

The Assembly met at 10:00 a.m.

Prayers

ROUTINE PROCEEDINGS

INTRODUCTION OF GUESTS

Hon. Mr. McLeod: — Thank you very much, Mr. Speaker. It's my pleasure this morning to introduce to you, and through you to all members of the Legislative Assembly, a group of students from my constituency who I had the honour of hosting here last night and were guests here last night at the presentation of the budget.

I'd like to introduce Miss Carla Henry from Carpenter High School in Meadow Lake and Miss Dana Hanowsky also from Carpenter High School in Meadow Lake. They are two senior students at that school, top students, leadership-type students, Mr. Speaker. They were accompanied here last night by five students from the Goodsoil Central High School: Brian Palm, Sean Palm, Beth Carruthers, Lana Schamber and Lucy Erlacher. And they were accompanied by a chaperon, Mrs. Bev Carruthers.

These people were here, as I said, to the budget last night. The two girls from Carpenter High School in Meadow Lake are here this morning, and I would ask all members, Mr. Speaker, to join with me in welcoming these people from the great north-west to Regina and to the legislature.

Hon. Members: Hear, hear!

Hon. Mr. Lane: — Thank you, Mr. Speaker. It's with a great deal of pleasure I introduce to you, and to members of the Assembly, some 37 grade 8 students from Pilot Butte school. They're seated in the Speaker's gallery. They're accompanied by their teachers, Kevin Heinemann and Tom Dickson.

Mr. Speaker, I'd like all hon. members to join with me in welcoming the students from Pilot Butte. I'll meet with them later this morning for refreshments and pictures — look forward to it. Welcome.

Hon. Members: Hear, hear!

ORAL QUESTIONS

Help for Saskatchewan Farmers

Mr. Romanow: — Thank you very much, Mr. Speaker. My question, Mr. Speaker, today is to the Premier, and it has to do with yesterday's budget. Mr. Speaker, by way of preface, I think it's safe to say that the farmers of the province of Saskatchewan and virtually all of their farm organizations have been pleading for months now for an immediate cash payment in the amount of \$500 million to look after the past debt crisis for them and the cash flow crisis which they're currently facing.

Mr. Speaker, I think it's also fair to say that last night's budget in this regard was a major disappointment; in fact, one might even say a basic betrayal of those expectations

and hopes.

My questions to the Premier of the Province of Saskatchewan and the Minister of Agriculture is very simple. What conceivable, honest reason in the world could there be for holding back in making the announcement that the \$500 million cash payment is forthcoming? Why are you doing this to the farmers of the province of Saskatchewan? Why aren't you making that announcement known now and last night?

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Mr. Speaker, the Leader of the Opposition has agreed with me on several occasions that cash for seeding should come from the federal government. He said that in the media; he said it in the letter that has been public. He has recommended that the federal government make that payment. We've had a resolution in this House where we both said the same thing. He also suggests that what the province of Saskatchewan should do is have a loan program for seeding. And he wrote me a letter — I'm sure the media has it and other people — saying exactly that.

Now, Mr. Speaker, in our budget we've done precisely what the Leader of the Opposition and this legislature and the people of Saskatchewan from our meetings have asked for. We've said that we are prepared to put \$525 million out to help them seed their crop in loans, and the federal government has the responsibility to put cash out there.

Now, the Hon. Leader of the Opposition said on Thursday, March 29, in the *Leader-Post*, and I quote, "(Mr.) Romanow agreed with (Mr.) Devine that the \$500 million had to come totally from Ottawa." I agree with him. It has to come from Ottawa. He also in his letter to me said, Mr. Speaker:

Our proposal is that the provincial government guarantee spring operating loans to farmers under the following conditions:

--that the loan be for basic spring seeding needs;

--that both the lender and the farmer certify to the satisfaction of agriculture credit . . . "

and that this be for spring seeding only.

Now that's exactly what's in our budget, and you've agreed. So I say, Mr. Speaker . . .

An Hon. Member: — Nonsense, nonsense.

Hon. Mr. Devine: — Well the hon. member says "nonsense." That's what it says here in the *Leader-Post* with your picture on it. That's what you've asked for. It's precisely what you've asked for and it's been delivered.

Some Hon. Members: Hear, hear!

Mr. Romanow: — Thank you very much, Mr. Speaker. I

have a new question to the Premier. Mr. Premier, last week's throne speech, a throne speech which is prepared by you and by your government officials, said these words clearly and unequivocally. Mr. Speaker, may I have your permission, just a brief quotation. The speech from the throne says:

My government has received a commitment from the Government of Canada that financial assistance will be provided to farmers for spring seeding.

I repeat those words, Mr. Speaker:

My government has received a commitment from the Government of Canada (over a week ago the Premier said in the Speech from the Throne) for financial assistance (referring to the \$500 million.)

Those are his words, not our words, not your words. That's the word used by the government, a commitment.

Mr. Premier, my question to you is this: if you have that commitment, if you are telling the farmers the truth at the time of the Speech from the Throne, why weren't the details of that \$500 million announced last night? Where was the cash?

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Mr. Speaker, the federal government writes the federal cheques.

An Hon. Member: — And you write the Speech from the Throne.

Hon. Mr. Devine: — And I write the Speech from the Throne, Mr. Speaker.

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — And I have said that we will provide exactly what we've agreed in this legislature and exactly what is recommended by the Leader of the Opposition to me in his letter to me on February 26. And he said, Mr. Speaker, and I come back.

Point number two. A spring seeding operating loan guarantee from the provincial government to help farm families get the crop in the ground. And the federal government at the same time, he says, March 29:

Mr. Romanow agreed with Mr. Devine that \$500 million had to come totally from Ottawa.

Now I have the commitment from Ottawa that they're prepared to spend cash in the province of Saskatchewan and across the country.

Mr. Speaker, I have a commitment from the federal government that they're prepared to spend money. This is exactly what you've asked us to do. You have said, and the member opposite said, the provincial government should not put cash out. That's what you said. Five hundred million dollars in a loan. That's what you've asked for, and we put the loan out there. And then you

went back and you said, "and the federal government should put up all the cash because that's their responsibility." That's precisely what we've done, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Romanow: — Mr. Speaker, I have a new question to the Premier. And I say to the Premier of the province of Saskatchewan, you have just repeated it again now. You, sir, have just told this House again that you have a commitment from Ottawa for \$500 million cash. You said that in the Speech from the Throne. You said that. You wrote it in your Speech from the Throne. You've got that \$500 million and yet you didn't announce it last night. I'm asking you, why did you not announce it last night? Is the reason that you did not announce it last night is because you're trying to play cheap politics with the farmers of the province Saskatchewan?

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Mr. Speaker, all he's ever done all his life is play politics for the farmers. That's all he's ever done all his life. Not one dime have you ever come up with for agriculture. Mr. Speaker, that hon. member lost his riding at 21 per cent interest rates because he didn't have a dime for farmers.

