any sense co-ordinated.

I want to mention one of them, and that's equity financing. Mr. Deputy Speaker, some of the financial institutions — they will now go mercifully unnamed — tried to sell equity financing and they didn't succeed; they gave up, with good reason.

Mr. Speaker, my family left Ireland 180 years ago to escape just this sort of a land-owning system, and so did the . . . and the member from Saskatoon and Moose Jaw North left central Europe for those very same reasons. They came half-way around the world, faced incredible hardships with no hope of ever returning. Why? One word served as a magnet — land! Land; they owned their

own land. Now, less than a century later, this government wants to return us to the same land-holding system whereby those who work the land don't own it.

Some Hon. Members: Hear, hear!

Mr. Shillington: — The people of this province say no. And if you persist with this idea, they're going to say no in a very convincing way when you call the election.

Some Hon. Members: Hear, hear!

Mr. Shillington: — When asked in Moose Jaw . . . and just to make the scene complete, when asked in Moose Jaw, who on earth would want to invest in Saskatchewan land when we can't make any money on it? the Premier's response was accurate but tragic, and that is that overseas investors would be attracted by cheap land and cheap labour.

Well I say to the members opposite that this party will offer the public of Saskatchewan something but cheap land and cheap labour. We won't be offering them equity financing; we'll be resisting this one all the way.

Some Hon. Members: Hear, hear!

Mr. Shillington: — I want to deal for a moment with another failing of this budget. I would not have thought in a period when we had the highest unemployment, I think, in this province's history, that we would have — and the highest out-migration in this province's history — we would have a Minister of Finance bring in a budget in which the word "jobs" never appeared. The word was never in the budget.

This budget made absolutely no mention of the hundreds of men and women who are unemployed. Today in Saskatchewan one in 11 people is without a job — one in 11 — and this government didn't even mention it in the budget. Not one new job created in this budget — 43,000 people unemployed and not one new job creation program — and the result in graphic terms is out-migration. Last month over 6,000 people left this province in search of jobs and economic opportunities in other parts of the country. I venture to say that most of those people are the young, the bright, the energetic — the people that we can least afford to lose.

Mr. Speaker, this government's response was to cut opportunities, the opportunities student summer program by 22 per cent. That in itself is a loss of a thousand jobs and will soon show up as a loss of a thousand people. Instead of implementing programs to provide young people with jobs and opportunities in this province, this government drastically cuts funding for one of the very few job creation programs it has. Given how little this budget offers in the way of job creation and employment opportunities, the people of Saskatchewan are going to be driven out of the province in ever record numbers.

(1115)

Perhaps, though, Mr. Speaker, there's one bright cloud in all of this. Someone has thought of a way of balancing the budget for the Minister of Finance — just levy a head tax

on people who are leaving the province, the only growth industry we've got.

I want to mention education as well. With apologies to Winston Churchill, never have we seen so little spread so thinly among so many. Indeed, after all the rhetoric in that budget, education didn't make any gains financially; education lost ground financially.

There's been a miserly 3.8 per cent increase in operating grants to primary and secondary schools, 2 per cent to universities, and in the area where I think that the greatest congestion exists, the technical institutes, less than 2 per cent — 1.3 per cent. With respect to all of these education institutes, after inflation, that's a decrease.

Over the years, Mr. Deputy Speaker, the share of provincial funding for primary and secondary education has declined. In 1980, the provincial government's grants accounted for 56.7 per cent of school funding. By 1987, the last year for which figures are available, this had dropped to 49 per cent. And this is having some very serious consequences, and not just for property owners.

Members of this side of the Assembly, at least, were shocked this month to read an internal study produced by the Saskatchewan School Trustees' Association which showed that the grade eight to grade 12 drop-out rate had increased by 50 per cent during that same period of time since 1980-81. This budget makes no reference to young people leaving school before completing grade 12, and it takes no action to reverse this. In today's rapidly changing world, a high school education is an absolute minimum. Without it, the future opportunities are going to be very rare and very limited, and this budget has done nothing to address that alarming trend.

The situation is essentially the same in the universities. The quality of the universities is under threat as never before. Hundreds of young people are denied access every year. Tuition fees rise. All of this because the government would rather spend money on advertising — buying lease space from John Remai, birthday parties — than spend money giving young people the education they deserve.

I say, Mr. Speaker, this shouldn't need to be stated because this should be accepted among all decent people, but it's our position that every young person should have access to as much education as they can use. That's our position.

Some Hon. Members: Hear, hear!

Mr. Shillington: — If, Mr. Deputy Speaker, we were not to deal with the problem which we insist must be done, if we were just to try to hold the line, the report on accessibility released by the University of Saskatchewan pointed out that an increase of \$11 million in operating grants was absolutely necessary this year. This is simply to maintain the present number of students and allow access to students in the future.

This budget provides a 2 per cent increase in operating budget, and that means an increase in the number of students who are going to be denied access. I recognize

the ... (inaudible interjection) ... Well the member from Weyburn wants some assistance in dealing with his own budget. Well the members of this side are quite prepared to give him some assistance.

What the universities need is not program enhancement, which is what that money's certainly designed for. What the universities need is more money to pay the profs, to sweep the floor, to clean out the garbage, to maintain the buildings. They need operating money, and that's what is not in this budget.

If it's bad in schools and it is worse in universities, it's going to be really tragic in the technical institutes which now go under the name of SIAST (Saskatchewan Institute of Applied Science and Technology). It is a fact that one in five young people who apply to enter Kelsey Institute in Saskatoon are being denied the opportunity. And this situation is only going to grow worse, given the fact that this government has increased funding for SIAST by only 1.3 per cent on the operating side.

This budget ensures that that tragic 50 per cent figure is going to go higher. There'll be more young people dropping out of high school in record numbers, and even greater numbers of young people being denied access to universities and technical schools. In short, this government is denying young people the future they deserve, the hope and opportunity which has always been the birthright of young people of this province.

Mr. Speaker, time is going on. Other members will have comments they want to make. I want to just conclude with one observation that I think is becoming increasingly apparent to members here and members opposite. We have a government that is so tired and so worn out that it won't even go through the motions of paying lip-service to this province's number one problem, the jobless. It silently slashes the one miserly job creation program which we had. This government is so bankrupt it offers rural Saskatchewan only a confused clutter of ineffective programs, and that to these people who have sustained this government in office. Indeed it's cut \$50 million from its spending in rural Saskatchewan at a time when rural Saskatchewan legitimately cries out for help.

It's a government which is so obsessed with its own impending defeat it's apparently unaware of the crisis in agriculture, blind to the young people who stare into a future devoid of hope.

It's a government which shows its contempt for the public and for the basic principles of integrity which have traditionally governed the presentation of budgets.

I've been asked so many times, Mr. Deputy Speaker, if I think this is an election budget. My response is: my, how I hope it is an election budget!

Some Hon. Members: Hear, hear!

Mr. Shillington: — Let me make two facts which are becoming increasingly obvious. This is a budget which will defeat this government, and this is a government which deserves to be defeated.

Some Hon. Members: Hear, hear!

Mr. Shillington: — The young, the jobless, rural Saskatchewan, small business, all deserve better. And when this government is finally forced to call an election, I'm satisfied they're going to elect a new government led by the member from Saskatoon Riversdale.

Some Hon. Members: Hear, hear!

Mr. Shillington: — In five days this Assembly will pass its judgement on this budget. I'll be here and I'll be joining the majority of people in Saskatchewan. I'll be expressing my dissatisfaction; I'll be voting against it, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Neudorf: — Thank you very much, Mr. Deputy Speaker. It gives me a great deal of pleasure to participate this morning in this debate on the budget that was so eloquently delivered to the people of Saskatchewan yesterday by the Minister of Finance. And I certainly look forward to expressing my viewpoint on this budget and also reacting somewhat to the criticisms brought forth by the critic on the opposite side.

Yesterday, Mr. Deputy Speaker, I think that we started the day off in typical fashion in Saskatchewan. It was foggy, it was cloudy, a typical Saskatchewan day. But I must say, Mr. Deputy Speaker, that as the day progressed, it became very, very positive for the people of Saskatchewan.

I took particular delight, Mr. Deputy Speaker, yesterday, along with the visitors in the galleries and indeed, I suspect, with most of the viewers on television watching the proceedings, as we watched the members opposite during question period trying to set up the Minister of Finance as they knew that he was going to be momentarily delivering his budget. And I took a great deal of delight seeing how member after member had to sit down in embarrassment after trying to corner the Minister of Finance and then in turn fall victim to his masterful debating skills.

But I say that with a bit of caution lest I get carried away in my compliments and be accused of collusion with the minister. But I have to admit that it was a relatively easy thing for him to do, considering the material that he had to work with and the opposition critics that he was facing.

