

August 1, 1989

## EVENING SITTING

## GOVERNMENT ORDERS

## ADJOURNED DEBATES

## SECOND READINGS

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Lane that **Bill No. 72 — An Act to raise Revenue for Hospitals by the Imposition and Collection of Taxes with respect to Participation in and the Operation of Lottery Schemes** be now read a second time.

**Mr. Kowalsky:** — Thank you, Mr. Speaker. This is my first opportunity to speak to this Bill, Bill 72, which in effect authorized a collection of the lottery tax that has been misnamed by this government as the hospital tax, indicating they're trying to do one of two things — either giving an indication that they're putting a tax on hospitals or, more accurately, what they are doing is trying to make it look like it's a tax that is going directly for the hospitals and trying to make it look like a legitimate tax, and a tax the people should accept under these conditions.

I want to indicate that the proper name, and I want to indicate to the members opposite in that we will be asking to change this name to the proper name . . . This is actually the tax on lotteries and it should be called the lottery tax.

This is a tax, Mr. Speaker, to which people across the province are opposed in very, very large numbers. The general public is opposed to this tax because, I think, largely because they are fed up with the way the government has been spending tax money, and they no longer trust this government to raise any taxes because they're afraid it's simply going to be wasted the way previous tax increases have vanished, just simply vanished. People are paying more tax, they're finding their services decreasing, and at the same time the debt of the province is increasing at unparalleled proportions.

So what I'm going to do, Mr. Speaker, is I'm going to speak to this motion and at the end of my delivery I'm going to propose an amendment to this motion to this Bill No. 72. The motion is to read Bill 72 a second time and I will make the motion that all the words after "Bill No. 72" be deleted and the following be substituted therefor.

The words that would be substituted are not to be read a second time because, (a) it imposes an unfair financial burden on sports, cultural, and charitable organizations; (b) it is causing severe hardship to Saskatchewan small businesses and; (c) it fails to allocate the tax revenues explicitly for hospitals or health care.

**Some Hon. Members:** Hear, hear!

**Mr. Kowalsky:** — Well, Mr. Speaker, as indicated in the wording of the amendment which I will be putting to the Legislative Chamber, I've indicated three reasons. And the first, I suppose, is perhaps the most significant, and that is that the lottery scheme which is put into place in

Saskatchewan was put into place for very good reason, and has had a very excellent success. It is a success story for Saskatchewan.

We've seen implemented in the '70s a system unique to any province in the country, where our system of running, funding sport organization, cultural organizations across the province, and a system that helps out many, many charities, those involved in sponsoring any sort of lotteries or sponsoring things like bingo, have found a way of getting money and using it for purposes which are community based and used right in communities. Unfortunately, this tax seems to be scuttling the good works that was done by the lottery scheme, and I would ask the government to be very, very careful in how fast it's implementing it; that they would take a real good look at it, and give very strong consideration to not implementing this tax before it's too late, and withdrawing it before it's too late.

Mr. Speaker, there is one thing I could say about the tax when I compare it to other taxes, and that is that this tax is not, is not a good way to tax. It's difficult to say at any time if there's any good way to tax. We know that people in general will question any tax that you put in, but reluctantly we have found that the people . . . reluctantly, but have given reasonable acceptance to certain taxes: income taxes, property taxes, fuel taxes, and tobacco taxes. These have been developed over the years, and these have been appropriate ways to raise money for our hospitals and for our other community activities.

However, this tax has not found the public acceptance of these other taxes that I have mentioned. What has happened is the public in this particular case has objected in a rather very dramatic fashion and in a very personal fashion. The public feels that because they have been taxed, and taxed over and over, that this is one tax to which they can state their opposition very plainly, very simply, and very distinctly, and that is simply by not going to the kiosks, not going to the bingos, and that way avoiding the tax.

Now in the process that this government has put into place, the government is . . . By putting this tax into place, we're finding that it's actually destroying the organizations, the underpinning of all the organizations sponsored by Sask Sport. It's considered as a nuisance, and particularly those organizations who are now raising money for the government . . . They used to be able to raise money for themselves and for the projects that they sponsored. But now that the organizations like the service clubs across the province find themselves in a position where they're actually raising money for the government, and it becomes more than a nuisance then; it becomes something that they totally abhor, and they feel that it's not in their position to use their volunteer time, which they want to use for the betterment of the community, to use it for raising money for this government to blow.

I predict, Mr. Speaker, that this tax is going to go the way of the used vehicle tax; that the public opposition to it will be so great that the government will be embarrassed into withdrawing the tax. And I think if they were wise, the best way to do it would be to cut and run soon before too

much damage is done.

If it was a good tax, Mr. Speaker, more people would be willing to pay it. We wouldn't be seeing people staying away from the kiosks at the rate of 24 per cent or 25 per cent. There are people who have actually in this province, in order to avoid this tax — who go to the kiosks on a recreational basis with the idea of spending a little money that will give them some recreation and at the same time provide some benefit to the cultural and sport charitable organizations of Saskatchewan — there are people who have now organized systems where they are actually purchasing these taxes from the Alberta system and in some cases the Manitoba system.

So what's happening is this is adding to the drain of the revenues for two things: for taxes, and secondly and more importantly, for the cultural organizations.

Mr. Speaker, I want to give you some specific reasons for bringing in this amendment and this motion. The effect of the amendment to the motion that I'm proposing and that the members on this side are proposing will be to put a postponement on the collection of this tax. It will in effect give the government a way out, a way out of just not having to cancel the tax on its own, because later on they're going to find that the cultural organizations and the sports organizations and the 800-and-some community clubs that are now sponsored by the Sask Sport are going to be down their necks because they're going to find themselves short funded. They're going to find themselves any place from 10 to 25 per cent short of funds, short of what they've budgeted for, and then what's the government going to do? Are they going to cough up other tax dollars to make up for that? What's going to happen?

What you've done here is you've introduced something that you're going to regret, and I think the sooner you bail out of it, the better off you're going to be.

**Some Hon. Members:** Hear, hear!

**Mr. Kowalsky:** — Let's take a look at some of the things that the lotteries scheme has been promoting, and I would say, rather successfully.

And if any of the members looked at the annual report put out by your very . . . by Sask Sport Inc., which is legislated and supported by your government, I think, until you brought this tax in . . . You give the impression that you're trying to kill it.

And in the president's report — and I would like to quote a couple of sentences out of it — in the president's report, the president, Mr. Thurmeier, indicates that '88-89, the past year, was a successful year by many standards. He says:

The most important accomplishment was a negotiation of a five-year lottery licence with the provincial government.

At that stage then, he felt quite confident in the direction that this scheme was going. A little later on he mentions

that the tax is going to cause him some problems.

But I want to indicate to the members opposite just how important this fund was and still continues to be, and how difficult it will be to everybody in Saskatchewan if this fund is ruined. And that's what this tax is doing; it's ruining this fund.

If you take a look at the report, look at some of the highlights, it indicates in one place here that Sask Trust, and I quote:

Sask Trust for sports, culture, and recreation received \$20 million for 1988-89 compared to 14.75 in the last year.

It indicates a good year. The president indicates in another part in his report:

The trust initiatives program for communities received 2.25 million allocation compared with the 2.3 million last year.

And he says:

This will help more than 825 communities to develop broad-based programs, plan for the need of older adults, and co-ordinate sport, culture, and recreation activities.

He is talking about 825 different groups in many of the towns of Saskatchewan, every city, every large town, and many villages — any place that has a recreational committee. They have all benefitted from this.

Now what are they going to be saying when they come to a meeting, some meeting at some stage of the game, a month or two down the line, and you members of the government side are going to have to tell them, well you're 20 per cent or 20 per cent short because we put on this tax. Now you know what they're going to tell you.

(1915)

I say, cut the tax and cut it now before the damage comes. It's not only those 825 groups, not only those 825 groups, but there are other people that receive benefits. And in this same report, and I quote, there's a quotation here from the vice-president and he indicates that the efforts — and he refers to the lottery retailers — are appreciated by more than 1,200 beneficiary groups.

And he's talking about all of the soccer clubs and some of the hockey clubs and some of the figure skaters and the badminton and the wrestling and the gymnastics clubs, all of those groups who are benefitting from this, 1,200 more.

You go and you ask anybody who's involved in Sask Sport and ask him how many people are involved by the moneys received from here. How many do you think there would be? How many do you think there would be? And their estimate is more than half of the people in this province — over 500,000; closer to 600,000 people is their estimate. Six hundred thousand people have benefitted from a program which you're trying to scuttle,

which you will scuttle if you don't do away with this tax.

Let me indicate a little further of some of the things that this pays for that is very valuable to this province. Consider yourself a parent of a son or a daughter who may be involved in some program, say gymnastics, where you're looking for a coach and where you've exceeded the limits of what the local school can provide.

Well it's this organization, it's this organization that provides the programs, the coaches, and helps provide the officials. Otherwise people would have to leave the province or go elsewhere, move to a bigger centre. But it provides them right there in their communities, in many of the communities.

Now what's going to . . . What'll happen to this same person who's had a youngster training, say in gymnastics, since the age of, say 6, and you're going on to 7, 8, 9, and 10 and all of a sudden this is cut short? Think of the tragedy. Think of the undeveloped potential of that youngster, and many youngsters like that; all because you figured you had to tax something. That really wasn't a wise move.

In addition to the sports that I've talked about, there are multicultural groups, heritage arts groups . . . heritage groups and arts groups across the province that have benefitted from this organization, Sask Sport — Sask Sport Inc., which is now threatened as a result of your tax.

Well, Mr. Speaker, you might well ask the question, how was it that I know that this is happening? How do we know that these organizations are threatened? How do we know that businesses are suffering as a result of this? How is it that we know that hospitals aren't necessarily going to receive this money directly? How do we know?

Well let me answer those questions, first with respect to what's happening at the kiosks. Members on this side of the House, myself included, found out, first of all simply by going and talking, asking people some questions: how are your lottery sales going? It was brought to our attention by several vendors. And they're telling us that they noticed a sudden decrease in their lottery sales.

First of all, they told us they saw a decrease in the lottery sales back in March when the tax was announced. People objected at that stage because some people . . . because of the way that it . . . the way they interpreted it. It appeared as if the tax was already there, so some of them stopped going at that stage. There was a marked decrease, approximately 10 per cent.

Then when the tax was implemented in July 1 of this year, they found another decrease.

Since then we've been monitoring the situation. I've been making attempts to get in contact with many of the . . . as many as possible of the vendors, people who are in small business, people across this province, at least one person in every centre, and many people in some of the bigger centres in Saskatchewan, and asking them questions about what is happening to their lottery sales.

I spent some time, Mr. Speaker, and I sent out a survey to

which I'm going to give a preliminary report tonight, a preliminary report. The survey isn't all out. There are still some people who will be receiving it this week. But I've got a pretty good indication already from the few pieces that have come in today, in today's mail.

And the kind of question that I've asked on the survey, Mr. Speaker, is . . . The first question is this: has the provincial 10 per cent lottery tax decreased sales? Have I done it? Has it decreased sales?

And I have an answer here: yes; yes; yes. Here's one that says no; I'll put that one to the side. Yes; yes; and yes. Okay. Of the answers I've gotten today, weigh them out. Weigh them out. Eight yeses. At least I would say . . .

**An Hon. Member:** — Five to one.

**Mr. Kowalsky:** — My partner says about five to one. I think it's . . . Well exactly in this case, it's six to one. Of these that I've got here — six to one, six to one. All right?

I asked also the question, by how many per cent was this decrease? Here are some of the estimates. Some weren't sure. Here's one that says 50 per cent; here's another one that indicated 40 per cent; another one that indicated 15 per cent; one, 25 per cent; here's one 30 to 40 per cent.

They are confirming in writing, Mr. Speaker, what we have heard verbally. I would ask the members opposite me, any member, to go and visit any one of the kiosks. Well perhaps visit several. There are pockets — and I will admit to that — there are pockets where this isn't happening, because I did talk to a couple of people who said, well they didn't notice it. But the large majority . . . And I think this preliminary report that I'm giving you here today is a fair indication of what's happening across the province. I asked them the question: does the collecting of taxes cause an inconvenience to the vendor? Does it cause an inconvenience to the vendor?

**The Speaker:** — Order, order. Members, allow the member from Prince Albert to continue his remarks.

**Some Hon. Members:** Hear, hear!

**Mr. Kowalsky:** — Thank you, Mr. Speaker. As I was saying, I asked in the survey, we asked in the survey: does the collecting of taxes cause an inconvenience to the vendor? I wonder, Mr. Speaker, if the answer is not predictable. But in all cases here, without objection . . . No, there's one — pardon me, there's one, one that says, very minor. He says, very minor. The rest say yes, and they add a comment, and I'd like to indicate what some of the comments are. Yes, it causes an inconvenience, and one person, and this person happens to be from Maple Creek, says that the odd numerical value of the tickets make the daily totals hard to balance. It's one of the problems that they have.

There's another comment here about what has happened to the comments that they've expressed that they've received from their customers. What are their customers saying about the lottery tax? It says, we feel that we have 10 times as much bookkeeping for this compared to the

E&H (education and health) tax, which pays an equal commission.

Mr. Speaker, in talking to a couple of the vendors, they indicated to me that one of their biggest difficulties was that in calculating the tax, their tills were already full. They did not have a special button to calculate this tax with, and it would cost them about \$4,000, 4 to \$5,000 to put up a new till.

Well the member laughs. The member laughs. I'd like to take him to a vendor and explain to him how, at making \$30 a month selling the . . .

**The Speaker:** — Order, order. Debate across the floor between the hon. member on his feet and the hon. members in their desks really serves no real purpose except to cause some confusion in the House. You will all have the opportunity to enter the debate if you so wish. Let us allow the member for Prince Albert to continue.

**Some Hon. Members:** Hear, hear!

**Mr. Kowalsky:** — Thank you, Mr. Speaker. I took very seriously the vendor's plea to me when he indicated to me, and he brought me up to his till and he said, look, I've got this till. I use it for all of my transactions, for all the cigarettes that I sell, for all the chocolate bars I sell, and, he says, all the lottery tickets I sell.

He says, and I have a limited number of buttons, input buttons on this till. Now with the input of this tax, he says, I am short a button on it. And he says, I have to collect my taxes and do the calculation over and above.

The member from Regina laughs. The member from Regina laughs. Well it's an inconvenience, and that's one of the problems. That is one of the problems for the small-business people who were quite pleased to do this for Sask Sport, but who are now questioning whether they want to continue collecting this tax.

And I'd be interested to find out from the Minister of Culture, or from the Minister of Finance, how many people have quit, how many people have indicated they're going to quit collecting taxes for you, and are quitting this because it's no longer paying them to do so.