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — And when he lost his riding, Mr. Speaker, when that member lost his riding, he went to work for a bank to make sure that farmers lost their land, Mr. Speaker. That's what he did. He foreclosed on farmers.

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Mr. Speaker, that man has played politics with farmers all his life, Mr. Speaker. That's why he's sitting over there.

We put \$500 million out for farmers to plant their crop, we had a billion dollars in a production loan program, and we're going to hold the federal government on the line for \$500 million cash, Mr. Speaker. This House has agreed; he's agreed, and now he's backing up because he knows he's cornered again on agriculture.

Some Hon. Members: Hear, hear!

Mr. Romanow: — Mr. Speaker, I have a new question to the Premier. The Premier's great in winning all the old battles which are historical facts, but he's not very good about dealing in the future, but not very good dealing about the future.

Mr. Premier, you were in Ottawa yesterday dealing with your pals, Mr. Mulroney and Mr. Mazankowski. There you were in Ottawa fighting for the farmers. You said a few moments ago you got the commitment. You said in the Speech from the Throne you have the commitment.

Mr. Premier, my question to you is simple. Isn't it a fact that the political deal that you have made with Mr.

Mulroney is this: Mulroney has assured you you've got that \$500 million, but they're not going to release it until you say it's politically advantageous for you to release it for your spring June election plans. Isn't that the deal, and that's the reason it wasn't in the budget last night? Isn't that so?

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Mr. Speaker, just let me reiterate to the hon. member, let me reiterate. Every time we've gone and helped farmers, the Leader of the Opposition says, well it's a result of there's an election just around the corner. He's said it over and over again. He said it in by-elections; he said that now there's going to be an election in May or an election in June.

He's got nothing else to talk about but politics. See, Mr. Speaker. Every time he opens his mouth in agriculture, it's politics, politics, politics. That's all he does. No money; he'd never helped anybody in agriculture. And now when he stands up he says, well it's just because of politics.

Mr. Speaker, the people of this province want agricultural policy, not politics. The people of this province want health policies, not health politics.

We've seen that over and over again — the medicare stuff, the agricultural scare stuff.

Mr. Speaker, I'll just say we have put \$525 million out, as he recommended. We are asking the federal government for \$500 million cash, as he recommended. And we're going to hold that position, Mr. Speaker, because it's a federal government responsibility for cash, and we put ours out there as he asked me to do.

Some Hon. Members: Hear, hear!

Mr. Romanow: — Mr. Speaker, let's get to the bottom of this. Tell us the truth. Do you have a commitment from Ottawa or not? Do you have a commitment from Ottawa? Yes or no? And if the answer is yes, tell us the details of that commitment now because the farmers want it now. Tell us.

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Mr. Speaker, the details are exactly as I've blanked out — exactly.

Mr. Speaker, the hon. member sits there and plays politics because he's got nothing else to say and nothing else to do.

The Speaker: — Order, order.

Hon. Mr. Devine: — Let me just reiterate again, Mr. Speaker. The federal government says it has money for farmers in the West and in Saskatchewan. They've made that commitment; I have that commitment.

Now, Mr. Speaker, I said that, Mr. Speaker — and I agree with the hon. member who says he agrees with me — the cash should come from the federal government. You

agree.

He asked me what the details are. The federal government provide the details — not to me, not to you. I have the commitment that they have cash.

Mr. Speaker, they have said . . . he says, Mr. Speaker, that in a provincial budget I will announce federal programs. Mr. Speaker, he has never, ever in a provincial budget seen federal announcements. He hasn't seen that. He's got nothing else to talk about today so he says, well the Premier agreed with me the feds should provide cash. Here's the loan guarantee that I've talked about and now he says that, well, I guess I have to ask them to speak for the federal government as well.

Some Hon. Members: Hear, hear!

Mr. Romanow: — Mr. Speaker, I have one final question to the Premier, if I might. New question on this topic matter.

Mr. Speaker, I think it's obvious for all the members of this legislature and for those who might be watching these proceedings, that if a government has a commitment, as the Premier says, a commitment — now just take a look at the dictionary meaning of that word "commitment" — that Premier, if it's true what he says, knows the details of the \$500 million cash, when and how and why the delay in the payment.

And my question to you, sir: is the choice of the word "commitment" a truthful one, or is there something else? And if there's something else, I want to know about it, because if there's a commitment and you have it, it is your obligation, sir, on behalf of the farmers of the province of Saskatchewan, to tell this legislature yesterday what that commitment was. How about standing up and telling us what that commitment is.

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Mr. Speaker, I spent yesterday in Ottawa with all the ministers of Agriculture and with the federal ministers and the Deputy Prime Minister, and we had full public discussions on the discussions for agriculture across Canada. The federal government says it has money for Saskatchewan . . .

The Speaker: — Order, order. There are members on both sides of the House who are asking questions and attempting to answer questions, and I believe that the Leader of the Opposition has put a question to the Premier. The Premier is attempting to answer it, and that's the way we should allow question period to proceed.

Hon. Mr. Devine: — Thank you, Mr. Speaker. In those discussions . . . and all the provinces were there, and I'm sure you know everything that went on in the meeting. Okay.

Mr. Speaker, we said . . . Mr. Speaker, do you hear the hon. members? They're not interested in agriculture. They're interested in politics. Hear them? Listen to them.

Mr. Speaker, if they're interested in agriculture, then pay

attention. If you want an answer, I'll give you the answer.

An Hon. Member: — I want an answer.

Hon. Mr. Devine: — Okay. Then pay attention.

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — What are you playing here, What is this? It's just a game. Right? This whole exercise is a game to you. It's always been a game, and it'll never be anything more than a game to you.

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Look at him laugh. Look at him laugh, Mr. Speaker. He doesn't care. He doesn't care a dime.

Population Loss and Economic Development

Mr. Tchorzewski: — Thank you.

The Speaker: — Order, order! Will the members come to order.

Mr. Tchorzewski: — Mr. Speaker, my question is also directed to the Premier. Mr. Premier, in 1983, December, Steven Dennis became the millionth resident of the province of Saskatchewan. You celebrated on that day, Mr. Premier, and you had something to say. I quote from your press release what you said, and I want you to listen carefully:

Our residents are our greatest natural resource. Their energy, their vitality, their many talents are what will enable our province to reach its full potential.

That's what you said, Mr. Premier. In 1986 Mr. Dennis moved to Manitoba, and today the news media reports that the population of this province is below one million people. And I ask you, Mr. Premier . . . Pay attention, Mr. Premier.

I ask you this question: in the face of this, how can you justify marking this sad event with a budget that totally ignores economic development and job creation, Mr. Premier? How can you justify that?

Some Hon. Members: Hear, hear!

Hon. Mr. Schmidt: — Mr. Speaker, we all know that people have been leaving Saskatchewan, and what we have to do in this province is to create opportunity so that they can stay in this province.

But the opposition not only has no policy to create opportunity for the people of Saskatchewan, they can't even add. Statistics Canada indicates the population of Saskatchewan is 1,001,600. That gives you a clear indication of what the opposition knows about mathematics, and what they know about economics is the same, Mr. Speaker.