Then, Mr. Deputy Speaker, as the budget speech unfolded, I must admit that I took some chauvinistic delight as the opposition faces became longer and longer as the significance and the positiveness of the budget speech became apparent to all.

In fairness to the member opposite, I think it is difficult to always be negative, to always find some negativism even in some things as positive as this speech was. And I enjoyed, with my colleagues, watching the opposition financial critic tearing up his prepared text, his prepared notes, as he was trying desperately to come up with some credible response to this budget speech that obviously took them by surprise. And I have to submit to you, Mr. Deputy Speaker, that he failed in his attempt to do so.

And of particular significance was the fact that there was no criticism in his preliminary remarks yesterday, none whatsoever, in the field of education and in the field of health. His total silence on those vital issues was deafening. And I submit to you that only feverishly, working all night long trying to find something negative about it, was he able to come up with some statements, limited as they were, this morning.

I understand, Mr. Deputy Speaker, from some of my colleagues that the financial critic on the opposite side took the opportunity in the media yesterday, as he did this morning as well, to indicate to the people of Saskatchewan that he felt that this was an election budget. Well, Mr. Deputy Speaker, I'm glad to note that he was so impressed with the positive tone of the budget speech that he felt it was leaning in that direction. I submit that the Premier is the only individual who knows when this election is going to be called, but I submit to you that if this is a mid-term budget, just imagine what we are going to be able to do in a year or two from now.

Some Hon. Members: Hear, hear!

Mr. Neudorf: — So, Mr. Deputy Speaker, I commend the member from Qu'Appelle-Lumsden, the Minister of Finance, on his budget speech. It is a budget speech that underwrites and underscores this government's continued commitment to the people of Saskatchewan. And our commitments speak for themselves.

The budget speech exemplifies the high priority that we put on issues such as education, health, agriculture, and the environment. We've always placed a high priority on these areas and we will, we will continue to do so.

Mr. Speaker, for a moment here I want to reflect on issues concerning health. Now as you may know, I am the chairman of the government caucus committee on health, and as such I am very cognizant of some of the developments that we have been pursuing over the last while. And I, along with my colleagues, am particularly proud of our accomplishments in health.

Our government, Mr. Deputy Speaker, was the first to break the billion barrier, the billion dollar barrier for health care expenditures. And this budget, Mr. Speaker, carries forward that strong and undeniable commitment — expenditures of \$1.4 billion. That, Mr. Deputy Speaker, is a sum that has never been matched.

Health care funding has increased by over \$130 million. That, Mr. Deputy Speaker, relates to an 11 per cent increase in this one year, an 11 per cent increase, and since 1981 it represents a 91 per cent increase in health care funding. That is almost double in that brief period of time.

Some Hon. Members: Hear, hear!

(1130)

Mr. Neudorf: — That has almost doubled, Mr. Deputy Speaker, and takes up over one-third of the entire budget of this provincial government. And I submit to you, Mr.

Deputy Speaker, that is commitment. We are continuing to build in this province. Upwards of \$64 million is being provided for the construction and renovation of hospitals and special care facilities in this province.

Mr. Speaker, the budget includes \$646 million for nurses and support staff salaries, including funding for 370 new additional positions. That, in addition to 746 positions that we have already done, means 1,116 new nursing department positions, and I submit to you, Mr. Deputy Speaker, that that is commitment.

Some Hon. Members: Hear, hear!

Mr. Neudorf: — Further, \$12.3 million has been allotted for equipment purchases to ensure that hospitals can upgrade equipment and purchase high technology equipment to keep pace with the fast-advancing technologies that are available in medical care.

Our government has a long list of first time accomplishments that are recognized throughout this country. We have the Wascana Rehabilitation Centre, a state of the art facility, Mr. Deputy Speaker, a centre which is unsurpassed, I suggest, anywhere in all of Canada. We have the new cancer clinic in Saskatoon which, I might add, Mr. Deputy Speaker, our family is only too familiar with, but we are grateful that it is there. It is one of the most modern in Canada. The cancer clinic contains world class equipment, Mr. Speaker, and it's doing a world class job.

Look at our centres of excellence in that same city, Mr. Deputy Speaker, hospitals that are highly specialized in varying fields of medicine, and new hospitals at that, I might add, Mr. Deputy Speaker. Our government built all those centres of excellence.

Look at our computerized health card. In January of this year, that card was distributed to all Saskatchewan residents. That health card holds more potential, I believe, than most people realize. It has the capability to retain, on that one tiny magnetic strip, its holder's entire medical history. That tiny plastic card, through technology, has the potential to save someone's life. In the future it is capable of telling doctors in an emergency that the patient may be allergic to penicillin, or whatever the case may happen to be. It will have on it your medical history.

And this has caught world attention, Mr. Deputy Speaker. The world is literally knocking on our door, trying to find out what, number one, prompted the Government of Saskatchewan to do this, how we are going about it. They want to follow suit. Mr. Deputy Speaker, we are leaders.

Speaking of health care, I feel compelled to discuss another important program that was initiated by this government. The Everyone Wins promotional program: emphasis on preventative health. This program, Mr. Deputy Speaker, will benefit all of Saskatchewan today, not only today but also in the future. It's an important program, Mr. Deputy Speaker, with its main purpose being to motivate individuals, not only individuals but also communities in Saskatchewan, towards healthy life-styles. It will improve the overall health of our

citizens. This government promotes preventative health care.

We look forwards towards providing solutions to the ever-rising and ever-increasing costs in supplying health care to our residents in Saskatchewan. We listen to the people of Saskatchewan and we go to them for suggestions. The Saskatchewan Commission on Directions in Health Care is doing exactly that, and we are receiving invaluable input from health care professionals and the people of Saskatchewan.

In my viewpoint of this commission, as I go around the province sitting in on many of the hearings in Saskatoon, Regina, Melfort, Swift Current — you name the areas where this commission has been — and I continually see sincere professionals, volunteers, both consumers of our health care system and also the providers of the health care system putting in their input, making their suggestions to give guidance to the commission on its report which will be presented later on, perhaps at the end of this year, to the province of Saskatchewan, to the Government of Saskatchewan, so we can make sure that we are going in the right direction.

Now, Mr. Deputy Speaker, it wasn't my intention to dedicate this entirely to health, so I'll go on to a few more areas that I want to address. Mr. Speaker, our government is continuing to pursue long-term solutions to that nagging problem of farm debt.

This budget, Mr. Deputy Speaker, provides financing initiatives to assist farm families and to encourage our province's young men and young women to choose farming as a career. Twenty-two million dollars has been allocated to agriculture R&D, to research and development in agriculture. And 7.7 million has been allotted for irrigation grants to farm families, agricultural biotechnology and food processing, and commercialization.

This budget provides funds for a three-year, \$54 million soil conservation agreement with the federal government. And I think all members on this side are fully aware of the significance of soil conservation, particularly during the tough, drought-stricken times that we are finding ourselves in.

And I suggest to you, Mr. Deputy Speaker, that agriculture undoubtedly is the foundation of our provincial economy, and our government is committed to the farm families of this province. It goes without saying, that as goes the agricultural economy, so goes the economy of this province. That's inescapable. And so this government has adopted a strong commitment to agriculture. We have pursued our own innovative policies and lobbied aggressively for federal, national policies which will help to strengthen the industry and protect our province's family farms.

I'd like to draw your attention to a program that we established in 1986, and I refer to the production loan program. Now the production loan program affects literally every farmer in this province. For some perhaps, like myself, it was not necessarily needed, and I did not take advantage of it, but even there, even for these

farmers, the fact that it is there, the fact that that protection is there gives these farmers that peace of mind, that security of knowing that the security is there. And we provided over a billion dollars, \$1.1 billion in low interest loans.

The production loan program offered a three-year repayment program originally, and when some farm families, through no fault of their own, found it difficult to make those payments, we offered them an alternative. A repayment option accommodated the farm families that were having difficulty, Mr. Deputy Speaker. And I submit to you that this government cares about farm families.

The agricultural credit corporation was established to provide low interest loans to Saskatchewan farm families. Mr. Deputy Speaker, the mandate of the ACC, or Agricultural Credit Corporation of Saskatchewan, will be extended to include debt financing for viable farm operations. It will include financing for home quarter and necessary farm related facilities. It will also include long-term financing to cover the first year's start-up costs.

The ag credit corporation's restriction on off-farm income will be removed, and this will eliminate any disadvantage to farmers with off-farm employment, an extremely critical decision, I believe, made by this government to address changing needs, to address the changing conditions on the farm.