Mr. Speaker, I've also received a few replies from some bingo operators. The bingo operators indicate a rather similar pattern about what's happening in their business, and they're finding that in a couple of cases that — I have, I think, approximately six replies — that we've got a variance from 10 to 50 per cent decreases in bingo sales. They don't attribute all of the bingo sale reductions to the imposition of the tax, but not one person told me that that tax is actually helping their bingo sales or their bingo turnover and they're all indicating quite the opposite — that it's adding to some of the difficulties that they're having with the revenues from bingo. And they're predicting that, for example, in the town of Yorkton, that there are going to be clubs like the Lions club and the band boosters in Yorkton who are going to find themselves somewhat short of revenue compared to what they had projected from their bingo sales, which is part and parcel of the same tax package, the tax on lotteries

and on gambling.

Well, Mr. Speaker, in addition to the survey, I had mailed out a petition along with the mail-out to some of the vendors — a copy of a petition — because, as you know, a petition to be received by this Assembly needs to be written in some rather complicated . . . in a rather complicated form. And so in response to a request from a couple of people, I've simply added it to it so that those who wanted to might avail themselves of this opportunity of exercising the democratic right by petitioning this government to stop its tax on lotteries.

(1930)

I have here a copy of the petition and I want to read into the record, Mr. Speaker, what the petition says so that anybody that may want to get a copy of the petition will know that it's available through our caucus office. And it's just another way that can be used, in addition to the silent protests that the people are now using about this tax and about taxing in general, just another way that they can use to exercise a democratic right and tell this government that they ought to pull back on this tax, pull it back, drop it before it's too late.

The wording on the petition, and I would like to quote two paragraphs from it, Mr. Speaker, the wording says as follows:

That the new 10 per cent provincial lottery sales tax will lead to a substantial loss of revenue for charitable, cultural, and sport organizations.

And:

That the provincial lottery sales tax will have a negative effect on the livelihood of vendors who operate lotteries.

And it asks that the government eliminate the provincial lottery sales tax.

Mr. Speaker, it was by the minister of cultures and recreation's own admission this morning that I give additional testimony, in addition to the results I've received on my preliminary survey, in addition to the conversations that members on this side of the House — and I am sure, or at least I would hope, members on that side of the House — have had with lottery and sale of vendors. And it's by the minister's own admission in public today and yesterday on different programs, when he indicates that he wants to survey the effects of it, and he asks for two months of time to do that.

I say to the minister that two months is too long. Two months from now that's going to be pretty well a full four months — a full third of a year worth of sale losses, worth of losses which is going to result in a substantial problem to those cultural organizations. I say that's going to be too late.

I say to the minister that he is able to get the figures every two weeks very accurately, because it's every two weeks that these people submit their numbers. He's able to get them every two weeks. He should have a running

account. He should be able to make a recommendation directly to the Minister of Finance and to do it soon.

And I know that if the minister is sincerely interested in sustaining the well-being of Sask Sport, which in turn helps all the cultural organizations in Saskatchewan, that he will want to do that. And I sincerely hope that he does so and that he gets some support from some of the members opposite to do that and to do that quickly. Give your Minister of Culture some support on this; he needs it. Bail out of this before you become as embarrassed as you are with the used vehicle tax — do that!

Mr. Speaker, I would like to turn for a moment to what I believe are the reasons that people are staying away from this tax. Why are they avoiding it? Why are they avoiding it? What they've seen by this government is an unrelenting search for places to get money. They introduced flat tax. We've never had a flat tax before. They started out by just putting in a little bit so it wouldn't hurt too much and then they raised it and they raised it and they raised it, so now it's at 2 per cent, 2 per cent flat tax. Never before. Who did it? This government, this government. They increased the sales tax from 5 per cent to 7 per cent. Who did it? This government. That was . . .

**The Speaker:** — Order, order. Hon. members don't seem to stop. They just keep continuing and continuing. I must rise and call them to order. Continued interruptions are not part of the Assembly debate and I would like to once more remind members of that.

**Mr. Kowalsky:** — The people are saying that, first of all, this government has increased the sales tax. They have implemented a flat tax. People across the province are finding their property taxes increasing because this government has decreased its proportion that it now pays to school boards and to municipalities, revenue sharing. That proportion has gone down.

**An Hon. Member:** — Mr. Speaker, on a point of order.

**The Speaker:** — What is the hon. member's point of order?

**Hon. Mr. Klein:** — The member opposite, in his remarks just now, pointed to property taxes and the revenue sharing to municipalities and school boards, and he made a statement that is totally irrelevant to this debate. The fact of the matter is that the revenue sharing, which is a totally different debate, has had no impact on property taxes, and SUMA (Saskatchewan Urban municipalities Association) understands that, Mr. Speaker.

**Some Hon. Members:** Hear, hear!

**The Speaker:** — Order, order. The hon. member does not have a point of order and the member for Prince Albert continues.

**Some Hon. Members:** Hear, hear!

**Mr. Kowalsky:** — I will try to explain to the member so that even he can understand why people are staying away in droves from the lottery so that they can avoid paying the tax. And the reason, Mr. Minister, is that they are fed

up with the way your government has taxed and overtaxed and repeatedly taxed the people of Saskatchewan. And this is one way that they can stand up and show you and tell you and demonstrate in no uncertain terms that they are fed up with your taxation.

**Some Hon. Members:** Hear, hear!

**Mr. Kowalsky:** — In addition to those three taxes that I've mentioned — the flat tax, the sales tax and the property tax — ask anybody whether their income tax has decreased lately. Ask anybody whether their cost of utilities has decreased, or which way has it gone.

So when it comes to something like a lottery tax, which is a voluntary tax where people can make a protest, they are making a protest. And maybe it's a good thing that they are making a protest, because the government, if it comes back to its senses, can use this as a signal and fall back and retrench and think things over — just redo it.

People are seeing themselves being taxed on the one hand . . .

**The Speaker:** — Order, order. I'm going to once more interrupt hon. members and I'm just going to remind hon. members that if you're not going to cease and desist, I will have to point out the guilty persons in this House, because there are only a few of them. In all fairness and justice to the other members, there are only a few of them causing a disruption, and I've spoken to them several times and they refuse to heed my request, and therefore I'm asking them one more time.

**Mr. Kowalsky:** — Thank you, Mr. Speaker. We're dealing with a motion to have second reading for an implementation of a tax on lotteries. At the end of my remarks I intend to move a motion which would put a delay to the second reading of this particular Bill.

And I'm doing it for reasons to support what the public has already indicated by staying away from the lottery kiosks in droves. That is, they want this tax dropped. They want it dropped because they feel that it's very much like some other tax that this government has already implemented. They feel overtaxed. On the one hand, they see taxes . . . And I've listed five different types of taxes that this government has increased.

They see this government increasing taxes, and at the same time they see this government giving money away, that they've raised in taxes from the people of Saskatchewan, to the likes of Pocklington, and more lately Cargill, 200 — how much to Cargill, 235? — and to Mr. Guy Montpetit. They see the waste and the patronage that has gone to people like Ken Waschuk through this GigaText outfit — moneys that end up in Bermuda, taken from the taxpayers of Saskatchewan. And it's not a small wonder that they're staying away from the kiosks and telling you folks, drop the tax.

Mr. Speaker, I want to talk briefly about another mandate for Sask Sport, how people are going to be hurt. This government is trying to indicate that somehow they're going take this money and they're going to use it for our

health, for the good of our health. Now picture this for a minute. Here we have all of these organizations sponsored by Sask Sport, sponsored by Sask Sport, which are contributing to a positive, healthy life-style for many, many people in Saskatchewan — Sask Sport themselves indicate close to 600,000 people.

This money is being used to promote healthy, athletic activities, healthy for the body, healthy for the mind. They're taking money away from it. They're undermining this organization. Instead of promoting preventative measures, instead of putting more money into it and promoting it, they're taking money away from it.

You know what's going to happen. What's going to happen is, if you pull the rug out from underneath these cultural organizations by scuttling this scheme for getting money through Sask Sport, if you do that you're going to find that you're going to need more and more money at the other end, at the other health end.

It's rather a commonly accepted thesis at this stage that we need more emphasis on preventative measures. It's very commonly accepted. Your own Minister of Health accepts that, your Minister of Culture accepts that, but your taxman doesn't accept that. And I can't understand why you accept that, why you accept it. It just doesn't make sense.

You've spent millions of dollars, hundreds of thousands of dollars advertising life-styles — life-styles. You've spent hundreds of thousands of dollars advertising it, and now you're pulling the rug out from under the very organization that sponsors and is working towards better life-styles in Saskatchewan.

Mr. Speaker, is it for health? I say there's nothing in that Act that says that the money is going to go directly to health. As a matter of fact, it says in that Act that the money is going to go into the general revenue fund. When you put money into the general revenue fund, are you going to take that money and put it in a special bundle there and then transfer it into the Health budget?

What it amounts to is a lot of rhetoric and a lot of advertising. It seems to be a way that this government wants to make this tax acceptable. The people of Saskatchewan know that the Health budget needs a good influx of money; they know that. They know that. And they know that you should be taking money from your birthday party, from your GigaTexts, from your Pocklingtons, from your Cargills, and putting that money into health, into there. That's where you should be taking it from. And from the general revenues, of course.

But to try to pull a hoax on the people of Saskatchewan by advertising that you're going to put it directly into health is unbelievable — it's unbelievable. Not only that it's misleading. You're misleading the public by calling it the hospital tax, and we're going to put an amendment. I'm going to indicate that we're going to put an amendment because this is not a tax on hospitals.

I don't think you want to call this a tax on hospitals. You have a fuel tax; that means you're taxing fuel. You have an income tax; you're taxing people's income. If it's a

tobacco tax or a liquor tax, that's what you're taxing. This is a tax on lotteries and nothing else but lotteries, and that's what it should be called and that's what it would be called if you were honest about it.

(1945)

So I want to summarize then, Mr. Speaker, before I pass the . . . pass over to my colleague or other colleagues who have things to say about this motion. I want to summarize that we are in opposition to this. There are people of Saskatchewan in large numbers who are in opposition to this tax.

There are good reasons why we're in opposition to this tax; we feel that it imposes a burden on sports, cultural, and charitable organizations; we feel that it causes a hardship on Saskatchewan businesses; and we feel that the government is not being honest when they are calling it the hospitals tax.

I therefore move, seconded by the member from Sutherland constituency:

That all the words after "Bill No. 72" be deleted and the following substituted therefor:

Not now be read a second time, because:

(a) It imposes an unfair financial burden on sports, cultural, and charitable organizations;

(b) It is causing severe hardship to Saskatchewan small businesses; and

(c) It fails to allocate the tax revenues explicitly for hospitals or health care.

**Some Hon. Members:** Hear, hear!

**The Speaker:** — Order, order.

**Mr. Koenker:** — Thank you, Mr. Speaker. As my colleague from Prince Albert has just indicated, this piece of legislation should not be called the hospitals tax Bill, it should be called the lottery tax Bill, according to my colleague. I would go one step further and say this should be called the hoax Bill, the Hoax tax Bill.

**Some Hon. Members:** Hear, hear!

**Mr. Koenker:** — Because what this legislation does is perpetrate a hoax on the people of Saskatchewan, purporting to fund hospital and health care by way of a lotteries tax when none of that money will wind up into the health care system.

And I want to make the point, as the amendment that was just moved has made, that there is nothing, there is absolutely nothing in this legislation that requires the Minister of Finance to spend a penny on health care. Now I want people of Saskatchewan to know that this Bill No. 72 is titled, An Act to raise Revenue for Hospitals by the Imposition and Collection of Taxes with respect to Participation in and the Operation of Lottery Schemes. And it's another fraud. That title is a front for Progressive

Conservative cut-backs to health care.

And I want to go on and say that according to section 8 of this legislation, where you would expect to find something requiring these funds not only to go to the Minister of Finance but to go into the general fund of the province to the Minister of Finance, there should be something here requiring that money to be going, not just into the general revenues of the province, but into health care. But we don't find it there because this government is not serious about health care and funding it.

**Some Hon. Members:** Hear, hear!

**Mr. Koenker:** — I want to say in the most clear terms possible that this piece of legislation is pure, unadulterated propaganda. This legislation is not concerned with the health care of the people of this province; it's concerned with the health of the Progressive Conservative government and its re-election fortunes.

What this legislation wants to do, Mr. Speaker, is create the image of concern for sick people in the province of Saskatchewan. It wants to give the illusion that this government is actually going to be doing something about waiting lists in Saskatoon and Regina hospitals, is going to be doing something for rural hospitals, is going to be doing something to increase new technological equipment for the province. And yet we know that there's nothing in this legislation requiring that.

In fact, we're asked, as an article of faith, to believe that the money will go to health care. We're asked to believe that as an article of faith by the Minister of Finance. We're asked to take him on his word. And the people of Saskatchewan know that if there is one person in this province that we cannot take for his word when it comes to financial matters and reckoning straight with Saskatchewan people, it is precisely the Minister of Finance in this government.

I also want to comment on how the Minister of Consumer Affairs gets into this act in perpetrating this hoax. On June 26 of this year, the Minister of Consumer and Commercial Affairs sent a letter to the charitable and service groups across the province of Saskatchewan, announcing this new tax, this new hospitals tax, as he calls it, that it would be in place effective July 1 for lotteries, bingos, and break-opens, and that it would apply to casinos and raffles beginning September 1.

And he goes on in the second paragraph of this letter, and I want to quote this, to say:

The Government of Saskatchewan has identified health care as a priority in our province. The new hospitals tax will be introduced in order to maintain and enhance our hospitals and to meet the growing demand for health care.

Allegedly, that is the agenda, to maintain and enhance health care in the province. I say, Mr. Speaker, that there is a hidden agenda behind this piece of legislation, and that agenda is to show the people of Saskatchewan that health care is too expensive for the government to be

involved in. This is the first step in the long road down to the erosion of a universal medicare system. And how it happens is quite simply like this. The government says, health care is too expensive to afford; we don't like imposing a tax on lotteries; we find it distasteful, but it's something that we have to do; health care is just too expensive. We have no choices so we're going to fund new hospital construction, we're going to fund new equipment, we're going to eliminate waiting lists — we're going to do all these good things by virtue of a lotteries tax or a hospitals tax.

And that will sit for a year, and then what we'll find is this same government, after their re-election, coming back to the good people of Saskatchewan and saying, well you know, we tried; we tried to fund health care. We tried to fund it by way of introducing a 10 per cent tax on bingos and lotteries, and it didn't work. It's just too expensive. We can't afford it. Even as distasteful as it was, we introduced this tax on the lotteries and bingos, but it doesn't do the job, and folks, you're just going to have to give up on more of your health care.

That is the scenario. That is the step that the people of Saskatchewan can expect from this particular piece of legislation; that there is a hidden agenda for health care from this government and that this is part of that hidden agenda to set the stage for the erosion of a universal medicare scheme. And the people of Saskatchewan know full well that this government is capable and willing and wanting to do precisely that when it eliminates the dental program and the prescription drug program from the people of the province.

Another point I want to make, Mr. Speaker, is that there's nothing in this legislation requiring the health tax, the hospitals tax, to stay frozen at 10 per cent. And I think that people in Saskatchewan can well expect this tax to float upward as time moves on.