This government is working very, very hard to create

opportunity for people. We will give the people an opportunity to own their own businesses, to build their own future. That's why this government has announced a new method of diversification. Members opposite have nothing to offer but negative criticism. At least this government has a plan.

There is nothing new about people leaving; they've been leaving this province for 60 years. We have worked hard to turn that around.

Some Hon. Members: Hear, hear!

Mr. Tchorzewski: — Mr. Speaker, a new question to the Premier, who laughs when we talk about young people leaving this province. Mr. Premier, don't listen to your minister, because it's true the population was one million, one thousand-and-some on December 31, 1989, which is what the minister refers to, but since then this province has had a net out-migration of over 3,000 people, Mr. Premier.

Some Hon. Members: Hear, hear!

Mr. Tchorzewski: — I want to read another quote from you in my new question. You say in this budget speech:

. . . we joined hands with Weyerhaeuser Canada Ltd. to develop a paper mill in Prince Albert, with Cargill Ltd. to build a fertilizer plant in Belle Plaine . . .

The problem is, Mr. Minister, that you joined hands . . .

The Speaker: — Order, order.

Mr. Tchorzewski: — As I was saying before I was interrupted, Mr. Speaker, you joined hands with Cargill and you joined hands, Mr. Premier, with Weyerhaeuser, and you both thrust your hands into the hip pockets of the Saskatchewan taxpayer. And what's the result? The result is higher taxes; the result is higher unemployment and out-migration.

I say to you in my question, Mr. Premier, it's time you joined hands with our young people and our families who are looking for hope but instead are having to leave this province to find a future.

In light of this, in light of this tragedy, Mr. Premier, how can you justify a major cut of \$1 million in youth and student employment programs in this budget, Mr. Premier?

Hon. Mr. Devine: — The hon. member picked a line in the budget. If you would allow me, I'll go for three lines on the projects for job creation, which the member wants:

We joined hands with members of the co-operative movement to build Canada's first heavy oil upgrader (here in Regina).

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: --

We were the first province in Canada to join hands with the Canadian Federation of Labour to involve labour in business development in (the province of) Saskatchewan.

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: --

We joined hands with ten Indian Bands to assist them to purchase the saw mill in Meadow Lake.

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — And, Mr. Speaker:

... with the Saskatchewan Wheat Pool and Schreier Malting Company to expand the malt plant in Biggar.

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — I will add, Mr. Speaker, we have joined hands with Husky and the federal government and the Alberta government to build a second upgrader in the province of Saskatchewan — not in Alberta, but here.

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — And we have joined hands with people like Weyerhaeuser who can make paper from forest products, making paper for the first time.

And, Mr. Speaker, we have joined hands to process natural gas into what naturally comes from natural gas if you process it, which is fertilizer, for the first time in the province's history.

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Now the hon. member has been against every single one of those projects that we've tried to do — every single one of them. They didn't build a potash mine — not one. They didn't build a paper mill. And they want order. No, no, I'm talking about jobs, not order — jobs for kids. That's what you're talking about.

Some Hon. Members: Hear, hear!

Mr. Tchorzewski: — New question. Mr. Premier, your ideological megaproject mentality, which you have just described, has been a dismal failure.

Some Hon. Members: Hear, hear!

Mr. Tchorzewski: — It has been a dismal failure because it has resulted in the hemorrhage of our population to the extent of over 65,000 people since 1985 when you began to implement that ideology, Mr. Premier. You've got money by the bucketfuls to Cargill and to Weyerhaeuser and to Guy Montpetit, and to people like this, but you don't have enough money to create work for young people in Saskatchewan.

And I ask you this, Mr. Premier, if you've got all this

money for these megaprojects and these multinational corporations, why don't you have that \$1 million so that our students and our young people can have jobs in Saskatchewan instead of having to move to Manitoba and Alberta and British Columbia?

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Mr. Speaker, the hon. member conveniently forgets about the hundreds and hundreds of small diversification projects. Some were mentioned in the budget as well — manufacturing and processing. The budget talks about Delsa Food Processors Ltd. in Delisle, L & M Wood Products Ltd. in Glaslyn, Austrak tractor plant in Weyburn, and hundreds and hundreds of projects that have been developed by small business across the province of Saskatchewan.

And do you know what they talk about, Mr. Speaker? They say, oh, I found one that's failed. That's what they'll talk about. Say, oh there's one that didn't go. And listen to them chirp over there, Mr. Speaker, listen to them chirp. Keep listening to them.

The Leader of the Opposition is laughing about this. He's got to sit there and ... It's not politics. People want policy, not politics. That's what your problem is. They want economic development, processing and manufacturing. And you watch, Mr. Speaker, Community Development Bonds and diversification projects across this province, not on debt but on equity, Mr. Speaker. You're going to see an awful lot of economic activity for young people for generations to come.

Some Hon. Members: Hear, hear!

Student Summer Employment Program

Mr. Prebble: — Mr. Speaker, my question is to the Premier. Mr. Premier, at a time when record numbers of young people are leaving this province, and at a time when you know that youth unemployment is very high and that university and technical institute students are going to have a very difficult time getting employment this summer, I wonder if you can explain to this Assembly why in your budget you cut by \$500,000 the program for student employment this summer as compared to last summer, but why, more significantly, in comparison with 1986 when your student summer employment budget was 10.5 million, this year it is only 2.6 million? Does that not represent a complete betrayal of young people who are trying to pursue an education in this province but can't get work during the summer?

Some Hon. Members: Hear, hear!

Hon. Mr. Hepworth: — Mr. Speaker, the hon. member's observations would be valid as it relates to the one line in the budget that he's examined relative to employment programs, summer employment programs for students, in that he makes the observation that there has been a decrease in that one line.

However, I think the hon. member might not be aware of the fact that I think down the road in the next few days, presumably people like the Minister of the Environment

may well be announcing some programs that will provide employment for our youth over this next summer as well.

What we've tried to do in this budget, Mr. Speaker, is provide for government expenditures that would allow for about the same level of student employment as we had last year, Mr. Speaker.

Some Hon. Members: Hear, hear!

The Speaker: — Order, order. Question period has ended, plus everything that goes with it. Order, please. Order.

ORDERS OF THE DAY

SPECIAL ORDER

ADJOURNED DEBATES

MOTION FOR COMMITTEE OF FINANCE (BUDGET DEBATE)

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

Mr. Shillington: — Thank you very much, Mr. Speaker. I had said last night when I had adjourned the debate on this speech that it was a fair summary of the speech to say that the budget represented a disaster for the Saskatchewan economy and a betrayal of the Saskatchewan people.

It was left, however, to the Minister of Finance to sum up the public reaction to the speech when he said, the people have said: enough is enough.

Some Hon. Members: Hear, hear!

Mr. Shillington: — That was almost a universal reaction to this speech last night. Mr. Speaker, I want to make some comments with respect to agriculture in a more detailed way.