And through this corporation our government will also be initiating a vendor mortgage guaranteed program, and that is an exciting prospect, Mr. Deputy Speaker. It will provide financial security for retiring farmers, and it will facilitate this inter-generational transfer of farm lands, a problem that has always existed with dad wanting to retire and yet having the problem and the difficulty of passing this land on to the younger generation and still give him some security in terms of his life's works, his investment that is tied up in the farm. This, Mr. Deputy Speaker, will facilitate that inter-generational transfer.

In addition we also established The Farm Land Security Act to protect our farm families. We responded to drought conditions, high feed costs by introducing the livestock cash advance program. Money — \$125 for beef, 25 for hogs, 3 for sheep, cash advance, operating capital, Mr. Deputy Speaker — interest free, a program saving producers an estimated \$22.4 million interest costs every year, every year of that program. Mr. Deputy Speaker, we protect our farmers in rough times.

And I can go on and on with our government's initiatives in the agricultural scene, but I do believe I have made my point. We do care. We do care. And I would like to conclude that section by indicating once more that this government has done more for agriculture than any other government.

We have made tremendous achievements in other areas as well, Mr. Deputy Speaker; for example, education. The list in education is lengthy. The PALS (Principle of the Alphabet Literacy System) program, I could go into that. Distance education, I could go into that — extremely vital and important to our rural communities. SCAN (Saskatchewan Communications Advanced Network)

program, I could go into that.

But, Mr. Speaker, all of these programs were initiated by our government. And as a former educator, a teacher, I am very proud of this government's education record. And certainly I'm looking very enthusiastically toward the future, and some of the programs that we are intending, through the direction of the Minister of Education, to implement. We have made education more accessible to the people of this province by implementing some of the programs that I've just made reference to.

This budget reaffirms our commitment to education. We will spend \$841 million this year to ensure our citizens have access to top quality, basic schooling, skills training, and other educational opportunities. That is an increase, Mr. Deputy Speaker, of \$52 million over last year's budget. To put it in terms that many of our listeners can perhaps relate to a little bit more, that is a doubling, a doubling of our educational expenditures since 1981. So I submit to you once more, Mr. Deputy Speaker, that this government recognizes the importance of education.

To assist welfare recipients to obtain job skills, training, the New Careers Corporation will invest about \$5.5 million in training projects, and that, Mr. Deputy Speaker, is an increase of 50 per cent.

(1145)

This budget provides nearly \$31 million for the construction and the renovation of schools. Our government's commitment to education is reflected in my own constituency, Mr. Speaker, the constituency of Rosthern. And I'm going to list a few of the things. And I'm almost embarrassed, I must admit, to list some of these things, simply because I think the list is so impressive. And for a while there, I thought that everything in the province's budget was going toward the constituency of Rosthern, until I did a little bit of investigating and I find out that even my colleague here from Lloydminster is getting his fair share. It's indicative, I believe, Mr. Deputy Speaker, of what this government is doing, not only in the constituency of Rosthern but indeed throughout all of the 64 constituencies in this great province of ours.

So in the constituency of Rosthern, I have since 1982 seen the construction of five new schools in my constituency — five, Mr. Deputy Speaker — with another one approved for the town of Martensville in 1990. Our government's contribution to this \$3 million project is estimated to be \$2.56 million.

And while I'm mentioning Martensville, Mr. Deputy Speaker, the fair town where I have my office as well, I can report another 11 per cent increase affecting that town. This 11 per cent increase is not for health care, Mr. Deputy Speaker, but instead 11 per cent increase in revenue sharing for the town of Martensville. And that in itself means an increase of \$366,000 for the residents of the town of Martensville.

Mr. Deputy Speaker, that's not all. In my constituency, a number of schools have been making extensive renovations in their institutions. I could mention Clavet, I could mention Hague, Rosthern, Dalmeny. And over \$9

million has been contributed by the government to the constituency of Rosthern from '82 to '87 for renovation and construction of our schools, and I have not even tabulated last year's figures and numbers into that figure — over \$9 million, and another school on the way for the constituency of Rosthern.

This government, Mr. Deputy Speaker, builds. Not only do we build schools but we build health care facilities. In June of 1986 the new Dalmeny nursing home was completed, a new 36-bed facility, and our government contributed substantially over \$2 million to this \$2,223,000 project.

A 30-bed addition has been approved for the Rosthern Mennonite Nursing Home at an estimated cost of substantially more than \$3 million.

The Rosthern Union Hospital has undergone numerous renovation projects since 1982.

Mr. Deputy Speaker, I'm proud of those additions; my constituents are proud of those additions. In my constituency of Rosthern, 432 new jobs have been created through our government's home program, and wherever I go in the small towns in my constituency, carpenters, drywallers, lumber yard owners are saying, hey, I didn't have to go on pogeys this summer or this winter. I had a job; there are things; there is activity; there is economic activity being created, new jobs being created by some of the programs that this government has come forth with.

Some Hon. Members: Hear, hear!

Mr. Neudorf: — I might add, Mr. Deputy Speaker, that there were 1,361 home improvement loans approved in my area, those loans almost \$9 million. Mr. Deputy Speaker, these loans are 6 per cent money, 6 per cent money for the home owners in this province. These have been made available to all residents of the province.

A total of 4,850 home improvement grants have been processed. These are matching \$1,500 grants, not give-aways. Not give-aways, because we believe that the people of this province are also dedicated to putting forth their best foot, and so this is a matching grant.

The government says, we want to stimulate the economy; we will put up \$1,500 if you put up \$1,500 — a buck for a buck. And I think, Mr. Deputy Speaker, that's fair, and that's what the citizens of this province like to see where there has to be some initiative on their part before you can access moneys being spent by the government.

And, Mr. Deputy Speaker, those matching grants are over \$4 million in my constituency, and they go, they go directly to the people of my constituency. Imagine, 432 jobs created by one program in the constituency of Rosthern. And all home owners have access to these two programs, Mr. Deputy Speaker. I submit to you and to the people of Saskatchewan that this government is building, and this is evident in my constituency.

Further, Warman, Martensville have both received enriched housing units. Both have received six-unit

facilities and there are more to come, units that were designed and specifically built for the use of elderly in these communities to keep these elderly people out of the intensive, high-cost nursing home situations or perhaps in the acute care hospital situation, and allow these people a life of dignity within their home communities.

I might add that the town of Langham is receiving a 10-unit subsidized housing complex. Construction is now beginning. We have just had the sod-turning ceremony.

In February of this year another innovative housing project was slated for my constituency. In fact, in this case my home town of Hague is going to be receiving a 12-unit innovative housing project — \$794,000 for a senior citizens' project in the town of Hague. And I'm glad to say that on April 7 we will be conducting the sod turning ceremony on that particular project. Innovative housing under the Saskatchewan Housing Corporation.

Then I might just add that an official opening will be taking place in Rosthern on an innovative housing project there on April 16. And if I can persuade the Minister of Health to come with me to Waldheim on April 28, we will also be having another official opening there of the Menno Home Industries in the town of Waldheim. And I could go on and on and on, but I think once more I have made my point.

These projects, Mr. Deputy Speaker, indicate how this government builds. We are protecting the seniors of this province. We are ensuring that they have proper facilities. And I know that many of my constituents are also concerned about interest rates, but I also know that my constituents, along with the rest of the people of this province, are protected. We know that their mortgage rates will never go above nine and three-quarter per cent. Our government, this government, has ensured that that will never happen again. We made it law, Mr. Deputy Speaker. We protect the people of this province.

In 1987-88 almost \$1 million was committed to highway improvements in my area — the money provided for grading near Langham and Laird. We're currently involved in the twinning of the No. 16 Highway from Saskatoon, and it will be getting to Langham. And for these kinds of things I'm very grateful to our very efficient and wonderful Minister of Highways. So I would like to thank him for that.

We also have huge stockpiles — glaring evidence of the commitment of this government — huge stockpiles of gravelling material between the towns of Hague and Osler in preparation for another highway project that the constituency of Rosthern will be the recipient of. The list goes on and on. Our commitment in that particular . . . has more than tripled in just one year.

But not only people in my constituency will benefit from these highway improvements. Anyone driving on our roads, Mr. Deputy Speaker, anyone driving on our roads, tourists, will be benefitting, and Saskatchewan residents will all benefit from that.

Tourism is a big industry in Saskatchewan, Mr. Deputy

Speaker, and we're building on it.

In Rosthern, through the Department of Economic Development and Tourism, an old CPR station is now being turned into a tourist information centre. And that old CPR station, instead of standing as a derelict, will now also be containing a museum, a museum that will contain artefacts of a past resident of Saskatchewan, a resident whose contributions to agriculture are still being used today. And I refer to a world-known figure in agriculture, a Mr. Seager Wheeler, Seager Wheeler who farmed in the Rosthern area for the better part of his life.