This is precisely what we saw with the flat tax that was introduced initially at only a half a per cent. Only a half a per cent, people will recall, because it was only in place for half a year. Had it been in effect for a full year it would have been one percentage point.

So we have a flat tax that starts out at half a per cent, the next year it goes up to 1 per cent, the year after that it goes up to one and a half per cent, and now it's at 2 per cent.

And this flat tax, incidentally, was hailed as a first in Canada — a very progressive idea from the Progressive Conservative government — and it certainly was. It progressed up from a half a per cent to 2 per cent, and that's what we're going to see from this particular hospitals tax. We'll see it floating up from 10 per cent to 15 per cent to 20 per cent.

**Some Hon. Members:** Hear, hear!

**Mr. Koenker:** — And the people of Saskatchewan know by now . . . And they know this is true because Tory times are tax times, they're tax times. The taxman cometh when the PCs get elected.

In fact, departmental officials in the Government of

Saskatchewan have already said that there's going to be tax added to this 10 per cent tax on lotteries when the federal Finance minister, Michael Wilson, introduces his tax on goods and services, which they support, incidentally. Not a peep, not a whimper, not a cry of protest against that unfair tax increase from the Progressive Conservative government federally.

And so what we'll see, what we'll see is inclusion of lottery sales in this 9 per cent federal national sales tax for goods and services, just like the flat tax. The tax bill goes up and up and up.

Now the government talks about the importance of this tax for health care. The people who are actually in the business of providing health care, doctors, nurses, hospital administrators and the like, know that this government is not funding health care, does not have a commitment to health care. And these people know this because they are the ones who have to go out and chase the bucks.

In Saskatoon, you can go into University Hospital and take an elevator up to visit a patient and see posters in the elevator indicating that there's a special fund-raising dinner in town to raise money for the hospital burn unit, or another particular unit. It varies really from month to month, about what the fund-raising project is by the hospital auxiliary or by the nursing staff. And the same is really true for City Hospital in Saskatoon and St. Paul's Hospital. Hospital health care personnel have become fund raisers, fund raisers because this government is negligent.

Mr. Speaker, you know as well as I do that this is true when it comes not just to the door of the elevator in the hospital, but to our own doors, the doors of our homes on the streets across Saskatchewan. People in Saskatchewan are absolutely fed up to the neck with all sorts of charitable organizations and health-related organizations such as the Heart Fund or the kidney fund or the united way, the Saskatchewan Association for Community Living or the abilities council or what have you — coming to the door begging for money from the good people of Saskatchewan because the provincial government won't adequately fund health care and social services.

And so what we have is a situation where people involved in these fields with a commitment to the heart foundation or the kidney association, for example, have to go out and pound the pavement, pound the pavement and go door to door or phone solicitations to raise money for health care because it isn't forthcoming from the provincial government.

And now, to add insult to injury, these same people now have to go out and play tax collector on behalf of the Government of Saskatchewan when they have their lotteries and other fund-raising activities. And that people in the charitable field find very offensive indeed.

(2000)

And no wonder then, little wonder that we find a growing number of people not only going to Alberta to purchase

lottery tickets, as my colleague from Prince Albert indicated, in order to avoid paying this 10 per cent tax. Little wonder that we find growing numbers of people pooling their money and going out of province to buy lottery tickets. We also find growing numbers of people leaving the province.

And I don't say that's because of this particular Bill 72, the hospitals tax, necessarily. I think it's part and parcel of the larger picture of the erosion of health care services here in Saskatchewan, a province that used to have the best universal medicare system in North America, with a dental program adding new children year after year so that eventually the whole of the province would be covered. And now these services are being eroded and people are leaving the province because of it.

I'll say parenthetically . . . I think this is already well-known but some people viewing might be interested to know that at this point in 1989 there has been a net loss of some 13,000 people from the province of Saskatchewan — in other words, a net loss of 13,000 more in this half of the year than in all of last year put together, leaving the province of Saskatchewan.

And the rumour has it, Mr. Speaker, would you believe, that this government is even going to start taxing people who are leaving the province on their way out, penalizing them for leaving the province. Maybe even when they go out of province to take holidays there will be a tax imposed because they're leaving the province even temporarily, not to mention a tax imposed if they leave permanently.

One of the things I personally find most offensive and most scandalous about this particular hospitals tax is that it hits those who are least able to afford it. It hits those people on low income who play the bingo parlours. Bingo, for many people on low incomes, is not an opportunity to win a million dollars, because you simply don't win a million dollars playing bingo. You win some small change. Your fortunes may change for a week or two on the basis of your earnings from a particularly lucky night at the bingo, but nothing more than that will change. These are low income people who are being asked to front this 10 per cent bingo tax, this tax for hospitals.

And how typical for this Progressive Conservative government to go after these people — those who are least able to afford it. I say, Mr. Speaker, that if this government were serious about raising money for health care and wanted to collect revenue from lottery-type schemes, I say that this government ought to tax stock market . . .

**The Speaker:** — Order, order. The level of noise is getting a bit too high, and I ask members to quieten down.

**Mr. Koenker:** — I say, Mr. Speaker, that if this government is serious about raising money for hospitals and wants to go after people who gamble and play the bingos and play the lotteries, why doesn't it get serious and tax the high flyers of society, the people who speculate on the stock market?



Why not tax all stock market transactions originating in the province of Saskatchewan with a 10 per cent tax and raise some real money for health care? And bring in legislation that requires that money to go into health care rather than legislation such as we have here that doesn't have a word of commitment to health care other than in the title.

**Some Hon. Members:** Hear, hear!

**Mr. Koenker:** — I say, Mr. Speaker, that people who have high disposable incomes to play the stock market, that have high disposable incomes to take risks there, ought to be the ones more than willing to pay a 10 per cent tax on their stock market transactions rather than the little people who play the bingos — but that's typical Tory philosophy, typical Tory philosophy.

There's a lot of money to be made in gambling, this government believes. I say, Mr. Speaker, there's a lot of misery to be made on gambling; a lot of human misery that this government pays no attention to at all when it introduces this bogus kind of Bill to raise money for hospitals.

This government claims, I say, that it can't afford to pay for health care and that it has to have a 10 per cent tax on lotteries to fund it. This government could afford decent health care if it weren't carrying the biggest deficit in this province's history. And the people of Saskatchewan should know that right today, each and every day of the year, the good people of Saskatchewan are paying a million dollars a day in interest on the provincial deficit for nothing — for absolutely nothing. And that has been brought in since 1982 from this government opposite. Give them one term; give them two terms; give them four years; give them six years — seven years, it doesn't matter. We have had consecutive deficit budgets from this government so that now we are paying a million dollars a day in interest just to service the provincial debt. People will know that that is a million dollars that cannot go, that cannot go to health care in this province.

And so when the Minister of Finance talks about this piece of legislation raising possibly \$10 million this year for health care, and next year, because it will be in place for a full year, raising possibly \$23 million for health care, it's laughable because that is less money than this government pays out in a month just to service the provincial deficit. And that has to be remembered by the people of Saskatchewan that are paying this tax. And it is remembered and that's why people resent this tax so much.

This lottery tax, this hospital tax, as I began saying, is really nothing but a hoax tax. It's nothing more than a ploy to convince Saskatchewan people that health care is simply too expensive to afford; the provincial treasury can't afford it. And no wonder, because this government's priorities are all wrong. When there's \$240 million for Weyerhaeuser and there isn't money to deal with hospital waiting lists in the province, and to reduce those waiting lists from record highs, then there's something rotten in the state of Saskatchewan.

When there is 280 or \$290 million in grants and loan guarantees for Cargill corporation, which is the world's largest private grain corporation, and there isn't money to adequately staff Saskatchewan's hospitals, then there's something rotten in the province of Saskatchewan.

When there's \$5 million to invest in a hogus-bogus GigaText Translation scam, so that people can fly around the country in jets and Saskatchewan people can pay the bills, then there's something rotten in the province of Saskatchewan.

When there's \$9 million to celebrate the provincial birthday party, and there isn't money to deal with rehabilitation services in Saskatoon's rehabilitation centre, then there's something rotten in the province of Saskatchewan.

And people in Saskatchewan know where that rot is located. It's located right in the highest places of government. It's permeated this government for the last number of years, and it's time for a change, people are saying. It's time for a change. We've got to get rid of this sick, rotten government. We've got to have a government as good as Saskatchewan people. We've got to get rid of this kind of hogus-bogus hoax legislation calling . . . fund-raising ploy, a hospitals tax, when it's only a prelude to getting rid of a universal health care system in Saskatchewan.

People know what this government's agenda is; it's to dismantle health care. It's to take care of their own friends and its own welfare. And they'll recognize this piece of legislation for what it is, nothing more than part of the larger Tory hoax.

Thank you, Mr. Speaker.

**Hon. Mr. Hepworth:** — Thank you, Mr. Speaker. I'd like to enter briefly into this debate tonight on the Bill before the legislature relative to the rather innovative hospital tax that the Minister of Finance announced in the budget speech some several months ago, Mr. Speaker.

What we have heard tonight, Mr. Speaker, is the NDP come out clearly against the hospital tax. We've heard the last member speak. The last member who spoke referred to it as a hoax, Mr. Speaker. The other member put some other labels on it, Mr. Speaker. But what they are clearly saying is that they're against levying a tax on bingos and break-opens and lotteries to support our hospitals and hospital system and our health care system in this province, Mr. Speaker. This tax, Mr. Speaker, was intended and is designed to give hospitals, specific hospitals in this case, some additional funding. And the NDP have clearly said they're against that, Mr. Speaker.

Now I ask you, Mr. Speaker, and I ask all members of the legislature, I ask my colleagues: after this tax was announced in the budget, Mr. Speaker, and they went to their constituencies and talked to the people in their constituencies, whether it was housewives or ranchers or teachers or nurses or technicians or lawyers or truck drivers — I don't care what walk of life they were from, Mr. Speaker — when you talked to those people after this lottery tax was announced in the budget, did people say

to you that that was an awful idea, that it was wrong, that it shouldn't be done, Mr. Speaker? No, Mr. Speaker; in fact, quite the converse is true, Mr. Speaker.

And I can speak from personal experience at my riding. I didn't even bring this issue up in conversations, and before you could barely get a hello out, people were saying what a good idea that is to tax bingos and lotteries and break-opens, Mr. Speaker, what a good idea it is to tax that segment of the gambling industry. That's income, that's money that people spend voluntarily, Mr. Speaker. And what a good idea that is to have that kind of tax.

Similarly, Mr. Speaker, if you remember, on the days after the budget speech was reported across Canada other jurisdictions, including some of the newspapers of the day, too said what an innovative idea that is, that hospital tax.

And in fact, Mr. Speaker, as you talk to people, the more they thought about this . . . In fact, some of them have been saying, well that should have happened years ago, and a lot of them would make mention of the Irish sweepstakes and that how that money was dedicated towards hospitals and that at some time or other their mother or father or brother or sister or uncle or aunt had bought those kinds of tickets some several years ago, Mr. Speaker.

So it's unfathomable to me, Mr. Speaker, as to why the NDP, if they are really in touch with their constituents, how they could come out against a tax on lotteries and bingos, Mr. Speaker, with the funding being dedicated to hospitals. Because clearly the people support that, Mr. Speaker.

Now why then are the NDP against the tax? Well tonight, Mr. Speaker, we heard a new low in rationale in this legislature. We heard a new low, Mr. Speaker. And I know that's hard for members to believe, given the level of debate we've experienced on the potash Bill in this House.

But tonight, Mr. Speaker, one of the reasons that was stated, in fact the reason, the reason that the NDP critic stated as to why they're against this tax after talking to people in and about the province, why they're against this tax, Mr. Speaker, is that there aren't enough buttons on the cash register, Mr. Speaker. Can you believe it, Mr. Speaker, that somehow because the cash register doesn't have enough buttons, that this administrative glitch can't be overcome so that we can't raise money for hospitals in this province, Mr. Speaker? Now if that isn't the weakest reason I have ever heard.

(2015)

Now I don't know. Maybe in that area, Mr. Speaker, where that member is coming from, maybe they still have water-cooled cash registers too. I don't know, Mr. Speaker. But that has to be one of the weakest reasons I have ever heard for standing in the way of supporting hospitals through a tax, is because there isn't enough buttons on the cash register, Mr. Speaker. That is a new low in debate in this House.

And I ask you, Mr. Speaker, how low will the NDP stoop in terms of pretending to be a responsible opposition? How low, Mr. Speaker? Do they really care about what's going on or are they looking for some little self-interest here that they can sort of exploit to their own advantage? I would suggest to you, Mr. Speaker, that that is what their motivation is.

They are looking to see what political gain they can get out of this apparent initial administrative hassle that I think many people would observe has taken place with the introduction of the tax — a minor inconvenience. I would argue, Mr. Speaker. And they're missing the fundamental point, Mr. Speaker. Do people think it's a good idea to tax bingos and lotteries to support health care? And the answer resoundingly is yes, Mr. Speaker.

I ask one other fundamental question, Mr. Speaker, one other fundamental question relative to this debate tonight. We all know, Mr. Speaker, that health care is a complex area. The Premier and the Minister of Health have seen fit — because of the changing demography, because of the changes in technology, because of changes in health in terms of life-styles, Mr. Speaker, for many reasons, Mr. Speaker — the Premier and the Minister of Health have struck a blue-ribbon commission to plot our health care strategy for the next decade and more, Mr. Speaker, for the next 25 years.

Medicare has served us well. Under Progressive Conservative ministers of Health, medicare has even done better than it did under the NDP. But, Mr. Speaker, unlike the NDP, the Progressive Conservatives know that you can't just stick your head in the sand, close your eyes, and pretend that the world is not changing, and everything will be all right if we just go along the way we have been.

Well, Mr. Speaker, we know, we know in this Progressive Conservative caucus that in the area of the changing health care needs of society there are no place for NDP dinosaurs, Mr. Speaker. We know that. We also know that in dealing with complex issues like health care there are no easy answers, whether the question is dealing with an increasingly elderly population, Mr. Speaker, or financing health care.

We all know it takes a lot of money. For example, Mr. Speaker, as I understand it, as I understand it, for a family of four, if you divide the health care expenditure by the number of families in the province, it works out to something in excess of \$5,000 is spent on average for an average family of four.

Now you and I both know, Mr. Speaker, there's probably no such thing as an average family. But of all the tax dollars we collect from the people across the province who give them, for the most part willingly, many of those tax dollars are pledged to the health care system. And on average for a family of four, we redistribute \$5,000 of the wealth that people have created in this province. Quite a princely sum, Mr. Speaker. There's no deterrent fees, no premiums, Mr. Speaker. Collect the taxes and pay the bills on behalf of the people.

And yet we all know that there is more that we could do

and we would like to do, Mr. Speaker. And as this commission plots that course, I'm sure we will see that strategy unfold over the months and years ahead, Mr. Speaker.

And I raised this point, Mr. Speaker, for this reason. We recognize that there is changes and changes that must be made, but do the NDP dinosaurs? I would suggest not, Mr. Speaker, because it doesn't matter whether it's a health care commission or a health care or hospital tax on lotteries, they are against everything, Mr. Speaker.