Mr. Minister, this House on Tuesday passed a motion which called for what I would call a comprehensive recovery plan. It called for debt restructuring. It called for some leadership by the agricultural corporation of Saskatchewan in restructuring debt. We called for \$500 million payment to assist in cash seeding . . . spring seeding.

What we got, Mr. Speaker, was nothing at all but more debt. Last night we got not a solution to the problem but an aggravation of the problem. Three weeks ago the Premier went on province-wide television and raised hopes and expectations of rural people, cut out some 200-odd million dollars worth of programs and said, Mr. Speaker, this is money for farmers. This is money to save our basic agricultural industry.

What happened last night? It's not clear what happened to the 200-million-odd dollars that he cut out of programs. It's clear that it is not available for farmers.

The throne speech promised aid from Ottawa before spring seeding. It said, and this is a direct quote:

(Your) government has received a commitment from the Government of Canada that financial assistance will be provided to farmers for spring seeding.

Last night, Mr. Minister, you told this Assembly that you expected the federal government to honour its commitment. Today again in question period, Mr. Speaker, the Premier and Minister of Agriculture stated, I have a commitment. There was no announcement of it, Mr. Minister. And, Mr. Speaker, the only fair conclusion to be drawn is that this government is playing games with this payment as it has in past years.

Mr. Speaker, farmers need that money now. In the southern part of the province, some of them will be starting to seed in a relatively short period of time — in a few weeks, in a very few weeks. They need that money now. The last thing they need is this government playing games with their lives and their farms.

It is clear, I think, Mr. Speaker, that this government is withholding that payment until such time as it's in a position to call an election. They'll announce it before the election, hold it over the heads of the rural community during an election, and make it payable afterwards. What cynicism — what complete and utter cynicism.

All I can say, Mr. Minister, with respect to that, with respect to such an approach, is that they richly deserve the wrath that they have incurred from the public of Saskatchewan with that kind of an approach. You richly deserve everything that they're getting in terms of an adverse public reaction.

Mr. Mazankowski has said there's money there; Michael Wilson has said there's money there; the Premier of the province this morning says there's money there. What are they doing? They're obviously playing games with the timing of that payment.

An Hon. Member: — Cheap politics.

Mr. Shillington: — Cheap politics. Mr. Speaker, you can always tell when the Premier is in a corner. He degenerates — his approach degenerates to cheap, personal attacks as they did this morning.

We asked them some questions, Mr. Speaker, with respect to the timing of the payment. What we got in return was some cheap, personal attacks and not a comment, not a comment, from either the Premier or the Deputy Premier, who is of such assistance at this moment; not a comment from the Premier or the Deputy Premier with respect to the timing of that payment. Why? Because they're playing games with it.

Well I'll tell you, Mr. Speaker, the population of Saskatchewan are going to play games with this government if they ever call an election, and it is a game that this government is not going to enjoy.

An Hon. Member: — There's one coming; that's for sure.

Mr. Shillington: — Yes. It's not coming half fast enough for anyone except the members opposite. The member from Rosthern says it's coming, the election. Well it's not coming half fast enough for anyone except members over there. For members over there, the election is advancing far too rapidly.

What does the . . . (inaudible interjection) . . . Well, the member from Regina South . . .

The Speaker: — Order, order. I know the hon. member for Regina Centre likes to engage in debate with varied members; however, I don't think that that's conducive to the budget debate, and I would ask him to stick to the topic of the budget debate. At the same time, I would like to ask members not to be interrupting him.

Mr. Shillington: — Mr. Speaker, the budget last night represents a betrayal of the rural community. It has been called . . . farm leaders have called it a betrayal; they've called it a disaster. I heard one calling it a deception this morning. Those are the kind of words they have used.

Mr. Speaker, I do not recall the last time I heard provincial leaders refer to a budget in those kind of terms. I don't recall the last time I heard community leaders in Saskatchewan refer to a budget in those kind of terms: betrayal, deception, disaster. I just don't recall that kind of language being used.

In fact, Mr. Speaker, I don't recall, in the eight years this government's been in office, any budget which received such an adverse reaction from virtually everybody. It is not quite unanimous, but it is not a long ways from it.

School trustees and teachers, farm leaders, civic communities all said, well . . . (inaudible interjection) . . . I will not engage in partisan debate with the member from Rosthern who is . . .

The Speaker: — Order, order. I would like to once more bring to the hon. member's attention from Rosthern that the member from Regina Centre is speaking, and we could get into a debate with the varied members all over the Assembly. I don't think that would be very conducive to debate, though.

Mr. Shillington: — I will simply say to members opposite, who are apparently receiving such comfort from the headline on the newspaper that they could have the votes of all the newspapers in the province, we'll take the votes of the trustees, the teachers, the farm leaders, the educators, and everyone else who has been so critical of this budget.

Some Hon. Members: Hear, hear!

Mr. Shillington: — I say to members opposite, newspapers don't vote, people do. The people have spoken and they spoke with a harshness which I simply don't recall having heard in previous years. I do not recall a reaction quite that adverse.

Mr. Minister, and Mr. Speaker, I hear the comment from journalists last night, I hear the comment from members

opposite, that they cannot afford to assist the farmers. I say to members opposite that if the farmers were treated as generously as you've treated some multinationals, they'd have little cause for complaint.

You say you can't assist farmers and yet you apparently have \$369 million for Cargill, about 20 per cent of that, as I understand it, in the form of a cash grant. One can fairly ask the question, are farmers as important to this province as a single elevator company which is supposed to serve them?

Mr. Speaker, they say they can't afford it. I remind them that Weyerhaeuser, a foreign multinational, one of the largest pulp, timber, and forestry firms in the world received something under a billion dollars. No obligation to pay it back until they enjoy the 13 per cent return on equity, and then only at 8 per cent interest. Why can't the farmers of this province be treated at least as generously as Weyerhaeuser? That seems a reasonable question. They say they can't afford it. What they're saying, Mr. Speaker, is they don't want to afford it. The agricultural industry in its present form is simply not their priority. That's what they're saying.

And I want to make one other comment, Mr. Minister, and Mr. Speaker, with respect to farm programs. Farmers and farm leaders across this province are saying, no more *ad hoc*-ery. We cannot continue to exist with programs which change year after year, which often don't survive a single year. We need a long-term program so we know not just what's coming next month and what's coming after the election, but what's coming the year after that and the year after that. They need long-term, stable program.

In 1988, Mr. Speaker, there was a federal election in this province. That federal election produced in federal terms a new voice for rural Saskatchewan. That was the NDP Party. One of the reasons that occurred was because the NDP Party in that election put forward a long-term farm program which provided relief, financial stability, and a way out of the morass. And rural people voted, not I think just for the leader and not just for the candidates, they voted for the program.

I say, Mr. Speaker, that this is what is needed here now. The farming community have asked from this government for a long-term program which sees some light at the end of the tunnel and doesn't just see them into the next month, and probably into more trouble than they were.