And I remember as a young child in grade 4 or 5 in school, in our science text there was this picture of a man, a farmer, and the caption underneath said, "The Wheat Wizard of Rosthern." And I can still retain the impact that that had on my young mind to actually see a man from a neighbouring town being in a school text book, and the impact that it had on me. Well certainly this "Wheat Wizard of Rosthern" has had an impact, not only on Rosthern or Saskatchewan, but indeed throughout the world with his many accomplishments.

And the area of Rosthern, following an activity this summer where Parks Canada saw fit to pay tribute to this man, we are now going to be establishing the Seager Wheeler tourism area in Rosthern where his whole farm will be once more established so that the students of the Rosthern area and the students, indeed, of Saskatchewan will be able to delve into their past, into the history, and see the tremendous figures that we have in our province, figures that have an impact in the world and that we can indeed be proud of, that we can build upon this heritage that has been passed to us.

So the renovation of the CPR station into a tourist booth and museum was made possible through the community tourism awareness program. It's a provincially funded program, Mr. Deputy Speaker. Tourism must be developed to its fullest extent in Saskatchewan and we are doing just that.

The final area I would like to discuss is the environment, Mr. Deputy Speaker. I want to spend a few moments on the environment and how our government is committed to the protection and preservation of it. This budget allocated \$22 million toward this, but in the past some governments disregarded environmentally dangerous situations. I don't want to point any particular fingers at this time, Mr. Deputy Speaker, but it is a fact. For example, in 1976 the government of the day chose to ignore a spill of 21,000 litres of PCB (polychlorinated biphenyl) fluids in a Regina plant.

Mr. Speaker, this spill could have occurred in any city in this province; it could have occurred in my own constituency of Rosthern. The fact remains that it took two years — two years — for that government to react to the situation. Even then, after two years, that government was slow to adapt and to adopt an appropriate response. They waited nearly five years before dealing with it responsibly before implementing a monitoring and a site surveillance program.

I'm pleased to say that this government, through this

budget, has acted to address the problem. Funding will be provided to safely centralize PCBs in the Boundary dam storage facility. Presently throughout Saskatchewan there are, I would say, over 100 PCB storage sites. By centralizing the storage of PCBs in a facility that has been specifically designed to receive and safely store these wastes, the government will be able to deal with this problem until a high temperature incinerator facility becomes available to us.

(1200)

Mr. Deputy Speaker, we will be implementing a program to collect and dispose of hazardous agricultural chemicals. As well, Mr. Deputy Speaker, this year a comprehensive hazardous waste handling and disposable system will be developed in this province. It will be developed in harmonization and co-operation of a number of groups in this province, and as a first step this government intends to consult with the people of this province through public meetings. Our people's opinions are important to us. They are a valuable resource.

Now, Mr. Deputy Speaker, I could not possibly outline all the important initiatives our government is implementing toward the protection of our environment, but I must outline one final area, and that, Mr. Deputy Speaker, is our government's commitment to ensure that this province's water resources are protected. That's important to my constituents. It's important throughout the province of Saskatchewan.

We've already established seven regional offices throughout the province. These offices provide communities with technical advice and assistance regarding water quality. To provide further protection for Saskatchewan's water resources, our government has allocated money in this budget to implement a water quality management system. This system, Mr. Speaker, will ensure the safety of drinking water in our communities. It's designed to upgrade the monitoring and the control of industrial waste water. And among other things, Mr. Speaker, it will develop water quality objectives for our water basins.

In total, Mr. Speaker, this budget has allocated over \$22 million toward environmental initiatives. We must continue our efforts to preserve the environment for our future generations. And accordingly, Mr. Speaker, our government will introduce legislation to protect the ozone layer. Legislation will also be introduced to allow for the environmental tax on environmentally harmful products.

So, Mr. Speaker, in closing, I would have many other areas that I would like to discuss, but I know that there are many of my colleagues that are also looking with great anticipation in becoming involved in this debate, so I will leave some of those other topics to them.

But in closing I would like to say that this budget effectively reflects our government's commitment, our government's commitment to health, to education, to agriculture and, indeed, to our environment. And it reflects our commitment to the people of Rosthern constituency and the people of this province.

As I indicated at the outset, yesterday dawned as a foggy and cloudy day, but I couldn't help but notice that after the Minister of Finance had delivered his budget and I went and looked out the window, the sun was shining. And I think that was very indicative, Mr. Speaker, of the direction which I am sure that this tremendous budget will lead the people of Saskatchewan.

And I would just like to encourage all of the members of this legislature to get behind the Minister of Finance and his proposed budget so that indeed we can continue to build this great province of ours. Mr. Speaker, I thank you for this opportunity.

Some Hon. Members: Hear, hear!

Mr. Prebble: — Mr. Speaker, it's my pleasure to take part in this budget debate this morning. And in fact, Mr. Speaker, when I examined the budget last night and I realized the negative impact it would have on those who are poor and who are less fortunate in our society, I was very anxious to get into this debate.

The PC government and the Minister of Social Services claim to be supporters of the family, and in fact with this budget document they've gone so far as to publish a booklet entitled **Helping You and Your Family**. But when you examine the details of the Social Services estimates in this budget, you quickly realize that on so many fronts this government, far from helping, is instead failing to support families and is consciously attacking those who are most vulnerable in our society. My colleague, the member for Regina Centre, called this budget cruel, and that's precisely what it is, Mr. Speaker.

Let me begin by addressing the issue of hunger and poverty in our society. For the past nine months since this legislature prorogued in June of 1988, I've been travelling the province, meeting with people who are on social assistance, who are relying on food banks, who are unemployed, and also meeting with non-government organizations and charities that are attempting to provide those people with services.

And our party has been sponsoring public forums at which the issue of poverty and how it can be eliminated in our society has been discussed. In the course of those meetings, Mr. Speaker, it has become clear that not only has this government not made it a priority to help the less fortunate and the poor in our society, but rather it has intentionally created a social safety system that will keep people poor despite all its rhetoric about supporting families and helping those on welfare get off welfare and into the work place.

I want to give you a couple of personal examples of what I mean, Mr. Speaker, before I return to the text of my comments. For instance, Mr. Speaker, I met with one woman a few months ago who had wanted to get off welfare and go to university, and she and her husband and their children had been on welfare for some time. And her husband was enrolled in the Saskatchewan skills development program and she was wanting to take university classes. And, Mr. Speaker, they had several children to support, and they were getting from the

Department of Social Services in the range of \$1,100 a month.

Now, Mr. Speaker, when that woman chose to go to university, her family was automatically cut off social welfare. Her husband, who was enrolled in the Saskatchewan skills development program course, was kicked out of that course. He was no longer eligible to be enrolled in it. And all that she was able to get through student loans, Mr. Speaker, was a total of \$8,000.

Now, Mr. Speaker, I use this example to show how unfair the system that the PC government has created is. If this woman was to separate from her husband, Mr. Speaker, this woman, instead of getting \$800 a month, would be eligible as a single parent caring for her family for some \$1,100 a month from the government for her and her family in the form of student loans. And in addition to that, her husband would have been eligible for social welfare and, Mr. Speaker, would have been able to continue taking his Saskatchewan skills development program.

In other words, Mr. Speaker, this family, had they combined their student loans and the welfare that he would have received, could have received in excess of \$1,600 a month had they separated. But staying together, they're only given \$800 a month from this government, and had that woman chosen not to go to university and had she stayed instead on social welfare, she and her family would have gotten \$1,100 a month. So she is penalized for going to university.

And if they'd separated, they could make twice as much money as a family, Mr. Speaker, under the policies of this government than they would have had they stayed together. Now don't you find that incredible, Mr. Speaker? I certainly do. And I think it shows how this government has designed a social safety net to keep people poor.

I want to take another example, Mr. Speaker, and this is of a severely handicapped woman — a wonderful lady when you meet her, who, despite her enormous handicaps, has chosen to go out and try to find work on a part-time basis. Now, Mr. Speaker, this woman, under the policies that this government has brought down in the past year, is being penalized for working. She faces a prospect of being on social assistance on a permanent basis, Mr. Speaker, because her handicaps are so severe. She has gone out and she has gotten part-time work, and she is earning several hundred dollars a month.

Mr. Speaker, before this government changed their policies with respect to the amount of money that people were allowed to keep when they were working but on welfare, she was able to keep 25 per cent of her earnings. And that meant, Mr. Speaker, that she was able to keep in the range of 3 to \$400 a month, depending on how much part-time work she could get. Now this same woman, Mr. Speaker, because the government has changed the regulations with respect to the maximum amount that disabled people who are on welfare and work part time can keep, she's only allowed to keep \$150 a month. So here's a woman going out and working half time and keeping \$150 a month; that's all she's allowed to keep

from her earnings, Mr. Speaker.