The have absolutely refused to put one alternative forward. The Health critic consistently sits on her hands, Mr. Speaker, or if issues are raised in this House, Mr. Speaker, they're of a guerrilla tactic nature. Mr. Speaker, no substance, no vision of the future — condemns the health care commission, condemns the hospital tax.

Mr. Speaker, times are a-changing and so must we. We cannot afford to stick our head in the sand, close our eyes, cover our ears, Mr. Speaker, and pretend that everything will be all right.

I am telling you, Mr. Speaker, on health care, on agriculture, in small business — it doesn't matter the area; industrial policy, Mr. Speaker — the NDP are bankrupt of ideas, and we see that in spades tonight in this debate, Mr. Speaker. They are bankrupt of ideas. And I'll tell you, the classic example of how bankrupt they are, Mr. Speaker, is characterized by the lethargy in the NDP leadership race.

They are torn, Mr. Speaker . . . It doesn't matter whether it's health care or any other issue, they are torn between clinging to the past, pretending all is well, and if all else fails, as the member from Assiniboia-Gravelbourg well knows, scare the people. Tell them you're going to close down the hospitals. That's their idea of responsible opposition, Mr. Speaker.

The NDP, Mr. Speaker, are at a break point. Either they can continue to cling to the past or they can join us. They can join us with new and innovative programming in health care, like a hospital tax, Mr. Speaker. They are bankrupt of ideas. In fact, someone has characterized the NDP leadership race as a . . .

**The Speaker:** — Order, order. I'm not sure that the NDP leadership race is on topic, and I bring that to the member's attention.

**Hon. Mr. Hepworth:** — Mr. Speaker, they are at a break point. Whether it's health or anything else, Mr. Speaker, they are either clinging to the past; they're engaging in fearmongering and scaremongering, Mr. Speaker, but cannot, cannot enunciate or devise a strategy for the future, Mr. Speaker.

And on this hospital tax issue, Mr. Speaker, that's yet another example of this same lethargy — another example of the same lethargy — because you see, if you listen to their arguments here tonight, Mr. Speaker, they're against the hospital tax. And the critic also said, and we're against the other five taxes that this government has put in place, things like flat tax, etc., etc., Mr. Speaker.

And yet we also know, Mr. Speaker, we also know, Mr. Speaker, that when the government moves to try and curb spending, they're all in an outrage about cut-backs. So here we have them, Mr. Speaker. On the one hand they don't want us to increase taxes, to spend more on health care for the families of this province. They don't want us to cut back on spending, Mr. Speaker. So what's left? Let the deficit go up? Do they want that, Mr. Speaker? Do they want to see us transfer a mortgage from our generation onto our children's back and our grandchildren? Well that would be typical of NDP socialist mentality, Mr. Speaker, but it is not the Progressive Conservative way, Mr. Speaker.

And I think this Minister of Finance and this Premier and this Progressive Conservative caucus, whether the issue is health or anything else, have always struck that balance, Mr. Speaker, between asking for the people to give us more in taxes, holding the line on spending, and at the same time getting that monster deficit under control.

And I stand by what we're doing, whether the issue is hospital tax or fiscal policy in this government, Mr. Speaker, at all. Because you see, Mr. Speaker, the NDP cannot have it all ways. They can't have it all ways. They can't say, no tax increases; don't cut back on spending; and reduce the deficit.

You see, you can't have it all ways, Mr. Speaker. There's only a couple of ways you can deal with that equation. Either you raise taxes or cut spending. And, Mr. Speaker, I think the hospital tax is a very fair and reasonable tax. And I'm telling you what, Mr. Speaker, so do the constituents of Weyburn, Saskatchewan, Mr. Speaker. They see that as responsible government.

Now having said that, Mr. Speaker, when it comes to the whole question of taxation, if you were to go into a meeting anywhere in Saskatchewan and you asked people: do you want to pay more taxes — please raise your hand, all those who want to pay more taxes — you see the human being in us, Mr. Speaker. Nobody every really wants to pay more taxes. They know in their heart that they probably have to pay because it's taxes that fund some of the things that we all consider important.

I think Winston Churchill, as my colleague from Assiniboia-Gravelbourg said, put it as well as anyone, and I'll paraphrase it because I can't recall the exact quotation. But he said some several years ago, Mr. Speaker, that people ought to be proud to pay taxes, because they build our schools, they provide us with our hospitals, they build roads. But he went on to add parenthetically, Mr. Speaker, that he'd be just as proud to pay half as much. And isn't that the case with all of us. We'd all like to pay less, but we all want more service, Mr. Speaker.

The people here in Saskatchewan are no different. We don't want to pay more taxes than necessary. We want to see them spent prudently. And I'll tell you what, Mr. Speaker. In Weyburn, Saskatchewan and all across Saskatchewan, they see the hospital tax on lotteries and bingos and break-opens and that form of gambling, Mr. Speaker, as prudent taxation policy and in favour of a changing health care system.

And, Mr. Speaker, I just say to the NDP, break out of the leashes, throw off the chains that fetter them and bind them to the ideology and the way of the past. Join our Minister of Finance, join our Premier, join our Minister of Health in courting and putting together this new vision for the future.

Can't we just once put aside these partisan arguments, this stooping to, I don't have enough keys on my till to record a tax. Can't we look beyond that just once in this legislature, Mr. Speaker, and do something on behalf of the people and the families in this province, Mr. Speaker. Because that's why I'm going to support this Bill, Mr. Speaker. Because it makes sense in Weyburn, Saskatchewan, Mr. Speaker.

**Some Hon. Members:** Hear, hear!

**Ms. Simard:** — Thank you, Mr. Speaker. Mr. Speaker, well I have just witnessed a case of extreme intellectual dishonesty in this legislature. When the member from Weyburn reduces the critic's argument to buttons on a till, I say that that's intellectual dishonesty, Mr. Speaker.

The New Democratic opposition is against the levying of this tax, Mr. Speaker, because it is against a tax on bingos and lotteries to help hospitals, because it is not a dependable tax and because it is a tax on the poor. And that's a very simple concept, Mr. Speaker. There is no guarantee in the legislation . . .

**The Speaker:** — Order, order.

**Ms. Simard:** — Thank you, Mr. Speaker. The member from Weyburn did not acknowledge to this legislature that there's no guarantee in the legislation that this tax will, in effect, go to hospitals. *Au contraire*, Mr. Speaker, he said it was dedicated to hospitals. Nowhere is that dedication that this tax will go to hospitals. In that sense he was also intellectually dishonest. Mr. Speaker, intellectually dishonest in his arguments. There is nothing in the legislation that guarantees the tax will go to hospitals — nothing. And for that reason we have called this a hoax, because that tax will go into the consolidated revenue, Mr. Speaker, and will be used for the GigaTexts of the PC government.

There are a number of ways that we can raise revenues for health care, Mr. Speaker, a number of ways, and I do agree that it is necessary to raise revenues for health care. We do it through the proper management and development of our resources, instead of selling it off to large out-of-province corporations. We use the revenues from our resources for developing our health and education programs. We tax wealthy investors and corporations fairly, Mr. Speaker, instead of taxing ordinary people in this province and taxing people who play the lotteries and bingos, who are in many cases low income people in the province, Mr. Speaker, because often this is their only form of enjoyment.

What we do is we eliminate waste and mismanagement from government which we have witnessed repeatedly throughout the years — PC waste and mismanagement to

the tune of 4 or 5 million in the GigaText scandal, for example, Mr. Speaker. We eliminate self-serving advertising at the rate of millions of dollars being conducted by the PC government. We eliminate large sums of money being paid for empty office space in the province, Mr. Speaker.

(2030)

And these arguments have been set out and made repeatedly in this House, Mr. Speaker. What we need is a good government with good management, a government that can manage our resources and our revenues and our income for the benefit of the people and that doesn't have to put a tax on people whose only pleasure may be playing bingo or playing the lotteries, whose only hope may be with winning a lottery, Mr. Speaker.

As I indicated earlier, there's nothing in this Bill that dedicates, to use the words of the member from Weyburn, that dedicates this tax to hospitals — nothing. And can we believe the member from Weyburn and the PC government? I say no, Mr. Speaker.

This government said that there would never again be a gas tax, never in the history of Saskatchewan. And, Mr. Speaker, when you drive up to the pump, do you pay a gas tax? Yes you do, Mr. Speaker. And, Mr. Speaker, do you get a rebate? Well only if you submit it, Mr. Speaker; only if you do, and many people don't. But the fact of the matter is that the government collects that gas tax when you drive up to the pump and it has that money in its coffers for several months before it's rebated to you. That's hardly consistent with the earlier statement that there would never be a gas tax in the history of the province.

The people of Saskatchewan know they can't believe them. They know that. They promised that there'd be no sales tax, and what do we see is an increase in the sales tax. They promised a reduction in income tax, and what we've seen is an increase in income tax. They promised no privatization of the Saskatchewan Power Corporation . . .

**The Speaker:** — Order, order.

**Mr. Wolfe:** — A point of order, Mr. Speaker. The member's comments are totally irrelevant.

**The Speaker:** — Order. Members by and large have been relevant in their comments tonight and I ask the member also to be such.

**Ms. Simard:** — Thank you, Mr. Speaker. Just for the benefit of the member from Assiniboia-Gravelbourg, who has a little bit of difficulty getting from A to C, let me repeat the line of argument here.

The fact of the matter is that the member from Weyburn said that this money was dedicated to hospitals. There's nothing in writing to that effect, and even if there was something in writing, Mr. Member, we know that we cannot believe you on your statements and your promises.

And I am setting out on a point-by-point basis, which I can understand you would not want to hear. I am setting out promises that have been made by your government, some of them in writing, that you have systematically breached and broken trust with the people of Saskatchewan.

**Some Hon. Members:** Hear, hear!

**Ms. Simard:** — Now, Mr. Member, do you understand a little more clearly?

**Mr. Wolfe:** — Point of order. The member's comments are totally irrelevant.

**The Speaker:** — Order. I've listened to the hon. member's point of order, and it is the responsibility of the member to indicate the relevance of her points.

**Ms. Simard:** — I just indicated the relevance of my points, Mr. Speaker. The member from Assiniboia-Gravelbourg reminds me of my seven-year-old son.

**The Speaker:** — Order, order. I believe that perhaps if hon. members would stop debating personally with members from the desk, the debate would proceed in a more orderly fashion, and I ask the member to do that.

**An Hon. Member:** — It's an insult to your son.

**Ms. Simard:** — Yes, it is an insult to my son; I'm sorry, I apologize.

Mr. Speaker, the member from Weyburn indicated that the Minister of Health and the Premier had set up a blue-ribbon commission, that they set up a blue-ribbon commission because they wanted and desired this long-term plan for 10 or 20 years down the road. That's what the member of Weyburn said, Mr. Speaker.

The fact of the matter is that this government cut back and underfunded on health care to such a drastic extent that they created a crisis in the health care system in Saskatchewan.

**Some Hon. Members:** Hear, hear!

**Ms. Simard:** — And the people of Saskatchewan were out for their political hide, Mr. Speaker, because of their mismanagement and their incompetence in administering our health care system in the province. They were in political trouble, and that is why they set up their health care commission, Mr. Speaker, not because they had any vision or any desire to implement a long-term strategic plan.

We have witnessed in this province, over the last seven years, ad hoc decisions made by this government with respect to health care — arbitrary cut-backs, slashing and cutting at health care, Mr. Speaker, slashing and cutting in a ruthless fashion. And for the member from Weyburn to now claim that they have some high and principled reason for setting up a commission is simply ludicrous because their actions for the last seven years have told us entirely differently. They have indicated that health care is not a priority, that if they could have got away with it,

they would have completely destroyed our health care system, Mr. Speaker. That's what they told us in the last seven years.

Now they've set up a commission and try to claim credit for this, and that their objectives are laudable. Well I don't believe them for one minute, Mr. Speaker, and neither do the people of the province of Saskatchewan. They've driven health care planners and health care professionals out of this province at record numbers — at record numbers, Mr. Speaker.

And only yesterday or the day before there was an article in one of the papers about ophthalmologists and the difficulty, the long waiting lists for getting cataracts, and people are having to go to Alberta to get their cataracts paid and pay a portion of the medical fees for the procedure — just the other day in the paper.

We still have long waiting lists in this province, Mr. Speaker, long hospital waiting lists for needed surgery that are unprecedented in the history of this province, completely unprecedented. And yet the minister, the member from Weyburn says, oh yes, we wanted a long-term, strategic plan. They say that now after they drove most of the health care planners out of this province, and health care professionals, with their underfunding to the health care system that demoralized the health care professionals in this province, and that caused them to leave because their working conditions were so poor and because the quality of health care that they were being allowed to deliver because of the financial restrictions was so substantially reduced from previous years.

And the member from Weyburn stands in his place and goes on about how the New Democrats have no ideas. Well I remember, Mr. Speaker. In fact, I was just reviewing a speech that I had made earlier in this session in which we set out a New Democratic vision of health care. And the member from Weyburn, who stood up subsequently or shouted from his sleep . . . who woke up and shouted from his sleep, what vision, simply hadn't listened for the five to 10 minutes preceding that. And he's not listening every day he's in this House, Mr. Speaker, because we have repeatedly told the PC government the directions they should be moving in health care. We've talked about preventative health care and the directions we should be moving, not some phoney self-serving advertising program like the Minister of Health would have you believe is his preventative health program.

**Some Hon. Members:** Hear, hear!

**Ms. Simard:** — We talked at length about this in this legislature, Mr. Speaker. We've asked for a community clinic study from the Minister of Health that shows that high quality health care can be delivered in this province at a substantially reduced rate. And does the public have access to this study some four or five months after we first asked the question? No, Mr. Speaker, we still can't get that study.

And that is the member from Weyburn's, and the Minister of Health, and the Premier's commitment to health care

in this province. It doesn't want the public to know how quality health care can be delivered. Instead it would prefer to levy a tax—a tax which will be a tax on many poor people in this province, Mr. Speaker; a tax that they say is dedicated to hospitals. But we know that we can't believe them in that regard, Mr. Speaker, as I illustrated earlier on the numerous occasions on which they have broken their promise and on which they have broken trust with the people of Saskatchewan.

How can we believe now, Mr. Speaker, how can we possibly believe that they will actually dedicate this tax to hospitals? Well we can't, Mr. Speaker, we simply can't. and the people of Saskatchewan know that. This government opens a new building and doesn't staff it, doesn't have adequate staff.

This government engages in self-serving advertising, self-serving advertising that they claim is preventative health care. This government now levies a phoney tax and it says, we have a vision for hospitals, we have a vision for health care. Well I say that is the extent of their vision, Mr. Speaker, that's the extent of their vision.

After seven years of cuts and reductions in services, it is obvious that they have no vision and no real commitment to health care. This tax is simply another way to raise money to put in the consolidated revenue with no real commitment to hospitals. There's no real commitment in this Bill to hospitals, Mr. Speaker.