What we've got, Mr. Speaker, is an *ad hoc* program with nothing in it but \$525 million of debt. I said last night and I want to say again, Mr. Speaker, that one of the primary problems with agriculture faces is it is overburdened with debt which simply cannot be serviced. If there were no debt, Mr. Speaker, the problems would be close to being manageable. They are not. The debt load is far too high. The last thing, Mr. Speaker, that the farming community needs is another half billion dollars in debt, and that is all they got out of last night.

There was, Mr. Speaker, I think at some point in time, a belief in the farm community that debt owing to a

government isn't debt. I recall in the mid-1980s when we got the \$25 an acre loan at 6 per cent, a fair number of people took it. And I think a fair number of people in the industry said, ah, they're not going to get too rough in collecting it. So I may not be able to pay it back; they're not going to push me.

Well farmers now know that debt owing to a government is debt, and it has to be repaid with the same consequences as it isn't. One of the primary birds of prey which is attacking farmers in this province is ACS (Agricultural Credit Corporation of Saskatchewan) collecting back that money. In almost any judicial centre in the province, I would venture to say in every judicial centre in the province, the Agricultural Credit Corporation of Saskatchewan has issued more writs of execution against farmers than any other single creditor. I venture to say that's true.

Farmers of this province now know that debt owing to this government is real debt, and if you don't pay it back, they sue you and they seize your assets. And that's what they've been doing — and that's what they've been doing. They recognize that the member from Estevan, the Premier, is someone who is going to sue them, who is going to seize their assets, and has done so. As I say, no other creditor in this province has acted with as many writs and has been as quick to seize farm machinery, cattle, and so on, as the Agricultural Credit Corporation of Saskatchewan.

(1045)

That is why I say to members opposite, the farming community is not going to welcome another half billion dollars in debt. And they're going to treat it differently, they're going to treat it differently than they treated the billion dollars a few years ago. It will be treated seriously. And I don't think it's going to be accepted.

The members opposite apparently are exhibiting considerable interest in the comments made by the Leader of the Opposition some two weeks ago. I can say, Mr. Speaker, I can understand that, because the public of Saskatchewan have been interested in the comments made by the Leader of the Opposition and have been following his comments with considerable attention. And if the members opposite were to read his comments with the care, and follow them with the interest the public of Saskatchewan did, they wouldn't be as confused as they are this morning about what he said. I don't believe for a moment, Mr. Speaker, that I can straighten out the confusion which exists on that side of the House. I don't intend to try.

I want to make a comment, Mr. Speaker, about waste and mismanagement. The visible symbol of that is the deficit — the deficit which has gone up by some 73 per cent. Mr. Speaker, this government has an abysmal record in its budgetary forecasts.

The Government of Canada has been panned, has been criticized because they missed their budgetary projections by 10 per cent. I recall Michael Wilson and his predecessor being criticized because they were out by 10 per cent on their budget. This government forecasted a

deficit of \$226 million last year and missed it by 73 per cent. They missed it by 73 per cent.

I say to members opposite, if the member from Yorkton had managed a farm machinery industry which he was associated with some years ago, if you had managed that farm machinery business as poorly as the government of which you are a part has managed the affairs of this province, there wouldn't be rod-weeders coming out of that plant these days.

I say to members opposite that they need to begin to understand the fundamental principles of management. One of them is that you've got to live within your means. And I'm sure the member from Yorkton, I'm sure the member from Yorkton agrees with that — you've got to live within your means. You've made no attempt to do that.

One of the main reasons for that, Mr. Speaker, is because of the waste, mismanagement, and patronage. It has just run wild in this province. I could think of any number of examples. I'm going to refer to one I referred to last night. Bob Andrew and Graham Taylor, former members of this Assembly; former members of this Assembly, Mr. Speaker, who continue . . . who, as I said, retired on a pension in excess of 30,000, so I'm told; who accepted severance pay in excess of 60,000 — continue to work for the same government at a salary in excess of \$100,000. That's obscene. It is just obscene.

Mr. Speaker, I travelled around the province and went to a . . . (inaudible interjection) . . . If the minister of families was as energetic in doing something for the poor as he is in responding to my comments, perhaps there wouldn't be 64,000 hungry children in the province, and perhaps you'd have some understanding of what they need.

Mr. Speaker, if this government wasn't wasting such huge sums padding its friends and paying off its friends and sending retired members to exotic jobs in Hong Kong, they might have some money. They might have some money to assist the 64,000 hungry children in this province.

Mr. Speaker, one of the primary failings in this budget is jobs. One of the overarching issues in this province is the people who are leaving. No matter what community you are in in Saskatchewan, people talk about those who have left. You can walk up and down any main street in Saskatchewan and the business people are concerned about who's leaving. Parents are obviously concerned about who's leaving. Their children do not live in their own communities. They do not live close to them. They live in Alberta, B.C., Ontario — a long ways away.

One would have expected this government to do something about job creation. And I want to say, Mr. Speaker, that this government's expenditure to date has been minuscule. This government, on a per capita basis, has one of the lowest expenditures of any provincial government in Canada on job creation. They've done virtually nothing in the years they've been in office. This tiny effort has now been chopped again.

The member from Saskatoon, in his question, pointed out

that the opportunities in student employment program has been cut by \$500,000. That means, Mr. Speaker, 5,400 fewer jobs, 5,400 fewer jobs than existed a few years ago; 5,400 jobs, Mr. Speaker, when the unemployment rate for young people stands at 14 per cent, when the best and the brightest, I suspect, are going elsewhere — to Alberta, to B.C., to Ontario, provinces which have more enlightened and far more effective governments in office.

One of the things that the public of Saskatchewan expected from this government was something in the way of economic development. This budget, Mr. Speaker, doesn't invest in this province, rather this budget robs this province of its future.

Mr. Speaker, I want to make a comment with respect to economic development. I want to refer to the list of job creation projects which was referred to in question period. That, Mr. Speaker, was a list of projects which have already been put into effect, which were enormously expensive, and which produced relatively few jobs for the enormous sums of money involved.

If this government thinks that its job creation record in pouring huge sums of money into megaprojects is popular, then all I can say is you're spending far too much time in Regina and far too little time talking to your own constituents. Because it isn't.

Megaprojects, Mr. Speaker, have not been in vogue since the '70s. In the '70s governments promoted megaprojects. They're big; they're flashy; you get enormous physical structures for your money. What governments found out in the '70s, though, is that megaprojects actually produce few jobs for the money. You can get far, far more, far better returns on your money with smaller expenditures to much smaller businesses.

What was in this budget for small business? Would someone like to point out to me the section on small business in this budget? It doesn't exist. It doesn't exist.

Would someone like to point out for my benefit the section in this speech which talks about your plans for the future with respect to job creation, rather than the plans for the past? Doesn't exist.

Ah, well the member from Yorkton, who's always paying attention, if never quite understanding what's going on, the member from Yorkton points out, you've talked about Community Development Bonds. It is little wonder, Mr. Speaker, that there's lots of detail about megaprojects and none about Community Development Bonds. And that's because this government has no understanding of how to work with communities.