This government has created a structure for a woman who will be on social assistance all her life, where it doesn't matter how hard she works she can't get ahead. And I say to members opposite, shame that you would create a system like this that creates such disincentives for people working. By the time she's purchased her new clothes and covered her extra transportation costs to get to her source of employment, she's got very little extra left at the end of a month from working, Mr. Speaker. What a disgrace that is — this from a government that claims to be creating a system whereby welfare recipients are encouraged to go out and work. And I'll have more to say about that in minute, Mr. Speaker.

Well, Mr. Speaker, what this budget does is it continues that intentional plan that I've just described and given two examples of, and I want to now give some general policy examples of how this intentional plan to keep those who are low-income poor is being implemented by this budget.

First, Mr. Speaker, I hoped that at long last we might see some response from the government to the plight of the thousands of children in our province who are going to school hungry. The evidence of this reality is all around us. Food bank use in the province of Saskatchewan is up 30 per cent over the past 12 months — over 40,000 had to rely on a food bank in Saskatchewan in 1988 — over 18,000 children had to rely on the services of a food bank in 1988.

I visited with all the food banks in the province of Saskatchewan, Mr. Speaker. I've chatted with the people who've been running them. I've examined their statistics now over the last several years, and every year there's a sharp rise in the demand on their services to the point where they're not — in many cases — they're not even able to stock the food any more that is required to meet the nutritional needs of the families who are coming to seek their help.

And they know, Mr. Speaker, that their services are no solution to the problem. They're just a temporary band-aid. Until we get a government in this province that cares enough about people, the people won't have to go to food banks in the province of Saskatchewan any more. But their services are desperately needed and are very much appreciated by the people of Saskatchewan because when people are hurt and bleeding, a band-aid is the first step to resolving their problem, Mr. Speaker. Long-term solutions will have to wait, unfortunately, it seems, until another government, and, I hope, not wait long.

Mr. Speaker, I want to talk a little bit more about the evidence that I've seen in the past few months about the problem of poverty and hunger in our province. I visited with dozens of schools that have had to set up **ad hoc** feeding programs for hungry children often funded by donations from community service agencies.

I visited in small cities like the city of Lloydminster, Mr. Speaker, which, believe it or not, now has had to have a food bank in place for more than two years, and that food

bank, Mr. Speaker, in the last year provided over 1,000 orders to children alone. Rural communities like Lashburn have had to set up food banks.

I just found it remarkable, Mr. Speaker, that a community of only 850 people, community of Lashburn between North Battleford and Lloydminster on the Yellowhead Highway, would have reached the point where poverty was so severe in that community that the clergy in that community took the responsible step of establishing a food bank. And over 50 per cent of the people that they are delivering food to are children, Mr. Speaker.

Mr. Speaker, if this government had an ounce of compassion, it would have come forward with some kind of response to this problem. At the very least, it might have announced a breakfast program or a lunch program in schools where hunger is a demonstrated problem. It might have created a fund from which schools could apply for help with a meal program if that school felt that children in their school were suffering from a lack of food to eat.

But, Mr. Speaker, regrettably the government has not announced any such initiative, and there's nothing in the budget for such an initiative. And I say regrettably, Mr. Speaker, because this urgent issue cannot wait for resolution until the next election. It goes beyond partisan politics. It needed to be tackled immediately in this budget, yet clearly the government plans instead to do nothing and to continue pretending that the problem does not exist.

(1215)

What this budget means is that thousands of children in this province will go to bed hungry on many, many more occasions in the next year, Mr. Speaker. And I think that all members on this side of the House join me in saying, shame, Mr. Speaker, that any government would allow this situation to continue.

Not only has the Minister of Social Services and his PC colleagues chosen not to respond to this crisis, Mr. Speaker, but they are actually implementing measures in this budget that will make the crisis worse. It's difficult to believe that it could get much worse, Mr. Speaker. We already have the second-highest rate of family poverty and the second-highest rate of child poverty in all of Canada.

According to the national body who keeps such statistics, Mr. Speaker, the National Council on Welfare, that council is telling us that 25 per cent of Saskatchewan children — or to be precise, 25.7 per cent of Saskatchewan children — are living in poverty. And I want to say, Mr. Speaker, that the National Council on Welfare's statistics actually understate the problem. And I want to explain why, Mr. Speaker, because the national statistics that are kept by the National Council on Welfare exclude families living on Indian reserves — they exclude those families.

Now, Mr. Speaker, in the province of Newfoundland, which has only a slightly higher rate of child poverty than us, and the highest rate in Canada according to the

national statistics, just over 26 per cent, there are very few Indian people living in the province of Newfoundland, Mr. Speaker. There's a very large Indian population, in fact the largest in Canada on a percentage basis, in the province of Saskatchewan, Mr. Speaker. Those families are left out of the statistics. Anyone who has visited a reserve in this province knows that well over 50 per cent of the people living on Indian reserves are living far below the poverty line.

And so what I'm saying, Mr. Speaker, is that I believe in reality the province of Saskatchewan, when Indian families are included in the statistics, has the highest rate of child poverty in the country — the highest rate. That is truly a disgrace, Mr. Speaker, and something that we cannot continue to tolerate.

But this budget, Mr. Speaker, as I said, will worsen the situation because it is designed to ensure that those who are already living below the poverty line will get even poorer because of the new tax increases announced in the budget, and because no account has been taken of inflation and cost of living increases when it comes to the allocations in this budget for the family income plan and for social assistance payments.

First of all, Mr. Speaker, measures like the increase in the gas tax will hit low income working people very hard, Mr. Speaker. And my colleague, the member for Regina Centre, gave the example of the taxi driver. And most people driving taxis, Mr. Speaker, don't make very much money. They work long hours to earn little pay. And the example that my colleague, the member for Regina Centre gave, I thought was very apt. He pointed to a taxi driver who, if he drives 260 days a year, will pay \$5,000 in the next fiscal year for the gas tax alone, and none of that money will be rebatable. And what a difference that would make to the earnings of that taxi driver, Mr. Speaker, if the gas tax had not been increased in this province.

Mr. Speaker, the budget allocation for the family income plan is exactly the same as it was last year, and the year before that, and the year before that, and the year before that, Mr. Speaker, because this government has chosen to freeze the budget for the family income plan for at least four years now.

What that means, Mr. Speaker, is that low income working families, who are working but are earning wages that are not high enough to adequately meet their needs and those of their children, will get no increase at all in benefits from this government in this budget, even though inflation has exceeded 15 per cent over the past four years. A four-year freeze in the family income plan, Mr. Speaker — how unfair for those working families.

The family income plan is intended specifically to benefit children, Mr. Speaker. Payments are based on the number of children in a family. What better way to alleviate poverty, to alleviate child poverty in Saskatchewan, than to increase benefits under the family income plan. What better way, Mr. Speaker, to support families than to increase benefits under the family income plan, yet the government has frozen funding to the family income plan for yet another year, and I say that that

speaks volumes about their priorities, Mr. Speaker.

Clearly this government intends to keep children who are poor living in poverty, and it has no intention of even advertising the existence of the family income plan, which it hasn't advertised now for years, Mr. Speaker, because we have a situation now in which fewer and fewer families who are poor even know that the family income plan exists and thus cannot take advantage of it. Do you know, Mr. Speaker, that more than half the families in this province who are working and would be eligible for the family income plan aren't applying for it because they don't know about it, Mr. Speaker? This government never advertises it and takes virtually no steps to make people aware of the fact that the plan exists.

Mr. Speaker, the family income plan is not the only income security program this government has chosen to place a freeze on. For the eighth consecutive year, Mr. Speaker, this government is choosing to freeze social assistance rates for families.

Mr. Speaker, at first glance it appears that this new budget provides a small increase for those on social assistance, but upon closer examination, this is unlikely to be the case. When the spending in the supplementary estimates for 1988 are combined with the allocation in the blue book estimates for last year, the spending on social assistance in 1988 is well in excess of \$193 million, meaning there will be an increase in budget allocation for the Saskatchewan assistance plan of less than a million dollars in the fiscal year 1989-90.

That in itself, Mr. Speaker, would not be so terrible if the rates were to increase while the number of people who no longer required assistance because they had jobs were to decrease. Unfortunately, experience during every year this government has been in office has shown that this is not the case.

We now, Mr. Speaker, have an eight-year freeze in the rates. A single mother and two children who were getting \$917 a month from the New Democratic Party government in 1981 are getting \$917 a month today, eight years later, Mr. Speaker. But the difference is, Mr. Speaker, that the cost of living in the interim has risen by over 40 per cent. In fact, the latest labour report for the province of Saskatchewan for the spring of '89 shows that a family, in order to have the same purchasing power in Saskatchewan as they did in 1981, would have to earn 143 per cent of what they earned in 1981 just to keep pace with inflation, Mr. Speaker. Yet families on social assistance with children are not receiving any more than they did in 1981, and that, Mr. Speaker, is one of the major reasons why there are line-ups at food banks in Saskatchewan and why those line-ups will get even longer as a result of this budget.