We have a medical care system that is in crisis. We've seen cut-backs to the prescription drug plan that were causing untold suffering in this province — untold suffering, Mr. Speaker. And then they came in and tried to patch it up with a plastic card and they said oh, this is the greatest innovation in the world; it's fantastic. We wouldn't have needed the plastic card, Mr. Speaker, but for their incompetence and their harsh and cruel policies with respect to providing needed medication to the sick and elderly in this province.

We have seen them privatize the school-based children's dental plan. They privatized it and threw out some 400 dental workers who were out of employment as a result of their privatization procedures, and reduced the services that were available to children in this province —substantially reduced the services. We still have communities in this province, Mr. Speaker, who don't have access to dental services. Oh yes, maybe they can drive to Moose Jaw or to a city somewhere, but they don't have ready access in their own communities as they had enjoyed previously under the school-based children's dental plan.

We still see that in this province. We see unprecedented hospital waiting lists and staff that is grossly overworked, hospital staff, health care professionals who are grossly overworked, and I only have to look at the Minister of Health and the PC government's initiative in the public health area. And the member from Assiniboia-Gravelbourg should be able to identify with that, because his was one of the constituencies that was involved and affected by the cut-backs to public health nurses and the twinning of the health care regions.

As I recall, the people in that area were very concerned about that at the time, Mr. Speaker — very concerned.

**An Hon. Member:** — Point of order, Mr. Speaker.

**The Speaker:** — What is the hon. member's point of order?

**Mr. Hopfner:** — Mr. Speaker, I've been listening to the member opposite very intensely, and I have yet to hear any relevancy in the last few minutes or four or five minutes in regards to the Bill that's before us. She has not indicated, sir, and I tied it back into the Bill before us and has made no attempt to do so. I would tend to think that when we're discussing this particular motion it should be either related back or she should be called to order.

**The Speaker:** — I too have been listening to the hon. member's remarks, and I must say that I too have been waiting for the hon. member to relate her remarks to the Bill. And on that basis, the point of order in this instance is well taken.

**Ms. Simard:** — Thank you, Mr. Speaker. I will describe for you my line of argument. I am describing a health care system that is in crisis. I am describing a health care system that has been rendered into a crisis situation because of this government's policies. And what is this government's answer to that? A tax on lotteries and bingos. That's this government's answer.

As I said earlier, Mr. Speaker, there are the answers that are much better: cut the patronage; cut the waste and mismanagement; start developing the resources for the people of Saskatchewan rather than for the multinational corporations from the United States and overseas. That's what the alternatives are to a lottery tax on bingos and on poor people, Mr. Speaker.

(2045)

What they are doing with respect to this lottery tax, as pointed out from the member from Saskatoon Sutherland, Mr. Speaker, is to set the groundwork, to set the groundwork for other health care initiatives on their part like deterrent fees or privatization of health care.

What this government has been saying repeatedly for at least the last couple of years is that health care costs are spiralling out of control, Mr. Speaker. That's what they're saying and that's why they're alleging they need to impose this lottery tax.

Well the Saskatchewan Health-Care Association, in their brief to the health care commission, indicated that the allegation that health care costs are out of control or are completely unreasonable is an unfounded allegation without any substance. And that was clearly put out in the Saskatchewan Health-Care Association's brief, and that is what we have been maintaining repeatedly in this legislature.

It's not that health care costs are out of control; it's that those guys over there don't know what they're doing and when they do do something, do it completely incompetently.

**Some Hon. Members:** Hear, hear!

**Ms. Simard:** — The Minister of Health has indicated that he is committed to preventative health care, Mr. Speaker. He's committed to it. So he launches, he launches a self-serving advertising campaign in preventative health care, and he says the taxpayers of Saskatchewan must pay for this self-serving, great, preventative health care program.

Well I tell you, Mr. Speaker, the taxation, the money raised through taxation would be far better spent, rather than on a self-serving advertising campaign, it would be far better spent if they . . . And I have said this repeatedly in this legislature on numerous occasions during this session, and obviously the member from Weyburn was not here at the time, but I will say it again. I will say it again, Mr. Speaker. The money would be much better spent if this government put community workers and public health workers out in the front lines working and helping people in the area of preventative health care. That would be a real preventative health care program, Mr. Speaker, not some self-serving, phony, advertising program.

But instead they've cut back on public health nurses. They twin public health regions, and then they saw we need to tax because health care costs are spiralling out of control; refusing to recognize that through a proper preventative health care program, health care costs in the future can actually be contained, Mr. Speaker. And they refuse to understand that. And I hope that the member from Weyburn now has . . . takes note of that point which I have made repeatedly during this session, Mr. Speaker.

In Saskatchewan, the establishment of medicare has been a great accomplishment. It has been an emotional accomplishment for the people of this province, but something that the people can be proud of, Mr. Speaker. But it was never envisaged at the inception of medicare that we would have to resort to a lottery tax to pay for it, Mr. Speaker. Never before has that been the vision of any government, except for the government opposite, Mr. Speaker.

What we need for funding health care is, as I indicated earlier, Mr. Speaker, proper management, proper development of our resources, proper taxation of wealthy corporations and investors. That's how we fund health care. We look for new and innovative ways, Mr. Speaker, to contain costs but still provide the highest quality health care in this country, which we have had, Mr. Speaker, in the past except for the last few years under PC mismanagement and incompetence.

Mr. Speaker, I want to say that it's for those reasons, it's for those reasons — not because of buttons on a till as the member from Weyburn would have the people believe —but it's for those reasons, it's for those reasons, Mr. Speaker, that he New Democratic opposition will not support the imposition of a lottery tax when the government refuses to clean up its own house, cut out its patronage appointments, clean up its waste and mismanagement, and develop the resources in Saskatchewan for the benefit of the people of Saskatchewan. Thank you.

**Some Hon. Members:** Hear, hear!

**Hon. Mr. Meiklejohn:** — Thank you very much, Mr. Speaker. It give me a great deal of pleasure to enter the debate at this time to correct a few of the examples of misinformation that are being put forth by members of the opposition. I would point out to the member that no one questions the importance of medicare in this province and the value and the terrific program that we have and how fortunate we are, and nobody can question that.

The problem is that we find with the NDP that they've never, every really come up with any good ideas as to how this has to be paid for, or the fact that it has to be paid for. There's no doubt about it either, that when we look at ways of raising revenue, the main way that governments raise revenue is through taxes. That's always been the case. I can certainly recall back in the time when the . . .

**The Speaker:** — Order, order.

**Hon. Mr. Meiklejohn:** — When we listen to members of the opposition, Mr. Speaker, it's almost as if the only time that taxes have ever been put forward in this province is during the last seven years. But I can remember times in the 1970s when we had reasonably good times, and yet the taxes that the NDP kept putting on, I think, many people figured were fairly exorbitant at that time. Now it's really something when they stand in their place and talk about taxes that we're imposing today.

The role of government, Mr. Speaker, is to provide services for the people. And the way in which people can contribute to those services, of course, is helping to pay for them, and that's of course why we have to have taxes. It's a necessary evil. And the hospital tax is another example of where we have a source of revenue — a source of revenue, I might add, that has found favour with many people in the province.

We've heard the member from Saskatoon Sutherland and the member from Regina Lakeview talking about the hospitals tax and trying to give it all sorts of names, but really it's just another example, I think, of trying to mislead the people. There has never been a tax imposed in this province that has had the same amount of consultation as the hospitals tax. They make an awful lot of noise about the hospitals tax and that people are opposed to it and that there's nowhere that it's indicated that this is for health care.

Well, Mr. Speaker, I would point out that this has been clearly enunciated that this money is to go directly into health care and to hospitals. The only ones that don't seem to be aware of that is people such as the member from Saskatoon Sutherland. It might be a good idea, Mr. Speaker, if he went home and talked to some of his constituents, because I know for a fact that many of them are in favour of the new hospitals tax. The money is definitely going to be going for hospitals; that's already been designated and indicated where it's going to be.

The opposition members have made mention of the fact that this a tax on the poor. Well if lotteries are a tax on the poor, I think it's quite interesting to note that one of the

NDP methods of raising funds is to have lotteries. Now isn't that interesting, Mr. Speaker. They say that it's going to be a tax on the poor because the poor are the only ones that buy lottery tickets. Well I find that highly unlikely. The taxes that are enforced right now, Mr. Speaker, apply to three things; they apply to bingo, to break-opens, and lottery tickets.

During the month of June, Mr. Speaker, and this is about what the average has been in this province for break-open tickets — and I hope the opposition will pay attention to this — we are averaging just about \$7 million in revenue.

**The Speaker:** — I'm going to ask the hon. members to allow the Minister of Science and Technology to continue his remarks. Now I don't think it's necessary for the minister to be interrupted in his remarks by members in the House on a continuing basis; that shouldn't be an integral part of debate. And let us allow the minister to continue in a reasonable manner.

**Hon. Mr. Meiklejohn:** — Thank you, Mr. Speaker. The break-open tickets, the Nevada tickets in this province, Mr. Speaker, have been averaging about \$7 million a month — \$7 million a month. Now I don't think that if you ask the average person on the street that if charging a 10 per cent hospital tax on break-open tickets is a bad idea, that they will think that it is a very good idea, and that more of this revenue should be going to something such as health care — \$7 million a month, Mr. Speaker.

The bingos — we've heard the members over there talking about the bingos and how this is unfair because it's being charged on the poor and they're the ones that play bingo. We know that many people play bingo, Mr. Speaker, but the tax on bingo is built right into the price of the bingo cards. There is no difference in the bingo parlours if you go in there today than if you would have gone in there prior to July 1. There may be a difference in so far as the prize is concerned, but bingo players in the province of Saskatchewan have been spoiled. The prize boards that we've had here in the province of Saskatchewan far exceed any other province in this whole country, so I don't think that this is a hardship on the players to have the prize boards just a little bit smaller.

Now the hospitals are the winner. I would point out, Mr. Speaker, that in the many, many consultation meetings that we had around the province — and I believe I attended all of them but one — we met with the commercial bingo hall operators. We met with the exhibition boards which run the casinos. And we had a very good response with the groups that we met with.

Now there was no doubt about it that there were some people that were not . . . (inaudible interjection) . . . We had an excellent meeting, as a matter of fact, in Prince Albert, Mr. Speaker. The point that was raised up there, Mr. Speaker, was that this was absolutely no problem. There was no difficulty in charging a hospital tax of 10 per cent; in fact in some cases they thought it could be higher.

Now as far as the hospitals tax is concerned, the main point that the people raised in the meetings that we had, Mr. Speaker; they were not opposed to the hospital tax

per se; the main problem that they had was to how it was going to be implemented. And we listened very carefully, Mr. Speaker, to the many different groups that we met with and we tried to summarize all of the concerns that they had raised and the suggestions that they had put forth as to how this could be implemented. And the implementation that took place on July 1 was the feeling of all of those different groups that we met with from one corner of this province to the other.

So for members on the other side to stand in their place and say that this is such a terrible thing, I would suggest that they need to go back and talk to more of their constituents. I can certainly assure the members of the opposition that in Saskatoon Mayfair that the residents there, in my constituency, feel that this is an excellent idea and another method of raising money that can go to a very good cause.

Now, we just heard the Health critic from Regina Lakeview talking about this being another way of paying for health care. Well I believe that he Minister of Finance hopes to raise in the neighbourhood of 22 to 24 millions of dollars.

Now I don't think that we need to point out to the people in Saskatchewan, Mr. Speaker, that this government has committed \$1.4 billion to health care this year, \$1.4 billion. Now it's not that we are paying for health care in any . . . We are just paying for a very small portion of it through something like a health or a hospital tax — \$1.4 billion.

Ask the members of the opposition how much they were spending in the last years that they were in power, and it certainly is a far cry from what we are spending today, Mr. Speaker. One of their answers that they had as to how they could save was to have a freeze on nursing home construction, a freeze on nursing home construction, Mr. Speaker, at a time when it was very, very badly needed. Now this government has had to try and play catch-up in constructing more nursing home beds for our seniors.

So when the opposition members try to say that there's no commitment for health care, Mr. Speaker, that is just so much nonsense, and the people of this province don't buy it for one second. Compare our expenditures then, Mr. Speaker, to what they spent in the last years that they were in power.

Now another thing I want to mention, Mr. Speaker, and that's with regard to the fact that the latest speaker in the opposition, the member from Regina Lakeview, is condemning this government for the money being spent on the Everyone Wins or everybody wins program, that this is not a good idea at all.

Well I think, Mr. Speaker, that every one of us has a responsibility not just to society but to ourselves, to take better care of our health because there's not a person in this room that wouldn't agree that health care costs are rising very, very rapidly. And this is a major concern not just in Saskatchewan. This is a major concern all across this country, and in fact in other countries throughout the world. How do we cope with rising costs of health care?



(2100)

So when we talk about spending some money on prevention, I think, Mr. Speaker, that it is very, very well spent. I would think that money being spent on an ad campaign like this certainly made much more sense than money that the NDP felt that they should be spending on the family of Crown corporations. They could have been saving a lot of money there too.

Well we know that taxes are necessary, Mr. Speaker. The hospitals tax is just one example of a tax that people, I don't feel for the most part, mind paying. They know where the money is going to be going.

I've indicated what the effect is on bingo, and there shouldn't be any difference from what there was prior to July 1. As far as the break-open tickets are concerned, the prizes may be a little bit smaller there but we're certainly monitoring this very closely. When you've got \$7 million being spent in a province that only has a population of 1 million people, that is a tremendous amount of money going into that area, and I don't think that there's anything wrong with having a hospital tax there.

In so far as the lotteries are concerned, we have certainly seen to this point, probably in some cases, that there has been a slow-down in the ticket purchases. But I think that we would probably see that come back as people get used to it.

I don't think that when we consider the fact that people are buying these tickets with the idea of trying to win large sums of money, that on a dollar ticket that paying another 10 cents is going to be any serious hardship for them. But when we consider the good use that this money is going to be put to, I think that it's a very fair tax.

The opposition also has talked an awful lot about some of the things that this government is doing that they're very much opposed to, and they always keep making mention of things like Cargill. But at the same time, Mr. Speaker, if we don't have economic development in the province, where are we going to have the increased revenues that we need to carry on our educational programs, to build our hospitals, and to provide the social services that we need for our citizens.

So we are committed to economic development and through this, through diversification. This is one of the reasons too why we look at public participation and the importance that it has in helping to diversify our economy and raise our revenue so that we can provide more and more of these services.

One other comment I would make, Mr. Speaker, and that's to do with the fact that we know that there have been people leaving the province in the last few months. And I guess when we consider the fact that we've had a very severe drought for the last couple of years and that something in the neighbourhood of 14,000 jobs have been lost in agriculture, that it's understandable why people would be looking for employment wherever they can get it.

And going back into the good years when the NDP were

in power, the good economic times, we had many people leaving the province then, Mr. Speaker, young people leaving our province and going and getting jobs elsewhere. So that's not new, Mr. Speaker.