Some Hon. Members: Hear, hear!

Mr. Shillington: — All you understand is how to shovel huge amounts of money into the pockets of multinationals.

You have no understanding at all of how to work with communities, and that's why there's no detail in here on community development bonds. And I say to the member

from Yorkton, if you understand how Community Development Bonds are going to work, then I look forward to hearing your comments. And I believe that the Minister of Finance will listen to your comments with equal interest if you can tell us how these community bonds are going to work. You haven't any understanding, Mr. Minister, and Mr. Speaker, how to work with communities.

I said that this speech robs this province of its future. Research. These members opposite are fond of pointing to the changes taking place in Europe. One of the changes you may have noticed taking place world-wide — the member from Melfort nods his head very sagely — one of the changes you may have noticed world-wide is that economic leadership is shifting from North America to Germany and Japan. The member from Melfort agrees in his sage, wise way.

One of the things you may not have noticed is that those nations are spending enormous sums of money on research. The Government of Japan and the government in Bonn did not cut back their research budgets by 22 per cent the way you did.

One of the major differences is they are on the leading edge of technology. We have been short-changed by a myopic, short-sighted leadership in government and in business. And that's why today the world's premier stock exchange is not New York but in Tokyo.

That is, Mr. Minister, and members opposite, why economic leadership is shifting — because they're on the leading edge of technological developments and we are not; because we have not been putting the money into research. When you take 22 per cent cut in funding to the Saskatchewan research you are joining in a small way a major trend across North America which is to short-change research. When you short-change research, you short-change the future.

But that wasn't the only way in which the future was short-changed. In my comments on the throne speech I pointed out that the inflation had gone up by about 44 per cent since this government took office, their revenues had gone up by 58 per cent, and their expenditures by 72 per cent.

But not all expenditures have gone up evenly. One of the departments which has gone up the least since this government has been in office is the Environment, and in real terms, in real dollars, it's got a lot less money to spend now than it did when they took office.

This year we see funding for environmental protection and enforcement cut by \$200,000. Last week ... (inaudible interjection) ... Well the member from Melfort says, ain't so. Well I will wait for the member from Melfort to explain to me how this budget provides adequate protection for the environment. This budget short-changes the environment, Mr. Speaker, and that short-changes our future.

And it isn't, as people, as the public of Canada have become sharply and acutely aware, when we short-change our protection of the environment, we are

not short-changing generations to be born millenniums hence, we are short-changing our children.

The problems are real and they are here. Across this country the public are demanding of governments that they pay more attention to the environment and that environmental protection measures be increased — everywhere but in Saskatchewan, where a government is so out of touch, so completely living in the past, it apparently seems to have little understanding of what the public are asking for these days.

Mr. Speaker, in some other ways this government is not building for the future but is short-changing them. Once again we see Highways cut by \$22 million. That doesn't have an immediate impact; the roads are still there. But it does cause a degeneration of the highways. A cut now, a cut now means that in future years we have to spend . . . if you cut a dollar now, you've got to spend several dollars in future years catching up. That's short-changing the future.

Mr. Speaker, this government talked about joining hands. Mr. Speaker, the only people that this government has joined hands with are Weyerhaeuser, Cargill and their ilk, and in doing so have firmly thrust those greedy, grasping hands of Weyerhaeuser and Cargill into the taxpayers' pockets.

(1100)

Members opposite go on to say in the budget that their focus will be on a partnership approach to equity positions in joint ventures. I say to members opposite to look at what you're doing. That usually means you share the risks, you share the benefits. But not the members opposite. As was the case in Cargill, we take the risk, a foreign multinational gets the benefit. That's your idea of a joint venture is: we take the risk, they take the benefits.

That, Mr. Speaker, is just simply not satisfactory. It's an idea which is long out of date by at least two decades. It's a worn out idea and an unacceptable idea. And if I were a little less charitable, Mr. Speaker, I guess I'd say that it comes from a worn out government and a government which is increasingly unacceptable.

If the public of Saskatchewan, Mr. Speaker, were expecting leadership, they were sadly mistaken. The public of Saskatchewan were hoping for new ideas. Once again they were sadly mistaken. If they were expecting a change in the way this government operates, they were sadly mistaken. This government didn't come to the people of Saskatchewan with a plan for the 1990s. They came with a blank piece of paper and said, here, tell us what to do; tell us what to do. What a pathetic approach — what a pathetic approach.

Mr. Speaker, consensus — I have heard Consensus Saskatchewan described as a cop-out. It is indeed, Mr. Speaker. It's a complete abdication of leadership — a complete abdication of leadership.

I might add as well that I didn't see any subvote in the budget for ConSask. I didn't see anything in there which would fund Consensus Saskatchewan. If that is accurate,

if there's no money in the budget, then that at least will be popular. The public of Saskatchewan do not want one nickel spent on such a hare-brained notion. They do not want one nickel spent on such a hare-brained notion. So I can say to members opposite, if you didn't put any money in for ConSask, then you did something right. You did something right, finally.

I want to make some comments, Mr. Deputy Speaker, with respect to education. And I say to members opposite, as I said in the throne speech, that we have no reason to be particularly proud of the world which we leave our children. There are some serious problems, some very serious problems which we don't know the solution to. We are bequeathing our children a world with an environment which has deteriorated very visibly before our eyes. We are bequeathing our children some enormous problems with respect to world development. The rich growing rich, the poor growing poorer, and strains growing all the more acute between the North and South, the two worlds.

We are bequeathing our children some serious financial and fiscal problems which are not only difficult but very, very complex to unravel. And in North America we are bequeathing our children enormous debt. No generation ever will take over with the kind of debt load which we have saddled on our children. The very least we could do for them, Mr. Speaker, is to give them a good quality education. If we cannot solve the problems — and we haven't been able to — then the very least we can do is give our children a good education. The very least we can do is to give to them the very best preparation that is available.

I say to members opposite, it is patently apparent children in schools and universities today aren't getting anywhere near as good an education as we did a generation ago. Schools have deteriorated and universities have deteriorated very markedly; very markedly. When I describe to university students today what the universities were like when I was there a generation ago, they just simply don't believe it. They just simply don't believe it.

Mr. Minister, and Mr. Speaker, once again we have a huge gap between what this government says and what it does. What it said in the budget speech is worth quoting. They said — "they" meaning the public:

They instinctively know that, in the face of global change, education is the key to our children's future and the future of our communities and our Province.

All I can say, Mr. Speaker, is: amen, amen.

What in fact did they do? What they did left school trustees, university governors and educators staggering with disbelief. They increased operating grants in schools by a niggardly 2.9 per cent, 2. . . .

An Hon. Member: — Racist.

Mr. Shillington: — Oh, I really wish the member from Regina Wascana would take a lesson in English literature. The word niggardly is not racist, has nothing to do with a

person's colour. If you had some . . .