Mr. Speaker, I note that there is a reference to a proposed small increase in the shelter allowance in this budget for those who are on the Saskatchewan assistance plan and living in the larger urban centres. But, Mr. Speaker, I hold out little hope for a real increase in rates for those people. We will wait and see when the minister makes his formal announcement, but to date every time the minister has increased some allowance for social assistance

recipients, he has at the same time simultaneously cut some other allowance for social assistance recipients, so that in the end they were no further ahead.

Fourteen months ago, Mr. Speaker, I recall the minister increased, by a small measure, the basic allowance for recipients in this province, but at the same time, he eliminated their travel allowance and their utility . . . their laundry allowance, rather, so that after the travel allowance and the laundry allowance had been eliminated, they were not a penny further ahead even though their basic allowance had gone up.

So, Mr. Speaker, we will have to wait and see whether this proposed reference to a small increase in the shelter allowance will in fact have any real benefit for assistance recipients in this province.

We often forget, Mr. Speaker, that 40 per cent of the people who depend on social assistance payments are children — 40 per cent. Already, one out of every four children are living below the poverty line. And what this freeze in Saskatchewan assistance plan rates means is a lot of these children will not only be living below the poverty line, but they will be living in horrendous poverty — 40 per cent or more below the poverty line, Mr. Speaker. This budget fails poor children in a way that is incomprehensible, Mr. Speaker. Sheer cruelty is the mildest term I can use to describe it.

Mr. Speaker, I could not help but note the bitter irony of the comment under the budget heading, "Opportunities for Disadvantaged Families," one of the supplementary statements published with this budget. And I want to quote from that budget heading entitled, "Opportunities for Disadvantaged Families." It says, and I quote:

Welfare Reform has provided many with the dignity of employment and self-sufficiency.

(Over) 10,000 participants have received skills training and employment from the Saskatchewan Works Program.

Today (and I'm continuing to quote from the budget, Mr. Speaker), because of these efforts, there are over 2,000 fewer people requiring social assistance than in 1984.

What distortions can be placed on the printed page, Mr. Speaker? Here we have the government leaving the impression that they have reduced the welfare rolls of Saskatchewan by creating jobs for people. Nothing could be further from the truth.

I invite all taxpayers to look at what is really happening to people under work for welfare. They're simply being placed in dead-end, short-term, low-paying jobs that last 20 weeks at maximum, and are paid minimum wage with little to look forward to afterwards but being eligible for unemployment insurance. In fact, the jobs are intentionally designed to last just long enough to get people onto unemployment insurance, where Saskatchewan no longer needs to spend support dollars on them.

This government should be providing real hope for people, with long-term employment at a living wage that would allow those who are on welfare to genuinely better their economic circumstances. Instead, work for welfare is just another way to keep people poor while temporarily getting them off the welfare rolls until their UIC runs out, all designed to make the statistics that the Minister of Social Services likes to publish look good, but to do absolutely nothing for the people involved in the long term.

Some Hon. Members: Hear, hear!

Mr. Prebble: — There's only one reason, Mr. Speaker, why there are 2,000 fewer people on the welfare rolls than there were in 1984, and it has nothing to do with job creation. It is because in the last 12 months this government has cut more than 1,500 people arbitrarily off social assistance, and regardless of their need has refused to reinstate them, in violation of the Canada Assistance Plan Act. I have had dozens and dozens of these people into my constituency office in the last year, Mr. Speaker. And I know for every one I meet with and try to help, there are 20 others who go without advocacy assistance.

Thus what this government fails to offer the people who are poor is hope — no real jobs and no hope. We will never eradicate poverty in Saskatchewan without a strategy for full employment, but this government has no employment strategy to offer.

Eighty per cent unemployment in many northern communities, but no announcement in this budget of jobs for the North. An unemployment rate consistently in excess of 10 per cent in Saskatoon, but no specific plan for jobs in Saskatoon. A youth unemployment rate in this province in excess of 17 per cent, and yet this government is cutting back the employment summer jobs program for students from \$10.5 million — 10 and a half million dollars — in 1986, Mr. Speaker, to \$4 million last year, to only \$3.1 million in this budget.

It's difficult to believe that we can be living in a province where unemployment has doubled in the past seven years of this government's administration, and yet we have a budget speech which barely makes a passing reference to employment creation.

Mr. Speaker, I have a concrete suggestion for the government with respect to its employment strategy, or rather its lack thereof, that I wish they would take seriously. It's time for the government to abandon its ineffective focus on megaprojects and instead concentrate on creating long-term, environmentally sound jobs on a small and decentralized scale right across Saskatchewan.

(1230)

There are jobs, for example, to be created by expanding our vegetable industry in the province of Saskatchewan. At present, 85 per cent of all the vegetables we purchase in grocery stores in this province are imported from outside Saskatchewan. Clearly, we could easily grow the large majority of these vegetables in our province. The

key to expanding vegetable production is the construction of vegetable storage facilities to permit a year-round supply of vegetables to our local market.

Local vegetable producers would also need help from government to negotiate with large retail stores in order to initially get their produce onto the shelves of these stores. Mr. Speaker, the members opposite, I note, and particularly the Minister of Education, are making light of this proposal to expand vegetable production in this province. But I say, Mr. Speaker, that it's an opportunity to create healthy, nutritious food for our local people, that's not treated with the pesticides used in California, and that will create work for people without work in this province.

Mr. Speaker, there are jobs to be created in fish processing in his province. Rather than sending our fish to be processed in Winnipeg, why not provide assistance for the establishment of filleting plants in northern Saskatchewan in the processing and freezing of fish? Why not build new fish hatcheries in northern Saskatchewan and implement a program of fish farming and a program for restocking our depleted northern lakes. By processing our own fish resources in northern Saskatchewan, local jobs can then be created in the delivery of those fish to food outlets in the southern part of our province.

There are jobs, Mr. Speaker, to be created by adopting a sustainable forestry policy for our province. We need to move from the planting of 8 to 12 million seedlings a year to the planting of a minimum of 30 million seedlings a year, Mr. Speaker.

This would mean the minister — I note, Mr. Speaker, if I could move from my prepared remarks for a moment, that the Minister of Health is agreeing with my statement. Well I wonder if the Minister of Health can explain to members of this Assembly, Mr. Speaker, why this government, when it came it to office, cut the budget for the replanting of trees in this province by more than 50 per cent and has kept that budget well below a budget for tree planting, established by the NDP in 1981, for every year that it has been in office since it's been elected in 1982, Mr. Speaker. I wonder if the Minister of Health can explain that.

Now, Mr. Speaker, I was saying . . .

The Speaker: — Order, order. Order, order. I know the remarks are interesting and other people want to get into the debate, and that's understandable, but perhaps a little later on they'll have their chance.

Mr. Prebble: — Thank you, Mr. Speaker.

As I was saying, there are jobs to be had in the replanting of trees in northern Saskatchewan and reforestation of our forestry resource. And this would mean expanded nursery capacity in creating new jobs in tree breeding, cone gathering, seed extraction, replanting, and silviculture. With a more intensive approach to forest management, we could create a healthier forest, higher profits and more jobs in the forest sector than ever before. That is the only way we can replace our depleted forest stock.

A million acres in this province, Mr. Speaker, have been clear cut and not replanted, and it's time to do something about it. And in the course of doing something about it, and in the course of developing a plan for intensive forest management in this province, we can put more than 2,000 people to work in the parkland area of this province and in northern Saskatchewan, Mr. Speaker.

There are jobs to be had in our recycling industry, Mr. Speaker. The taxpayers of this province are tired of seeing bags and bags of material that they know could be recycled being piled up each week in back lanes destined for land-fill sites in our cities and towns. The government knows it doesn't have to be this way, and they know that hundreds of new jobs could be created through various recycling initiatives. And yet they sit on their hands and do nothing to foster the growth of recycling industries in our province.

Mr. Speaker, if the Government of Saskatchewan wants to create long-term, meaningful work for young men and women in this province and if it wants to offer hope to families who've been unemployed for a long period of time, then why not put people to work creating an environmentally sustainable economy in the province of Saskatchewan? Why leave people on welfare, Mr. Speaker, when these kind of meaningful, decent-paying, long-term jobs could be created. And yet the Government of Saskatchewan fails to offer that option to those who are poor in this province.

Alas, Mr. Speaker, we have a government that neither has the political will nor the vision nor the desire to change the structures of the economy in such a way to ensure that this will happen. And so we have a growing crisis in Saskatchewan, Mr. Speaker, that this budget will exacerbate.