We certainly have seen an increase in the number of people that are working in the manufacturing field and we'll see that continue to increase as we continue to diversify our economy. So we need revenues to carry out these programs, Mr. Speaker. The hospitals tax is just one source of getting more money to carry out some of these programs.

And for the member from Saskatoon Sutherland to try to say that we're probably going to see this continue to rise and all the rest of it, is just again so much nonsense, trying to mislead the people. And here is a new tax that has been in force for one month. And you'd almost think when you listen to them that it's been in force for a couple of years and that we've seen terrible, terrible things happen, that all of these different groups are really suffering hardships because they're not getting the revenue that they have.

Mr. Speaker, there hasn't been enough time yet to see what the real effects of this are going to be, but I can assure you that as far as some of the areas that I have checked on to date, there has not been significant change. But we do have to continue to monitor and see what is happening.

But to ask the majority of the people out there whether or not the hospitals tax is a good tax, they would say yes, it is. When you consider that we have in the neighbourhood of over 200 millions of dollars being spent on gaming in this province in the course of a year, I don't think that anyone would disagree that there should be more of it coming to the government than \$4 million. We've got a good amount of money, 35 to 40 million, that are going to charitable organizations, but only \$4 million, Mr. Speaker, coming to the government in revenue.

With the increased revenues from the hospital tax, then, we can provide more of those necessary services that the people of the province look forward to the government to provide.

So, Mr. Speaker, with that, I will certainly be opposing the amendment and voting in favour of the motion because I feel that the hospitals tax is a fair tax and it's one that the majority of the people in the province of Saskatchewan will agree with. Thank you.

**Some Hon. Members:** Hear, hear!

**Mr. Lyons:** — Thank you very much, Mr. Speaker. Mr. Speaker, unlike the member from Saskatoon Mayfair who will be voting for the amendment, I will be voting in favour of the amendment because the people of this province, Mr. Speaker, are speaking by their actions of what they think about this tax.

And the minister for consumer and corporate affairs can stand here in the legislature and say that all is well with the hospital tax — well what he calls a hospital tax. Everybody else in the province of Saskatchewan calls it by its right name, calls it by what it is, which is the lottery

tax.

Everybody in this province, despite what the minister says, knows that this tax is an unfair tax and that they have an opportunity to express themselves in this tax, Mr. Speaker, unlike unfair income taxes, which a great many people in this province are forced to pay, or unfair sales tax.

The people of this province have a direct way of saying to the minister and to this government what they think about this lottery tax. And what the people of the province are saying, Mr. Speaker, about this unfair lottery tax is this: they're saying, we're not going to pay it. We're not going to pay this tax, and the way we're not going to pay this tax is that we are going to boycott the charities and lotteries which should benefit and which have by tradition in this province, have benefit from the lottery system that has been introduced in the province.

Mr. Speaker, despite the arrogant attitude of both the minister of commercial and corporate affairs, and despite the arrogant attitude of the Minister of Education, who think that they see all and know all in this particular issue, the facts of the matter are this, is that the people of Saskatchewan are giving you a message.

They are saying to you, by not purchasing lottery tickets or by not going to the bingo halls, by boycotting your tax, they are saying to you that they do not believe, first of all, that that is revenue that is going to be generated for hospitals or for the health system or for the educational system. They're saying that, well it may be a good idea if a portion of the lottery taxes go to education or health or wherever. They're saying to you that they don't believe that that's where that revenue is going to go.

They are saying to you that, instead of taking that money . . . because if you look at the Bill itself, Mr. Speaker, there is no mention that this money will be earmarked for health or education or any socially useful project.

They are saying, as they did on the used vehicle tax — and I'll get to that in a minute — they are saying to this government that we don't believe that the money is going to be used for anything other than to fill the pockets of your friends like the Bob Silzers of the Supercart kind of scam; like the Mr. Nices of the Joytec business scam; like the Guy Montpetit of the GigaText business scam. That's where the people of the province think that the money from this tax will be going.

And they think that, Mr. Speaker, for very good reasons, because they have seen the educational and they have seen the health system in this province deteriorate since 1982. And they have seen the deficit in this province grow since 1982, and they have seen the fat cat Tory friends enrich themselves at the people's expense since 1982. And the people of the province by boycotting the lottery tax are saying enough is enough, and we're not going to make these Tory fat cats any richer any longer. And enough is enough, and we're not going to pay this unfair tax. That's what the people are saying, Mr. Speaker.

And they're saying it. And you don't have to believe me. You certainly don't have to believe me, but you can

believe, if you like — at least the government can believe, if you like — the Minister for Culture and Recreation.

The Minister of Culture and Recreation was on a local television program yesterday here in Regina, and he got talking about the tax. And it was clear from the comments of the Minister of Culture and Recreation that hey, this was not the brightest idea that the Minister of Finance, the member for Qu'Appelle-Lumsden, has ever introduced in his life. It ranks up there with the used vehicle tax for bright ideas.

And so the Minister of Culture and Recreation is saying no, we're not particularly pleased at the response of the people of this province to that tax; no, we don't think that this tax is carved in stone. And he said that in two months, in two months he is going to be urging a review, a review of the tax. Now, Mr. Speaker, you know and I know that when a government says we have to have a review, that we have to have a review of a tax — excuse me, Mr. Speaker, I was watching the antics of the Minister of Labour — that you know and I know, Mr. Speaker, that when there is a . . .

Well the Minister of Labour is certainly entertaining the crowd here tonight, right, as is his wont, or certainly earning his reputation of the clown prince of the Tory caucus.

**Some Hon. Members:** Hear, hear!

**The Speaker:** — Order. I don't think that's quite relevant to the Bill or the amendment. I'd ask the member for Regina Rosemont to . . .

**Mr. Lyons:** — Well, Mr. Speaker, I want to say this, that it's relevant only to the extent that the taxpayers of the province of Saskatchewan are paying this buffoon's salary, but be that as it may, Mr. Speaker.

When you see a minister of the Crown performing like the Minister of Culture and Recreation did yesterday on television — backing off, trying to distance himself from a tax which is obviously unpopular, you know very well that the government has made another booboo, that the government has got itself into another bit of taxation hot water, that the government has gone ahead and once again used the polls. And, Mr. Speaker, the polls say this, the polls say yes, the majority of people in Saskatchewan would support a tax on lotteries going to health.

What the polls didn't say because the government didn't ask them was, do you favour a tax on lotteries? That's what happened. So the Minister of Finance, in another one of his brilliant coups, comes up, goes to the cabinet table and says listen folks, the folks would like out there — they would support a tax on lotteries for health care. They would support a tax on lotteries for health care, but he didn't tell them that he didn't ask the question, would you support a lottery tax?

And what's happening, Mr. Speaker, is very simple. The people for this province do not support that lottery tax, and they're showing it by a number of ways. One is, of course, the decrease in the sales of individual lottery tickets. Secondly is the decrease in the sales of group buying

agreements, an incredible drop in the number of groups which are purchasing lottery tickets, going to Alberta and buying them, not because it costs 10 cents on the dollar. That's not the real reason, I would suggest, Mr. Speaker.

The real reason is they're saying that I'm sick and tired; I'm fed up to here with paying money to a Tory government that wastes the money, that gives it to the Guy Monpetits, that puts it in their own back pocket, that ends up somewhere in somebody's pocket who's probably going to go to jail. All you have to do is open up the front page of every newspaper in the country and you see another Tory on his way to the slammer.

And what the people of this province are saying is this — we don't want to pay any more taxes to this group of people. And that's what's happening. That's what's happening. That's what's the politicization, if you like, of this tax.

(2115)

But this government is so arrogant, this government is so out of touch, this government is so much into being good managers of a system which they themselves have corrupted, that they don't recognize the reality. They don't recognize that there is a problem. They don't recognize that there is a massive boycott of the lottery system in this province.

They don't recognize the hurt that is being done to the charities that benefit, the sports that benefit, the recreation and culture that benefits from this. They don't recognize the fact that they are doing long-term irreparable harm to those people who depend on that lottery funding, because the people who depend on that lottery funding, because the people are changing their mind.

If you go to kiosk operator and kiosk operator and kiosk operator and ask them, well has there been any bounce-back, has there been an increase since the initial shock wave of the tax, they'll tell you no. In fact what they will tell you, kiosk operator after kiosk operator, they will say, I'm thinking of getting out of the lottery business altogether. I'm thinking of just packing it in. Or as one lottery operator told a colleague of mine, I'm not sending the tax money in. I'm not going to give them 1 red cent. I'm not collecting it and I'm not sending it in.

That's the attitude the people of this province have towards that lottery tax, Mr. Speaker. And it amazes me, it amazes me, although I guess it's inevitable, I guess it's inevitable given the composition of the front bench of that government, that they cannot recognize what in fact is the real life out there — what people are trying to tell them in real life. Instead what we have is the Minister of Labour in here trying to act like bozo the clown. Right? I mean, that's not what the people of this province want.

**The Speaker:** — Order, order. The member is not to make personal comments about people in the House, personal comments about what the ministers or members are doing in the House. I'd ask the member to refrain from that.

**Mr. Lyons:** — Thank you very much for your ruling, Mr. Speaker. Mr. Speaker, all members here know what's

going on so I don't have to comment on it.

I want to conclude my remarks this way though. I want to conclude my remarks this way, You know, perhaps, Mr. Speaker, what has to happen to this government is what the people from this province did to them on the used vehicle tax. Perhaps that's what has to happen to them, Mr. Speaker. Right?

You know when the people of this province had the used vehicle tax staring them in the face, they either didn't buy used vehicles or found some way because of a friend of a friend that they bought the used vehicle from, they avoided paying the tax altogether. And perhaps, Mr. Speaker, that's the answer.

Perhaps, you know, if everybody boycotted the lotteries for a week in this province, perhaps if there wasn't 1 cent going into the lotteries the government would be forced to recognize the reality of what's out there. Perhaps they'd be forced to recognize that the people for this province think this is an unfair tax. Perhaps they would understand that the charities in this province who are being squeezed and bled by the activities of this government, would then have something around which to rally.

Perhaps if people boycotted the lotteries across this province and said they're not going to get 1 red cent of tax money, perhaps then the front bench and in particular the Minister of Finance, the member for Qu'Appelle-Lumsden, would understand what the people of this province are trying to say. That's maybe what it's going to take, Mr. Speaker. Maybe it's going to take a week long boycott of lotteries altogether.

And if the people of Saskatchewan, I say this, if the people of Saskatchewan are concerned about the lottery tax — we know their concern, we're concerned, we think that the tax is unfair — we want them to contact us. I want them, Mr. Speaker, the people of this province to contact our caucus office here in the legislature, room 265, or you can call us at 787-1890 or 1895 or 1900, or 787-1886, to contact us in the caucus office and tell us your concerns.

We're particularly interested in those kiosk operators who are hurting because of this government's operation. We're particularly interested in the charities, because we know out there that the charity revenue has fallen dramatically because the government has gone and cut first of all the prizes, and secondly, raised the licensing fee, and then thirdly, added this unfair lottery tax on top.

So maybe what will happen, Mr. Speaker, that if all the people of the province of Saskatchewan get together and boycott the lottery for a week or two and let us know here in the opposition . . . and call the Premier's office. By all means, call the Premier's office. And you can call it collect, here in the legislature, and the Premier's office will accept the collect phone calls.

Perhaps if we'd begin to communicate in dramatic and real ways, the people for this province can speak together, maybe then can get the same result that the people of the province got with the used vehicle tax. Because the people of the province forced the same government to

back down on tax, blatantly unfair, blatantly unpopular, and a tax which inspired a tax revolt in this province.

Mr. Speaker, I invite all the people of Saskatchewan to contact us. I invite the people of Saskatchewan to boycott the lottery — join all the other people in the province who are boycotting the lottery — to go ahead and let this government know that you think that this tax is an unfair tax.

We in the opposition are fighting the tax here in the legislature. We want the people of Saskatchewan out there to fight this unfair tax along with us. That's the way, that's the only way that this arrogant and insensitive government will listen to you. Go ahead and keep up the struggle.

Thank you, Mr. Speaker.

**Some Hon. Members:** Hear, hear!

**Mr. Hopfner:** — Thank you, Mr. Deputy Speaker. Mr. Deputy Speaker, I was not really going to enter into this debate for too long a time, but I did want to make some remarks regarding some of the matter that the member from Rosemont had brought up in a very radical, systematic way.

I want to indicate to you, sir that it does not surprise me, the member from Regina Rosemont, in raising some of the more radical ways of being able to handle an issue in this province. The member is well versed on boycotts and strikes and everything else. And I would say it's a fairly indecent way of having to have to debate an issue in the House.

I want to say, though, that in regarding the expenditures of this government towards health care, that the reasonable people that are watching the procedures here tonight, and/or the people of Saskatchewan that basically have not the time to pay attention to some of the ridiculous comments of the NDP and/or even to listen to the procedure here.

Do understand that a government does not have money just through the fact of having a machine to print it out. The moneys are raised through taxations, and those taxations are therefore then doled out amongst all the various different lobbyist groups throughout the province.

And I want to indicate to you, sir that this government takes pride in what they've done for health care in this province. We've now hit an all-time high and it's been totally my . . . some even of my lobbying on behalf of my constituents. The reasons is for the escalating costs in health care.

And I want to indicate to you, sir, that it does not come from this government directly, the idea of building new hospitals or creating new nursing positions or adding new doctors and specialists into the particular health care field, or building new nursing homes or these kinds of things.

Sir, where those ideas come from is the grass roots. It

comes right down from the elected representatives on hospital boards or on municipalities or town councils. Representation comes from those individuals; they then lobby their MLAs, especially those on the government side. I'm not so sure whether there's anybody even talking to members on the opposition, the NDP opposition side but, sir, I know on several occasions I've been lobbied for hospitals and nursing homes. I've been lobbied for various types of health care funding in my constituency, and I know other colleagues of mine have also been lobbied for this constituencies.

But I want to indicate to you, sir, that I have 125-bed, brand-new, swanking hospital built in the city of Lloydminster. And I tell you, I have a 25-bed hospital built in the community of Maidstone in my constituency. And I have a brand-new hospital built in Cut Knife, Saskatchewan, along with a brand-new nursing home, and a brand-new nursing home in Lloydminster.

And these, sir, don't come from strict politics entering into it or anything. That comes from the heart of individuals at the grass root beginning to lobby the government to recognize the needs in their communities, to recognize the fact that these people need this type of care in their communities. These are what the dollars are spent on.

And I'll tell you, sir, here's another thing. When they get the nod for these facilities, these community minded people, they're proud of the fact that they're able to go ahead and build these facilities. And what do they do, sir? They hire an architect, and they get right down there with that architect and they say, now we want to have a nice, presentable facility for these people that are going to have to use these facilities.

And nobody wishes anybody to have to use a hospital; nobody wishes anybody to have to eventually have a nursing home and that kind of health care help. But I'll tell you, sir, when they are there, they want to have a bright kind of atmosphere for these individuals.