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

Hon. Mr. Martin: — Look, I'm a . . . A point of order, Mr. Speaker. Well, Mr. Speaker, I'm aghast that the member from the opposition who is speaking on the budget has somehow or other accused me of some racist remark when I . . .

The Deputy Speaker: — Order, order. That's not a point of order; it's a dispute between two members.

Mr. Shillington: — I say to members opposite and to the member opposite, who was heard by almost all members on this side of the House to respond, niggardly is not a racist word. It is not a racist word at all. It has nothing to do with a person's colour.

In fact, if you want the origin of the word — and I'll provide this for the benefit for the member opposite — it is an Icelandic word meaning "cheap". It has nothing to do with a person's colour. So if the member opposite objects to it, I suggest you take a lesson in English literature.

An Hon. Member: — Or Icelandic.

Mr. Shillington: — If the member could learn to speak English I'd be happy enough.

Some Hon. Members: Hear, hear!

Mr. Shillington: — I wouldn't suggest that that particular member make any attempt to learn Icelandic. He's apparently having trouble enough with simple, basic English.

Mr. Deputy Speaker, they provided our schools with 2.9 per cent. That won't keep teachers . . . And I want to point out for the benefit of members opposite that this government spends less, spends a lower percentage of its budget on education than any government in Canada. That is an absolute scandal. That's an absolute scandal in this province.

An Hon. Member: — It's not true.

Mr. Shillington: — Well it is . . . Well the members opposite say it is not true. It is demonstrably true. It is demonstrably true. You spend less, a smaller percentage of your budget on education than any government in Canada. And that's an absolute scandal.

When you think that we spend a smaller percentage than some maritime provinces who haven't anywhere near the resources we have to work with, and who have a much cheaper province because the demographics are so different, a much cheaper province to provide education to, it is absolutely scandalous.

What is the result of having short-changed education? Again, for the benefit of the member from Wascana, in a niggardly fashion, the benefit, the actual result of having short-changed education, is that we're losing teachers — and we are losing teachers — and we are losing young

people to this province. That isn't going to keep our teachers in school, and it isn't going to prepare — what is far, far more serious — it is not going to prepare our students for the 21st century, the century in which they're going to live most of their lives.

In Saskatchewan today one out of three students will drop out of high school. In urban centres, one out of two students will drop out of school before they reach grade 12. That figure has increased 50 per cent since you people took office. Have you no shame? Have you no sense of responsibility to the young people of this province? That is a scandalous statistic and it's true. It is a direct result of your having short-changed education.

What is your response? A 2.9 per cent increase in the operating grants to schools, a 2.9 per cent increase in the operating grants to universities, and a 2.9 per cent increase in the grants to technical schools.

Your budget is a recipe for increased enrolment quotas, longer waiting lists, and program cuts in our universities and technical schools. That, Mr. Speaker, is a witches' brew which is going to result in a generation poorly prepared for the 21st century. It is a witches' brew which will short-change the young people of this province.

Mr. Speaker, I want to make some comments as well about the deficit. If there has been one constant refrain throughout this province in the last few months, it has been the deficit. People are concerned enough about the deficit in itself. It seriously inhibits a government's ability to govern, just as it would inhibit your ability to manage and promote a business. Members opposite wouldn't consider getting involved in a business which was burdened with debt. Why on earth would you do it to a province? The law of gravity and the law of economics apply just as much to a public enterprise as to a private enterprise.

Last night the public, who had finally hoped that some sanity might seep into your budgetary considerations, were betrayed by a ninth straight deficit. In eight years this government has gone from a budgetary surplus to an accumulated deficit of \$4.3 billion. That is \$4,300 for every man, woman, and child in the province.

What is as alarming as the size of the deficit is their inability to formulate and stick to any meaningful plan for dealing with it. You projected last year a budgetary deficit of \$220 million. You missed it, as I said, Mr. Deputy Speaker, by 73 per cent. This year you're projecting . . . your actual expenditures, I might add, went up from last year to this year by almost 30 per cent . . . by almost 20 per cent. Your actual expenditures from '88-89 to '89-90 went from 328 million to 390 million. That is a 20 per cent increase. That is not budgetary control, that's a budget and a control system which is completely awhack.

Nine budgetary deficits, nine miscalculations on your budget deficits, and I might add we had the ninth recovery plan yesterday. I said earlier that one of the things that was concerning farmers was that there's no consistency. Every year there's a new approach and something different. They want consistency. They want to

be assured, Mr. Speaker, that they will receive a plan which will see them out of it in some point in time, if not immediately.

The same principle applies to the deficit. What is needed is a plan which you'll stick to which will work. In a sense, Mr. Deputy Speaker, we had yet last night a ninth plan. We had none at all, not a word uttered about how you were going to deal with the deficit, when you're getting out of it, and under what system.

I'd venture to say, Mr. Speaker, without having read every budget speech in Canada, I'd venture to say that this is the only government in Canada which is so blind to public views, which is so deaf to the public protests, that you would bring in a budget, miss your deficit projections by 73 per cent, and not utter a word about how you're going to find your way out of it. I'd venture to say this is the only government in Canada which treats the fiscal affairs of the province, and ultimately the taxpayers of the province, with such disdain and contempt.

(1115)

Mr. Speaker, I want to make one other comment with respect to this area. You said in 1984, this government said, you — meaning the public — believed all governments must work in concert to reduce budgetary deficits. A failure to accomplish this will force harsh financial penalties on our children. It is inevitable that mounting deficits will result in unwanted reductions in government services and tax increases.

I want to repeat that last sentence for your benefit. It is inevitable that mounting deficits will result in unwanted reductions in government services and tax increases. That was your words uttered only five years ago, only a scant five years ago. How prophetic, how prophetic it was.

We have now got to the point, Mr. Speaker, where interest is the third largest expenditure in government, and if this government isn't voted out of office within a relatively brief period of time, it's going to be the second largest expenditure. We are not very many budgets away from the time when interest, allowed to run unchecked, is going to exceed the cost of education.

So I say, Mr. Speaker, that last year, last year, Mr. Speaker, the cost of servicing the debt increased by exactly 30 per cent. It is almost \$500 million. A bit of simple arithmetic, Mr. Deputy Speaker, suggests that in less than two — if that rate of increase continues — in less than two years we'll be spending more on interest than we are on education. If this government isn't voted out of office with some degree of promptness, we'll be spending more on interest than we are on education, and that is absolutely scandalous.

Mr. Speaker, the public of Saskatchewan said, and said as clearly as could be said, they wanted an end to this type of waste and mismanagement. They wanted this government to live within its means. It isn't just that the deficit is a problem in and by itself. The deficit symbolizes a style of government. The deficit symbolizes expenditures in all the wrong places, and it symbolizes poor management.

It isn't just that the deficit is going to be a problem two years hence when we can't finance education, as it will be. It's that it symbolizes governments whose expenditures are out of whack. It symbolizes a government which spends more on a trade mission in Hong Kong than it does in feeding hungry children in Saskatchewan. And that's bizarre; that is really bizarre. The oldest injunction given to governments in the world is a biblical one: feed thy people. It is the oldest and one of the most important functions of a government: feed thy people. This government isn't doing that. They're establishing trade missions in Hong Kong, the benefits of which I think are very, very suspect.