We are creating a society with three distinct groups of people in this province. We have one group of families with good paying jobs that, happily, are relatively secure in our society. We have a second group of families with low-paying jobs that are often seasonal or temporary and that offer no long-term security and very few fringe benefits. And now we have emerging a third group of families in our province which have been, sadly, without work for long periods of time. When they find work it is very temporary and low paying, and they have no hope from this government for a long-term job strategy, and they have little to look forward to but long stretches of time on social assistance.

It is the policies of this government that are creating the tragic circumstances in which this third group of families find themselves. It offers those families no hope and no help, only the promise of forced labour in 20-week jobs — work-for-welfare jobs — at starvation wages.

It should be no surprise that many of these families face enormous stress, are often in crisis, and are in urgent need of support services. And you know, Mr. Speaker, the member from Meadow Lake, the Minister of Health, is laughing as I make these comments. He obviously has no empathy with these families. And I'm not surprised, because it is the policies that his government has implemented — and he sits on the front benches of that

government — that has made life so difficult for those families. And yet he laughs about it in this Assembly, Mr. Speaker, and I say shame.

Some Hon. Members: Hear, hear!

Mr. Prebble: — Mr. Speaker, there are many families in urgent need of support services in this province, and yet what do we find in this budget? We find a government that is intent on cutting back even more on the key support services that all families across this province rely on.

Mr. Speaker, when I saw yesterday's budget and I looked under grants for family services, I could not believe my eyes. Here we have a government that claims to embrace them . . .

The Speaker: — Order. Order. Order. We're having several sub-debates taking place. Let us just allow the main speaker to continue with his remarks. Order, order. Order. Order, order. Let's just all allow the member for Saskatoon University to continue.

Mr. Prebble: — Thank you, Mr. Speaker. I see, Mr. Speaker, that members are clearly sensitive about the point I'm going to raise. And now that I have their full attention I want to say how very surprised I was in this budget to see that a government that claims to embrace family values has actually dramatically cut the budget item that is described as grants for family services. And I want all members to note this.

Here we have a government that is hosting a symposium on the family this summer as a show-case of its commitment to the family, while in the same breath it has slashed spending to non-government organizations that deliver family services in Saskatchewan by over \$800,000 in this fiscal year alone.

Last year, Mr. Speaker, groups such as the family service bureaus, Big Brothers and Big Sisters, John Howard Society youth services, Mobile Crisis (intervention) Services, sexual assault centres in the province, those kinds of groups, Mr. Speaker, received \$7,491,000 last year to provide support services to families in need. This year those same groups will receive a total of only \$6,550,500.

When inflation is taken into account, this is a cut of 16 per cent, Mr. Speaker, a 16 per cent cut in grants to family service agencies in this province from a government that claims to be a supporter of the family. And I say, Mr. Speaker, that this cut shows this government for what it really is, which is a government that is against families, and particularly against poor families in this province.

Some Hon. Members: Hear, hear!

Mr. Prebble: — These family service organizations, Mr. Speaker, are already reeling from an earlier round of cuts in the 1987 post-election budget. Many of their budgets then, Mr. Speaker, were cut by up to 20 per cent.

I remember Mobile Crisis (intervention) Services, Mr. Speaker, in cities like Regina having 20 per cent slashed

off their budget without even taking account of inflation, Mr. Speaker. And now this government is proposing to cut them again. Now they're being hit with a second major round of cuts. At this point, Mr. Speaker, we have only the global figure and not the details of these cuts. But the government's intent is clear.

My fear, Mr. Speaker, is that many of these non-government organizations who've suffered long and difficult years under this government just will not be able to hang on much longer. Their staffs have not received salary increases for many years. They've already had to cut back sharply on their services.

Many of these dedicated people, Mr. Speaker, are earning wages that are no better than the poverty line themselves. They stay in these jobs because of their commitment to the people they are trying to help. And what does this government do to show its appreciation? It's cut their budgets by another 16 per cent.

And I fear, Mr. Speaker, that many of these organizations simply will not be able to continue operating their programs in the way they do now and will use many of their more experienced staff.

I find it hypocritical, Mr. Speaker, that the Minister of Social Services can come into this Assembly last week with a new family services Act that can only be effective if community-based family support services are expanded in our cities and towns, and then this week brings in a budget that further stifles the work of the very support agencies his legislation will depend on in order to be effective.

Members of the Assembly will recall last week during second reading on the family services Act, Mr. Speaker, that I said that the true test of whether or not the family services Act will genuinely help children and families in his province will be if on the ground the Minister of Social Services is prepared to put the funding resources in place to agencies that are expected to deliver those services.

Now that we see this budget, Mr. Speaker, I can clearly predict that the new family services Act will do little to improve the well-being of the children of this province, because instead of being increased, the resources available for families in crisis is being cut again by this government. And I say shame; that is clearly a record that should be unacceptable, not just to all members of this House but I know is unacceptable to everyone in the province of Saskatchewan.

Now, Mr. Speaker, there are many other comments I'd like to make about the Social Services portion of this budget, but I will reserve this for the budget estimates debate. I do before closing, however, want to make some brief remarks with respect to the budget of the Department of the Environment and with respect to the Premier's support for a nuclear reactor in the province of Saskatchewan.

First, Mr. Speaker, some of the announcements in the budget speech with respect to the environment, such as the proposed soils conservation agreement with Ottawa and legislation to protect the ozone layer, are long

overdue but have genuine potential. We'll have to wait and see the details on those, Mr. Speaker, but I say that those measures have some potential and we'll wait and see the details on the announcements.

But my initial air of optimism was sharply tempered, Mr. Speaker, when I looked at the actual estimates for the environment, the Department of the Environment's proposed spending in the year 1989-90.

(1245)

This year, Mr. Speaker, the budget of the Department of the Environment will be \$11.6 million. In 1988 it was about \$10.8 million, but, Mr. Speaker — and this is the point I want to make — in 1981 it was \$10.17 million. Bear in mind that in the interim period inflation has been in excess of 40 per cent, so what we have, Mr. Speaker, what we are witnessing now, is a government that for seven years has whittled away at the Department of the Environment in this province, has laid off the top-notch public servants that we had during the NDP period that were truly experts in the area of the environment, has laid a lot of those people off.

And I'm thinking of the likes of people like Dr. David Penman, who was a respected expert in the whole area of pesticides and cancer-causing chemicals. He was one of the first fatalities of this government. There have been many others in that department since that time.

This is a government that whittled away for seven years at the Department of the Environment, in effect cut its budget, Mr. Speaker, by some 40 per cent in real dollar terms, and now is having a deathbed repentance as the environment becomes a more publicly popular issue in this province, and is now increasing the budget in the department by a million dollars — a deathbed repentance, I say, Mr. Speaker.

And perhaps, Mr. Speaker, even more important is what we didn't hear about the environment in this budget. Did we hear anything about energy conservation initiatives that are key if we are to avoid the construction of major new coal-fired generating plants in this province; that we do not want because of the impact that they have on acid rain, because of the impact they have on the greenhouse effect, Mr. Speaker? We want to be able to avoid those kinds of projects, and the way to do that is through an energy conservation initiative.

Did we hear anything about an energy conservation initiative in this budget? No, nothing. Did we hear anything about this government proposing to actually reduce the use of hazardous pesticides in this province, to reduce the use of cancer-causing pesticides like 2,4-D in this province? Did we hear a word about that? Not a word, Mr. Speaker.

Did we hear anything about the need to clean up radioactive uranium tailings in northern Saskatchewan that have been sitting in some of the lakes up there, like Lake Athabasca, now for many years and have never been removed from the lake and will be a source of permanent contamination to the lake, Mr. Speaker, if they are not removed. Did we see anything about that in this

budget? Not a thing.

Did we see anything, Mr. Speaker, about abolishing cancer causing pollutants from the environment? Not a word, Mr. Speaker. Did we see anything about changes to the environmental impact assessment process that would make it more independent, that would stop the current provisions under which the advocates of a project actually get to write and prepare the environmental impact assessment for that project rather than having it being done by some more independent body. Did we see anything on proposed changes to that process, Mr. Speaker? Not a word.

Therefore, Mr. Speaker, it should be of no surprise that we also didn't see a word on a halt to what will clearly be one of the most unnecessary and environmentally damaging projects in this province, that will flood hundreds, in fact thousands of acres of good agricultural land in Saskatchewan; that will destroy thousands of acres of top-notch wildlife habitat land in this province; that will flood dozens of oil wells in this province and dozens of parks in this province, Mr. Speaker. I'm referring, of course, to the Rafferty-Shand project which this government insists on going ahead with, despite the fact that environmentalists, not just across Canada but around the world, have condemned this project. Of course we saw nothing in the budget that would lead to the cancellation of Shand-Rafferty, Mr. Speaker.