And they sit down there and they plan, and they plan hard. They spend many hours, many days and weeks and months and years in planning these types of facilities. And they do it a lot of the time and most of the time, in fact, 99.9 per cent of the time, most of this, is all volunteer labour, all volunteer. And I'll tell you, I'll take my hat off to those individuals for putting in those kinds of hours and dedication towards the betterment of health care in the province of Saskatchewan.

I don't think it's for members opposite or the NDP or the government, even in the Progressive Conservative government here, to take total credit for the health care in this province. I take my hat off to the ladies and gentlemen and youth of this province that are out there and in a meaningful way are willing to put forth some decent health care facilities and health care through labour and sweat and tears. And I'll tell you something, I'm proud of those people out in those local areas, and I think you ought to be too.

When you people, when the NDP, sir, stand up and criticize this government, well I want to invite everybody that's listening that that criticism has to then pass through

this government right back to those local communities. As they criticize this government for building those facilities and for spending those kinds of dollars on health care, sir, then they are criticizing the very fact that those people at the grass root are being blamed the same as they're blaming this government.

And I want to indicate, I want to indicate . . . (inaudible interjection) . . . There's the member from Moose Jaw. He's saying oh yes, yes, yes. He's saying that in Moose Jaw people are telling him what to say and this is what . . . and so he comes here like a robot and he says some things.

I don't believe that people in Moose Jaw are talking to that member. I don't believe that for a minute, because I think those people in Moose Jaw understand and feel for the need of health care in this province. And I don't say, sir, that this government is done all it should or could do in health care.

**Some Hon. Members:** Hear, hear!

**Mr. Hopfner:** — And the member's cheer, that's fine, the NDP members cheer like a bunch of radicals, they cheer. But I'll tell you, sir, we've doubled the health care expenditures in seven short years in this province, and the NDP, they cheer snidey remarks, they have a sneer on their face, and they make jests at this government's expenditures to health care in this province.

I want to say, sir, that when it comes to the people of this province, they can take pride, they can take pride because we are leaders amongst the health care field throughout this country and North America. In fact, the world looks at Saskatchewan as far as health care concerned.

And I want to say to you, when you have doctors coming from South Africa or India or England or wherever, United States, and they're settling in this great country of ours and in this province of ours, I want to indicate to you that once they get in here and get the feel of the people in this country, they understand that we have one of the best systems and they're working within one of the best systems.

(2130)

The nurses, I take my hat off to nurses. The long hours and the tedious hours that they have to put in time and time again. You people snicker at those individuals, and I say, shame on the NDP opposition for that particular type of thing.

But these kinds of dollars, sir, these kinds of dollars go towards that kind of health care, those long hours that the nurses and doctors spend in these facilities. And these dollars go towards the facilities.

I just want to say, it goes right back through, sir, to the grass roots, that's where the ideas start; that's where the ideas start, and it comes forward to government. We don't go hunting, sir. The government doesn't go hunting to spend dollars unnecessarily. It's the people that come to government and tell us about the need. And here the

NDP say, well there's such a great need out there. Well, sir, I agree, there is a great need out there, and there will continually be a great need out there as science changes, as health care changes, and new technology comes aboard. There's going to be phenomenal changes in the future. But I'll say they won't ever recognize it, sir, because they've had their head in the sand for so many years it's pathetic. They can't see darkness for darkness, I'll tell you. It's just . . . it's unreal.

But I'll say, sir, I'll say this government, this government has a commitment to the people in this province. This government will continue to have a commitment to the people in this province, will continue to help the people strive for a better health care system in this province.

And I, sir, am going to be proud, am going to be proud in the years to come to be serving on this side of the House and watch the deterioration of all these radical NDP members who can only through radical accusations, through talking out of the side of their mouths, never speaking facts, never speaking the truth, but saying anything to gain any kinds of means, sir — to gain any kind of means. And I'll tell you, sir, that is low. That is a low type of life.

I have never seen this Assembly in such a low from where those radicals, the NDP radicals, have taken this legislature. They have brought this legislature to an all-time low, and that's because of speaking out of the sides of their mouth. They laugh, they laugh.

The member that's on the camera, sir, tries to talk in all sincerity, but as the member's saying and talking and trying to say things that aren't quite fact, members off on the side are laughing and jeering and all this kind of thing. And that's the kind of thing, if the people of this province could only understand.

But I'll say, sir, I can say one thing. The dollars raised through this tax is going to be a test to the provincial people. I don't ask them to boycott the lottery, I ask them to take part in the lottery. I ask them to help out the health system of this province. I ask the people to partake in helping out the young people in their sports activities.

The members opposite are asking just the opposite. They're asking for the boycott for a week or two weeks that cost this province hundreds and thousands of dollars. Well that's fine. That's typical radicalism.

But I say, sir, is that those dollars are going to be well spent. They'll go into health care. And I want to say we have programs set aside for our youth in this great province, but not only the youth, but for all ages. We have a community sport facility grant program now which enhances the arenas, the curling rinks, the golf courses, the golf . . . all these kinds of things that are set aside from even this kind of program.

And I'll say to you, sir, that I'm proud of this government for having all the determination to bring forth new and innovative programs. Sure, sir, there are people in this province that don't like change, and I'll tell you, that's the NDP, sir. They don't like the change because they know that if there is a change and it's a positive change, that

they would never stand a chance for re-election as a government in this province.

And I, sir, will do whatever it has to make sure that the NDP never do have an opportunity to govern and take this province backwards into what they say is backwards into the future. Thank you.

**Some Hon. Members:** Hear, hear!

**Mr. Brockelbank:** — Mr. Speaker, I only want to speak very briefly on this particular Bill . . .

**Some Hon. Members:** Hear, hear!

**Mr. Brockelbank:** — . . . and if I get as much applause at the end of my remarks as I did at the beginning, I'll be quite happy.

I did want to say a word about the member for Cut Knife-Lloydminster. I wonder if the member for Cut Knife-Lloydminster canvassed the kiosk operators in Lloydminster to see what they thought of this legislation. And I wonder to see what they thought of this legislation. And I wonder, when the minister is closing debate on this particular Bill, whether he'll tell me whether the conditions of this Bill will apply to the people of Lloydminster, Saskatchewan. We'd like to know that because it will either destroy or elevate the remarks of the member from Cut Knife-Lloydminster. We'll get a chance, we'll get a chance probably; if the Minister doesn't answer in closing remarks, we'll get a chance in committee to ask the Minister that question.

Mr. Speaker, this Bill No. 72, which begins an entirely new PC tax in Saskatchewan, is another unspoken admission of the failure by this PC government. That's exactly what it is. You see, Mr. Speaker, this government is getting near the taxation pain threshold of the people of Saskatchewan, if they're not already past it — the taxation pain threshold. It's something that people will tolerate; they'll tolerate taxation and more taxation. Eventually they get to the point where the duplicity of the government in continuously saying one thing and doing another, gets to the point where they no longer can bear the pain, and I think this particular Bill will illustrate that point.

This government in its comments about taxation has said to the people of Saskatchewan, we're going to reduce the provincial income tax by 10 per cent. Instead, of course, they have added the 2 per cent flat tax. They said they would completely remove the E&H 5 per cent tax; they haven't done that. They've increased it to 7 per cent, Mr. Speaker, as you'll be quite aware of. Hundreds upon hundreds of fees and charges have been raised by this government since they became the government.

Let me just give you an example, Mr. Speaker. The birth, marriage, and death certificates to the people of Saskatchewan have gone up 300 per cent under this government — 300 per cent. That's just a small sample, a small sample of the increase in taxation that this government's put on.

They have inaugurated an entirely new prescription drug fee of \$125 per family, plus a 20 per cent deterrent fee on

prescription drugs, a sick tax of 20 per cent. But they told the people that, you know, we're going to protect and improve your health care plan. But what they're doing is they're putting a deterrent fee on prescription drug plan.

You will remember, no doubt, Mr. Speaker, the guarantee, and I have a carbon copy of the guarantee here. And this is a guarantee that's signed by the very minister that brought in this Bill, the member for Qu'Appelle-Lumsden, the Minister of Finance. This is his guarantee, and it's on the keystone of their program, their election program which is health care. They said, we can do it better than the NDP can do it. They told the people of Saskatchewan that, and the Minister of Finance signed this guarantee which says:

The Progressive Conservative Party of Saskatchewan rejects any form of deterrent fees or health insurance premiums.

False.

The Progressive Conservative Party of Saskatchewan will abolish the unfair deterrent fees for prescription drugs.

False.

Mr. Speaker, they tell you one thing and they do another. That creates a credibility gap, creates a credibility gap. As long as they keep telling you one thing and doing something else, then with this government what they do speaks so loud I cannot hear what they say. What they do speaks so loud to the people that they cannot hear what they're saying. And this is a serious situation for a government to get into, but they've got themselves into this position just on health care, leave aside many other things.

How many times, Mr. Speaker, have we seen a gambler desperate at his losses finally realizing that the house always wins, decides to set up his own operation, muscle out the competition and reap the profits. With this tax, Bill 72, we see a government desperate for cash moving into the gambling operation directly. That's what we see in this Bill 72, Mr. Deputy Speaker.

Does this government qualify as the stereotyped desperate gambler that I've just described? What is the evidence? What is the evidence? First there is a gaping \$4 billion hole in the government's financial fabric, a \$4 billion hole rent in the financial fabric of the province of Saskatchewan by this government.

Can you imagine, Mr. Speaker, a government taking our province from a have province to have-not province in less than eight budgets — in less than eight budgets we've gone from a have province to a have-not province. We've gone from a positive surplus to near a \$4 billion deficit in just less than eight budgets — less than eight budgets, Mr. Speaker. This government certainly qualifies as a really desperate gambler with the taxpayers' money.

Secondly, the Provincial Auditor in his recent report fully documents this government's waste, mismanagement and lack of accounting for the taxpayers' hard-earned

dollars. The Provincial Auditor, the servant of this Chamber, points that out quite clearly, demonstrates it graphically. This government is gambling with the taxpayers' money, and they want more taxpayers' money to gamble with more.

Mr. Speaker, this Provincial Auditor attests in his professional opinion that this government may be gambling with the taxpayers' dollars. It's quite possible. It's quite possible because the auditor hasn't been able to see the figures.

There are other serious reasons why this government has become a desperate gambler. They have to support their expensive gambling habit; it's called GigaText. That's their expensive gambling habit. Over . . .

The Deputy Speaker: — Why is the member on his feet?

**Mr. Wolfe:** — Point of order. That's totally irrelevant. They . . .

The Deputy Speaker: — Order. I can't hear the member's point of order. Could you restate your point of order.

**Mr. Wolfe:** — The member's comments are totally irrelevant. There's no relevance to The Hospitals Tax Act at all.

The Deputy Speaker: — The member's point of order is well taken. The member was straying quite a long ways from the context of the Bill and the amendment that's before the Assembly. I'd ask him to relate his comments to the Bill.

**Mr. Brockelbank:** — Mr. Deputy Speaker, I'd be very glad to relate my comments directly to this Bill, Bill 72, which is referred to as The Hospitals Tax Act — Bill 72 under discussion.

And I said this government has created an atmosphere in Saskatchewan where the taxpayer doesn't trust them any more. The taxpayer feels that this money that the government's taking in from many sources from all the people of Saskatchewan is being wasted. It's being wasted on many things, one of them being GigaText, an operation where the government has poured over \$5 million in, continues to pour it into GigaText at the rate of \$50,000 a month. That's taxpayers' money that should be going to health care. We wouldn't need this tax if this government would get the corruption out of its operation. We wouldn't need this tax.

**Some Hon. Members:** Hear, hear!

(2145)

**Mr. Brockelbank:** — I might say, Mr. Deputy Speaker, in the tax extraction business, our Finance minister is being hailed as a unique innovator.

I want to refer to a couple of articles in newspapers which refer to our Finance minister as a unique innovator. Here's one from the Moose Jaw paper on April 1, 1989:

As the old carny once said, you paid your money,

you take your chances. Starting July 1, when you toss your dollar for one of the one in 14 million chances at Lotto 6/49, you will have to come up with an extra dime for Uncle Gary, Saskatchewan is the first province in Canada to tack an extra tax on gambling.

Let's go to another paper. Let's go to *The Toronto Star*. This is *The Toronto Star* of April 19, just a couple of weeks later from Moose Jaw paper, and it says:

Most people figure that modern governments have pretty well run out of sins to tax, but in his budget, Finance Minister Gary Lane from Saskatchewan has proven them wrong once again. His proposed 10 per cent levy on every bingo card and raffle or lottery ticket sold in Saskatchewan breaks new fiscal ground in Canada. The gambling tax is expected to raise nearly \$27 million a year needed for Saskatchewan hospitals.

Now obviously the *Star* hasn't read the Bill, because they don't know that this money is not dedicated to Saskatchewan hospitals, and you can't trust what they say; you cannot trust what they say.

Well, Mr. Speaker, the heading on that article from the *Toronto Star* explains it all. It says, "Outside view, a devilishly clever tax." Well I have to hand it to the Minister of Finance. It is a devilishly clever tax.

Incidentally, this Bill, as I said before, Mr. Speaker, does not say that the money goes to the hospitals. It does not say that. This news item, as I stated, said that this is a devilishly clever tax. And it's devilishly clever, Mr. Speaker, because it uses the cover of the 10 per cent tax for hospitals. The minister is not obligated to put the money into hospitals. Certainly a devilish new tax — the only one in Canada.

Incidentally, this PC Finance minister also uses the cover of health and education in his fuel tax program. That's a fuel tax they said they'd never put on. And I have it right here. He uses a cover of health and education. This is the interesting little brochure the Minister of Finance sends out when he sends your rebate tax, your rebate from the gasoline tax.

The fuel tax was introduced to raise revenues for the funding of health and education and other vital programs.

Well there is the Minister of Finance masquerading under the heading of raising money for vital programs such as health and education. It's a cover; it's a cover. The Minister of Finance has used it before, he's using it again, and he's going contrary to what he said.

We can only speculate, Mr. Deputy Speaker, whether this new Tory tax will impress the taxpayers sufficiently, or will they go the way . . . or will this tax go the way of the used vehicle tax.

The title of this Bill has 25 words in it, Mr. Deputy Speaker. That's really irrelevant, but it's more than any other Bill has in the title of the Bill. It's designed to confuse

people about what the real intent of this new tax Bill is. But if you boil it all down, you boil it down, Mr. Deputy Speaker, it's a PC tax increase on top of many that they have already initiated. I think we should support the amendment and defeat the Bill.

Thank you, Mr. Deputy Speaker.

**Some Hon. Members:** Hear, hear!

The division bells rang from 9:51 p.m. until 9:55 p.m.

Amendment negated on the following recorded division.