So I think, Mr. Speaker, that this deathbed repentance of an extra million dollars for the Department of the Environment is hardly about to turn this PC government into a group of environmental advocates. In fact, their record demonstrates that in effect there is no hope for them, Mr. Speaker. They are a write-off in terms of the environmental community in this province, and, Mr. Speaker, I have no doubt that in the next election environmentalists across Saskatchewan will not support the PC government.

Some Hon. Members: Hear, hear!

An Hon. Member: — Let's get right down to it, Peter. What about the uranium mines? Let's get down to another matter — the uranium mines.

Mr. Prebble: — Now I see that the member for Weyburn, Mr. Speaker, the Minister of Education, wants to get into a discussion of the nuclear issue, and I'm going to oblige him, Mr. Speaker, and do just that. I'm going to oblige him and do just that.

I see there's about 10 minutes left on the clock. The member from Weyburn is anxious to get into the debate and, Mr. Speaker, I therefore want to talk about what has become one of the government's favourite subjects in the last couple of months, and that is a proposed nuclear reactor for the province of Saskatchewan.

Mr. Speaker, and their advocate in this area, in addition to the Premier, is one Colin Hindle, who was formerly the head of the Crown investments corporation in this province, but has now taken a sudden desire to temporarily head for the private sector. Mr. Speaker, I don't believe that in the end this is going to be a private

sector project. I believe, Mr. Speaker, that Mr. Hindle is out there pushing the idea right now that in the end, if this reactor is built, it's not going to be built by a tiny company such as the one that Mr. Hindle operates; it's much more likely to be built by Saskatchewan Power Corporation. We will wait and see in that regard, Mr. Speaker.

The real issue is not the question of whether or not Mr. Hindle will operate this plant, because I don't believe he ever will. The issue is whether or not a nuclear reactor is good for this province. I say it's not. I'm proud that the New Democratic Party is saying it's not. And I want to take a few minutes to comment on why it's not, in this Assembly, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Prebble: — Mr. Speaker, I notice that Mr. Hindle has been travelling Saskatchewan, proposing on one hand that the reactor could be located in Lloydminster, proposing at another moment that the reactor might be located near La Ronge, proposing another moment that the reactor might be located near Lake Diefenbaker. The point that I want to make, Mr. Speaker, is that wherever this reactor is located, it will be, if it is allowed to be built, it will be a tremendous hazard to agriculture in this province.

And I'm amazed that a government that pretends to be the supporters of agriculture would ever come forward with an energy project that would endanger agriculture in this province in the way that the proposed nuclear reactor would, because I ask members of the Assembly to consider what the consequences of a serious accident at a nuclear reactor would have for agriculture in the province of Saskatchewan. And all one needs to do is look at the consequences of the Chernobyl accident in the Soviet Union, Mr. Speaker, where only 3 per cent of the uranium in the reactor was actually released into the environment as a result of that accident. Only 3 per cent, Mr. Speaker, of the radioactive materials inside the reactor were released into the environment, and yet, what were the consequences?

Well the consequences, of course, immediately around the reactor in the Ukraine was that 30 kilometres on all sides of the reactor has been permanently written off. It's a dead zone that no one is allowed to enter without special permission, in which the forests and the land in that zone are being buried, Mr. Speaker.

But more importantly, what are the implications for agriculture hundreds of miles away from that accident, Mr. Speaker? What happened to farmers in places like Italy and West Germany and Austria? Well what happened, Mr. Speaker, was that they had to throw away all their crops. Their asparagus crops and the lettuce crops and the spinach crop and the bean crop, right across Austria and right across West Germany and right across countries like Finland, had to be thrown in the garbage as a result of the Chernobyl accident.

That's what that accident meant for farmers, Mr. Speaker. The artichokes . . . artichoke farmers had to write off their crop for the year in which the Chernobyl accident took place. The hay producers all across western Europe, Mr.

Speaker, found that their hay had been contaminated with radiation and that their silos had been contaminated with radiation. That's what that accident meant to farmers who were living more than a thousand miles from the site at which the accident took place, Mr. Speaker.

The members on the opposite, the PC government, can talk about locating this reactor in northern Saskatchewan. But they can't pretend for a moment that if an accident occurs at that reactor, it will not impact farmers in southern Saskatchewan, because it will. And that's one of the reasons why the New Democratic Party says that it's an unnecessary risk for the province of Saskatchewan.

Some Hon. Members: Hear, hear!

Mr. Prebble: — It's also an unnecessary risk, Mr. Speaker, because in the event of a serious accident we don't need an excess of the cancers in this province that we've seen at places like Three Mile Island and in the Ukraine when a nuclear accident occurs. Look at the statistics from Three Mile Island, where you get giant dandelions that are growing, not just a foot, but several feet long, contaminated by radiation. Look at the record in terms of the infant mortality that tripled at Three Mile Island after the accident there.

An Hon. Member: — Scare tactics.

Mr. Prebble: — The member for Weyburn says, scare tactics. I say to the member, go to Three Mile Island; go to Pennsylvania; visit with the families there; talk to the families who lost their children after Three Mile Island; talk to the families whose children were born deformed, and then you come back and ask me if that's scare tactics. Because I tell you that it's real, Mr. Minister, I tell you it's real.

Some Hon. Members: Hear, hear!

Mr. Prebble: — Scientists, Mr. Speaker, are saying that there could be in excess of 10,000 cancers as a result of Chernobyl, and I say we don't want a legacy like this in the province of Saskatchewan.

Mr. Speaker, I note that the members opposite conveniently ignore the fact that one of the serious problems that would be associated with a nuclear reactor in the province of Saskatchewan is the fact that no one — no one — has been able to determine how the high level radioactive nuclear wastes that such a nuclear reactor would generate would be disposed of.

And I take it that members opposite want to see such radioactive wastes building up in the province of Saskatchewan. I take it, Mr. Speaker, that they favour these highly radioactive wastes being transported through communities in Saskatchewan. I take it, Mr. Speaker, that they believe that the risks of nuclear power and the risks of these wastes being created are worth the benefits.

And I say, Mr. Speaker, that these members have got their values badly corrupted because what they are proposing is the construction of a reactor and the generation of highly radioactive uranium wastes that will be

radioactive for tens of thousands of years to come. And they want this generation of Saskatchewan residents to get the benefits of the electricity from that reactor while the next generation of Saskatchewan residents, Mr. Speaker, the children of this province and the children who are yet unborn will be asked to deal with the legacy of those nuclear wastes.

One generation is to get the benefits of the power under this government, and the next generation, it's proposed, is to be left with the problem of how to dispose of the waste. And I say, Mr. Speaker, that that is highly irresponsible, highly inappropriate, and puts an unfair burden on future generations of this province.

Mr. Speaker, I also note that members are now suddenly becoming concerned about the greenhouse effect in this province as it relates to a nuclear reactor. I, Mr. Speaker, am deeply concerned about the greenhouse effect. I think that it is just as serious as the problem of long-lived radiation in the environment. These are two very serious problems that have to be simultaneously addressed by Saskatchewan residents and on a global scale, Mr. Speaker, and I'm not interested in pitting one against the other. I want to see them both dealt with.

What I find ironic, Mr. Speaker, is that suddenly overnight the proponents of the nuclear reactor have become concerned about the greenhouse effect. And the Premier says: well, one of the reasons we need a nuclear reactor in the province of Saskatchewan is so that we don't have to build another coal-fired generating station in this province that would produce carbon dioxide and add to the greenhouse effect problem. Well I say to the Government of Saskatchewan, if they are so concerned about the greenhouse effect and the construction of another coal-fired generating station in this province, well then why is the Premier building Shand in his own riding, a coal-fired generating station that will add to the greenhouse effect in this province. Maybe members opposite can explain that to me, Mr. Speaker, because I'm at a loss to understand it, at a loss to understand it.

Mr. Speaker, I note that my time has almost elapsed. I want to say in closing, Mr. Speaker, that a nuclear reactor in this province is unnecessary; we don't need it. The option of energy conservation and safe, renewable, alternative sources of energy is far more promising in this province. That's what this government should be addressing.

And, Mr. Speaker, I want to say in closing that I believe, Mr. Speaker, that there is simply no need for a nuclear power station in this province. The risks are unnecessary; it's an unnecessary initiative. And for many obvious reasons that I've outlined, Mr. Speaker, both for the reasons of . . .

An Hon. Member: — Peter, what about the mines? Put my mind at ease.

Mr. Prebble: — The minister is saying what about the mines, and, Mr. Speaker, I'm afraid that I don't have time to address that today. I see my time has elapsed, and I will at this point adjourn the debate, Mr. Speaker.

Debate adjourned.

The Assembly adjourned at 1 p.m.