#### Yeas — 15

Shillington	Atkinson
Lingenfelter	Anguish
Koskie	Goulet
Thompson	Hagel
Brockelbank	Calvert
Upshall	Lautermilch
Simard	Koenker
Kowalsky	

#### Nays — 29

Muller	Sauder
Andrew	Johnson
Lane	McLaren
Taylor	Hopfner
Smith	Swenson
Swan	Martens
Muirhead	Baker
Schmidt	Wolfe
Hodgins	Gleim
Gerich	Neudorf
Hepworth	Gardner
Klein	Kopelchuk
Meiklejohn	Saxinger
Martin	Britton
Toth	

**Some Hon. Members:** Hear, hear!

#### Yeas — 29

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Andrew	Johnson
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The Bill read a second time and referred to a Committee of the Whole at the next sitting.

(2200)

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Meiklejohn that **Bill No. 67 — An Act respecting Gaming and the Saskatchewan Gaming Commission** be now read a second time.

**Mr. Calvert:** — Mr. Speaker, since we last debated this Bill in the House, I've taken the opportunity of the time which has intervened to more carefully review the comments of the minister in his comment to the Bill. But I think more importantly, Mr. Speaker, I've taken the opportunity to consult with a number of people within the province of Saskatchewan, in the community, who will be affected by the Bill.

I remind you, Mr. Speaker, that Bill 67 has basically two broad issues which it covers. Bill 67 provides for the functioning and the operation of the Gaming Commission. It provides powers to the Gaming Commission for licensing and regulation of the operators of gambling in the province. That's the one side of the Bill, Mr. Speaker.

The other side of the Bill, summarized in part VII of this legislation is that part of the Bill which will now enable the government opposite to do two things: one, to become an operator of gambling in the province of Saskatchewan; and two, to introduce to the province of Saskatchewan electronic gambling.

So what we have, Mr. Speaker, is a Bill here that I describe as having good news and bad news. Mr. Speaker, in terms of those first provisions, the provisions that empower the Gaming Commission, particularly empowering the Gaming Commission to be able to license the providers of gambling opportunities in the province, is a welcome provision, Mr. Speaker, that provision is welcomed by myself, by members on this side of the House; it's welcomed in the community; it's welcomed by people who are in the gambling industry. That's a welcome provision, and there's no question that that provision of this Bill enjoys the support of all members on this side of the House. And, Mr. Speaker, if indeed that were the only provision within the Bill, this Bill would have no difficulty in finding passage through this legislature, no difficulty at all.

The bad news, Mr. Speaker, the bad news is the provision



in this piece of legislation that does the two things. One, it provides for an expansion of gambling in the province of Saskatchewan; and secondly, it provides that government opposite in fact can become a player, a manager within the gambling industry.

Contrary to all our tradition in this province, where in the tradition of the province of Saskatchewan is that the only groups licensed to provide gaming and gambling opportunities are charitable groups, non-profit groups, agricultural societies, and so on, this allows the Government of Saskatchewan to enter that field.

Mr. Speaker, I ask, and I've asked this of a wide number of people in the province. I've asked a wide number of people; do we need, do we need in Saskatchewan today an expansion of gambling opportunities? Is that the first priority of the people of Saskatchewan? Is that what the people of Saskatchewan are asking for?

Mr. Speaker, that seems to be the answer of the government opposite. We have a situation where literally thousands of people are leaving our province in record numbers and the government opposite seems to say the answer is, what do we need? — more gambling. That's the answer, and we've got a situation where young people are unable to get into university because of quotas, and the government opposite brings legislation that says, what we need is more gambling.

Well, Mr. Speaker, the people that I've talked to in the community simply do not see it that way. They do not see the need for an expansion of gambling activities in the province of Saskatchewan. This Bill would enable the government opposite to move Saskatchewan into the field of electronic gambling. members opposite are saying what that means now is the introduction of electronic bingo. There is nothing in this Bill, Mr. Speaker, that prevents the government opposite from moving us beyond electronic bingo into other forms of electronic gambling, i.e., casino gambling, slot machines, and so on.

Mr. Speaker, further to that is the question: does the Government of Saskatchewan have a place in competing with the charities, with the non-profit groups, with the agricultural societies? Does the Government of Saskatchewan opposite have a right to go into competition with the charities in Saskatchewan for the gambling dollar? And I would argue, Mr. Speaker, that that is a limited dollar. And if the government, now so desperate for cash, thinks it can find a cash bonanza in that field by going directly into gambling and looking for revenues through gambling, Mr. Speaker, I say to you, they're mistaken.

Mr. Speaker, this is the government that has cut back so much on programs available to Saskatchewan people that what has happened, in fact, is that the charitable community, the service clubs of Saskatchewan, had to move in to pick up the slack. They're out there, working hard, volunteering to provide services, to fill that need vacated by the Government of Saskatchewan opposite. And what does this government do? Well, one, it wants to first of all tax those groups as we've seen in the debate tonight; and secondly, now it wants to move in, to move

in on the action and try and to begin its search for revenue from revenues now available to the charitable community.

Mr. Speaker, when we get to committee, we're going to have a large number of questions on this Bill, and I think that's the most appropriate place for the questions to be asked. And we can have a dialogue with the minister and try and get from this government some rationale and reason on why it thinks it important to have an expansion of gaming and gambling opportunities in the province just now, and why this government wants to move in on the action in direct competition to the charities.

Mr. Speaker, let me indicate now that if this provision of the Bill were removed, this Bill would enjoy the total support of this side of the House and all members of the opposition. If we could separate these two issues, the issue of empowering the Gaming Commission and providing it the opportunity to licence gaming operators in this province, this Bill would enjoy the complete support of the House.

Mr. Speaker, during the committee stage I'll be asking that of the minister, perhaps in the form of an event, Mr. Speaker. And so at this point, given that these two provisions have been pushed together into one Bill, we will be opposing the Bill at this point. We will then reassess that position during the committee to see if in fact we can't work together to put together a good piece of legislation that all members of this House can support.

So, Mr. Speaker, with those few remarks I'll take my place in the debate.

**Mr. Koenker:** — Thank you, Mr. Speaker. The fundamental issue posed to the public by this Bill 67, as my colleague from Moose Jaw has indicated, is: does the public of Saskatchewan want their government involved in the spread of gambling across the province?

The Minister of Consumer Affairs, on June 28 when he addressed this Bill during second reading indicated, and I quote:

The proposed Act represents the next stage in the evolution of gaming policy in Saskatchewan.

And what might that mean? What might it mean for the Minister of Consumer Affairs to say that this particular Act respecting the Saskatchewan Gaming Commission represents the next stage in the evolution of gaming in the province?

It means simply one thing: that the government will now legitimately, by means of this legislation, be involved in the enterprise of gambling. This Act opens the door for the Gaming Commission to run gaming enterprises on the government's behalf, not simply to regulate when other people are gambling but to regulate and introduce gambling by the government itself. That is what this legislation does, and that is why we oppose it quite strongly.

This government, the Minister of Consumer and Commercial and Commercial Affairs, wants to legitimate . . . would have

us believe that the legitimization for this particular piece of legislation to have an autonomous gaming commission is so that it will generate more revenue for Saskatchewan's charities.

But what he ignores is the charity that needs to be generated as a result of gambling. Poor people are the people who principally gamble. These are people that have been effectively disenfranchised by the province. Saskatchewan now has the second highest level of poverty in the country. One in six Saskatchewan families lives in poverty; one in four Saskatchewan families lives in poverty; one in four Saskatchewan children live in poverty, and that's why this government wants to introduce this gambling legislation — not because it wants to address real problems, but because it wants to get involved in gambling activity itself.

And I just want to take a few brief minutes to give voice to some of the opinions of community leaders — clergy, such as myself — who recognize the negative effects of such a piece of legislation.

The minister of consumer affairs may pooh-pooh the effects of gambling on the poor, but those who work most directly with the poor — clergy and social workers — know full well that this legislation ill serves Saskatchewan families. For example, the Salvation Army's captain in Saskatoon, Wilson Noble, says:

Gambling will hurt the people who can least afford it. It's certainly going to increase the poverty level.

And we all know how the Salvation Army works with the poorest of the poor. And I think that Captain Noble has some pretty noble thoughts about this legislation. He goes on to note that the government is going to be spending money to clean up the social mess created by this piece of its legislation.

Again from Saskatoon, Westgate Alliance Church, pastor Dennis Keith indicates that:

The problem of gambling worsens in tough economic times when the poor try to find fast answers to their money problems.

And isn't that what we see when Saskatchewan has the second-highest level of family poverty in the country. And he goes on, Rev. Keith does, to say that:

The whole thing feeds on poverty. It's the people who can ill afford it that are so often addicted to gambling.

And again I'd like to just quote one more clergy person from Saskatoon, Reverend Wasył Makarenko of All Saints Ukrainian Orthodox Church, and he goes to say, quote:

Gambling is a tax on the poor. Rather than relying on the weakness of humanity, we should rely on the strengths that we have.

And he goes on to say:

But when the government comes out as a policy

that we are going to use gambling to raise money for government projects, that's going too far.

And I think that Saskatchewan people echo those sentiments, that there was a time when they could look to the Progressive Conservative Party of Saskatchewan to stand for something more than this kind of legislation, when they could look to the Progressive Conservative Party to look for more than quick fix solutions to the province's financial predicament, to look beyond a tax on the poor and the introduction of expanded gambling to the province in the name of the government.

There was a time when the Progressive Conservative Party of Saskatchewan took a stand against alcohol advertising and took a stand against gambling; but not any more. Once it has bankrupted this province financially, it now attempts to bankrupt the province socially and morally as well, with the introduction of legislation such as this. And I find it abominable and abysmal. I think that this is morally indefensible for a government to introduce legislation that allows it to enter the gambling casinos itself. I might add that any government that does this is certainly gambling with its political future.

**Some Hon. Members:** Hear, hear!

**Mr. Koenker:** — The Minister of Consumer Affairs said earlier tonight when we were talking about the hospital tax or the lotteries tax or what I would refer to as the hoax tax he said, quote:

The role of government is to provide services to people.

That's what the Minister of Consumer Affairs said in this Assembly tonight. And I couldn't agree with him more. I think that's the role of government, is to provide services for people, particularly those services which people can't provide for themselves, individually.

(2215)

But I ask that minister if this introduction of gambling legislation, if the introduction of the province into the field of gambling is one of those services that the people of Saskatchewan are asking for? And it isn't. Anybody who has any sense knows that people aren't asking the government to get involved in gambling. And so he betrays his own trust, his own principles in introducing this particular piece of legislation.

I'd just like to close by indicating some of the commentary from the Saskatoon letters to the editor. Dana Voneroy writes to the *Star-Phoenix* on March 9 that:

Casinos will only create more social problems. The answer to the legalization of casinos in Saskatchewan is clear. The public must stand up for what is morally correct and simply say no.

Is what is written.

Erik Nelson, another resident of Saskatoon, says, quote:

Gambling, like prostitution, alcohol or drugs, has one reason for being — to exploit human weakness. In this case the weakness is an expectation of something for nothing. And this is a government that's exploiting the people of Saskatchewan.

Another individual, from Melfort this time, speaks of gambling as an addiction. J.E. Richards writes to the *Star-Phoenix* on March 16 of this year:

Gambling is a disease, an addiction as much as alcoholism or drug abuse is. Many years ago I was led to believe that a gambler was less desirable as an employee than an alcoholic because the alcoholic would come to first. I challenge the people doing lottery advertising to prove that lotteries have ever helped anyone in Saskatchewan.

And this Minister of Consumer and Commercial Affairs talks about this being a high-tech age and we have to get in sync with the high-tech age and we have to get in sync with the high-tech age by virtue of indulgence in gambling.

And I just want to conclude by quoting a letter to none other than the Premier of this province, from the head of the Moose Jaw ministerial, written on March 23, 1988, and he writes . . . This is Rev. John Klassen, who is president of the Moose Jaw ministerial:

We believe that the role of government at any level should be the promotion of the betterment of society as a whole and to help provide the conditions where healthy and productive citizens can flourish. Casino gambling will not teach that productive labour and responsibility are the keys to satisfaction in our society; it would only encourage people to go for "the big kill." We want to ask: should the provincial government and the city of Moose Jaw lend active support and encouragement to such a philosophy in our society? We think not. We believe this contradicts the very purpose for which you were elected.

And I go on to just conclude by noting that this letter from the Moose Jaw ministerial was signed by 28 clergy from Moose Jaw, with an additional 10 indicating their support even though they were not at the meeting that drafted this letter.

So in short, what we have is a piece of legislation that greases the skids for the government itself to profiteer from gambling by way of electronic bingo and keno and slot machines, in spite of what the Minister of Consumer Affairs says. And I say, Mr. Speaker, and the people of Saskatchewan say that this is not the Saskatchewan way to pay for health and education and social services by way of government gambling.

One positive alternative . . . the minister from Weyburn asked earlier tonight, there's never a positive alternative from the opposition. I'll offer him one tonight. Kill the government and gambling plan; kill the government gambling plan and keep the Potash Corporation of

Saskatchewan to pay for programs for the people of the province.

**Some Hon. Members:** Hear, hear!

Motion agreed to on division, the Bill read a second time and referred to a Committee of the Whole at the next sitting.

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Duncan that **Bill No. 82 —An Act respecting Small Business Investment Incentives** be now read a second time.

**Mr. Lautermilch:** — Mr. Speaker, I have just a few short comments tonight respecting Bill 82, which is basically a Bill that will replace the old venture capital Bill, the Bill had dealt with venture capital corporations.

I want to indicate tonight to members on the other side of the House and to the people of Saskatchewan that members on this side of the House have done nothing to hold the passage of this Bill and will do nothing to hold the passage of this Bill. It has been a long time coming, simply because the government has been so busy with their privatization agenda that there hasn't been time for us to deal with any substantial legislation. And I'm pleased to be able to speak on this in second reading tonight.

I want to indicate that I want to give the minister some advance warning that I would like to ask some questions in committee regarding this Bill. As I said, basically we agree with the concept of the changes that this Bill entails. But some of the concerns that we do have are this Bill is not unlike other pieces of legislation, that there is so much in regulations that it's very difficult, in fact, to tell what the end results of this Bill will be, which means the cabinet, through order in council, has pretty wide-sweeping directions.

I would like to ask — and as I said, I'm giving the minister some advance warning — in terms of application for registration under section . . .

**The Speaker:** — Order, order. Second reading is an opportunity to speak on the Bill in general terms, not by specific reference to clauses.

**Mr. Lautermilch:** — Well, Mr. Speaker, I guess what I was trying to do was to allow the minister to prepare through *Hansard* for some questions that we may have, in that it's awfully difficult to get an answer from that minister when you're questioning her directly without some time for warning from one of her officials. But I will respect your ruling, Mr. Speaker.

I want to say that in respect to the regulations, I will be asking some questions. I won't refer specifically to which regulations, but in recovery of government funds, of provincial government funds, I will be asking what the regulations will be. And I will as well . . . would like to indicate through *Hansard* to the minister if she would, in fact, give us a copy or a list of the regulations that will surround this Bill, and that will make this Bill what the end result of it will in fact be.

With that, Mr. Speaker, I have no other comments. But the hour being near 11, I would now move that this House do . . .

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

The Assembly adjourned at 10:25 p.m.