This government isn't listening. Last night you stood before us, told us your expenditures on interest had gone up by 30 per cent. You told us that your actual expenditures had gone up by 20 per cent, that you missed your budgetary projections by 73 per cent, and not a word was uttered about when comes the end of all this.

If it isn't bad enough, Mr. Speaker, that this government has a deficit which is out of control, the people of this province are also facing ever-increased taxes. One of the things that the minister said last night is that the budget would contain no new taxes. Once again, the public have been betrayed.

It is a fact, Mr. Deputy Speaker, that the budget freezes revenue-sharing payments for urban and rural municipalities. I said earlier, Mr. Speaker, that during the period of time this government has been in office, inflation has gone up by 44 per cent. Your revenues have gone up by 56 per cent. Your expenditures have gone up by 73 per cent.

What about funding to urban municipalities? Actually gone down by about 30 per cent. In absolute dollars — never mind constant dollars — it's actually gone down by about 30 per cent. Urban municipalities have been squeezed and squeezed and squeezed over the last eight years. There is no fat left. What this is almost inevitably going to mean is either increased property taxes or cuts in services.

I find it incredible, just incredible, that this minister would have the unmitigated gall to stand before this Assembly last night and say, we could have followed the Government of Canada's example and shifted our fiscal problems onto others. We recognize that shifting cost from one government to another does nothing to relieve the burden on taxpayers. Then I ask, Mr. Minister, if you recognize it, why did you do it? Why did you do just that?

Urban and rural municipalities, but particularly urban municipalities, have been getting by for years on frozen or reduced budgets. Today you've asked them to tighten their belt another notch. I say, Mr. Speaker, there are no more notches left on that belt.

One member says they don't have a belt left any more. They're trying to keep their trousers up with a rope. That's just about it. Given the record of this government, given the record of this government, Mr. Minister, and Mr. Speaker, there are no more notches left.

When this government came into office, the public of Saskatchewan enjoyed the third lowest level of personal taxes in Canada. I received a document from the Royal Bank of Canada, your research department, which pointed out that now, after eight years this government's been in office, people of Saskatchewan, in personal taxes pay the third highest level in Canada. That's quite a record of mismanagement.

In your own budget address, you pointed out that middle income people of Saskatchewan pay the highest level of personal taxes in Canada — the highest level of personal taxes in Canada. Low income people pay the second highest level of personal taxes in Canada.

Taxes under this government have gone up very, very sharply. In 1985 you introduced a flat tax at 0.5 per cent. In 1986 you doubled it to 1 per cent. The next year you increased it by 50 per cent to one and a half per cent. The next year it went up again to 2 per cent, a fourfold increase over three years.

For the average Saskatchewan family with a net income of \$30,000 a year, the flat tax costs them \$600 a year. You introduced a used car tax in 1985, a lottery tax in 1989; both were rejected and eventually both were withdrawn.

You haven't withdrawn the 40 per cent increase in sales tax. This is the government, Mr. Speaker, which came into office promising to eliminate the sales tax. It hasn't been eliminated; it has been increased by 40 per cent over what it was before you took office. Everyone who was at all close to the province in 1982 remembers the promise to do away with the gas tax. Don't fill up your tank until April 27, was the song and dance. What do we have now?

An Hon. Member: — A government that ran out of gas.

Mr. Shillington: — That's right, that's right. We have a government which has run out of gas, run out of energy and ideas and is now pell-mell increasing taxes.

Now as a result of . . . what was announced a couple of weeks before the budget, everyone in this province who drives a car for their own personal use will spend an average of \$200 a year on the gas tax alone. That is equivalent to a five point increase on the personal income tax.

No new taxes? Your budget contains, in fact, a combined increase of \$56 million in personal income tax and sales tax revenue, \$56 million in personal income taxes for individuals. What's the figure for corporations? Corporations pay \$2 million more, only \$2 million more. No new taxes? Well, Mr. Speaker, that joins a whole lot of other promises which have simply been broken.

Mr. Speaker, before concluding, I want to mention one other issue and that is women's issues. Mr. Speaker, and Mr. Member . . . I deal with this last, it is by no means the least important. In fact we have every cause to be embarrassed about how little progress we have made in righting the injustices which women face in the work place. We have virtually no progress over the last decade

in dealing with these problems.

What is the record of this government? Well, you've approved only one new application for operating grants in the last two years, and that's for a transition house in Swift Current.

You have made noises. You have had some things to say about women's rights, about promoting women's issues. What have you done? No mention, no mention at all last night in the budget, no mention at all about the need to right some of the injustices which women face in the work place and elsewhere. In fact, one can understand rather clearly why no mention was made of it.

No mention of day care, with good reason. Saskatchewan has the second lowest number of licensed day care spaces per capita of any province in Canada — the second lowest ratio of any province in Canada. We only have enough spaces for 7 per cent of the children whose parents are in the paid labour force. I want to repeat that statistic. We only have enough day care spaces for 7 per cent of the children whose parents are in the paid labour force. Unlicensed day care is the only option for most families, and in many communities it is non-existent.

The maximum subsidy of \$235 a month has not been increased for the last six years. The maximum increase for day care spaces has not increased for the last six years. This is nowhere near covering the cost of child care, the increasing cost of child care, and we have no reason to be proud of the quality of the day cares. I am not in any sense being critical of those people who do yeoman service, often women, who do yeoman service in running the day cares and staffing them, but we should be ashamed of the level of the resources which we provide. We should be ashamed.

It is a fact, and has been a fact for many years — StatsCanada will tell us, Mr. Deputy Speaker — we pay zoo keepers far more than we pay our day-care workers. We pay zoo keepers more to look after animals than we pay day-care workers to look after small children. What a warped, bizarre — a warped, bizarre sense of priorities!

What was done with respect to women's issues in a broader sense? The women's secretariat suffered a 30 per cent decrease in funding — a 30 per cent decrease in funding, this at a time when other provinces and other parts of the world are moving forward.

(1130)

In Europe, to which the members opposite are so fond of looking with enormous satisfaction . . . and they're fond of pointing out how some socialist governments have gone out of office; they don't point out that some have gone back in. And that is the process, some go out and some go in. They fasten upon those which go out. They don't point out that in Europe the assistance provided in areas is well beyond anything we might ever imagine — anything we might ever imagine. Day-care spaces in most places of employment, by law they're required to be there.

What do we do? The miserly effort which we have made — and it is miserly by anyone's standards; it's miserly by

North American standards — our miserly effort has been cut by 30 per cent.

This is a government which is not committed to dealing with the injustices women face. Only \$230,000. That's just a little over twice what the Minister of Finance spent on travelling. That's all that was provided — that's all that was provided. He spent half as much on travelling as you're prepared to spend on one-half of this population.

Mr. Speaker, every year there are hundreds of women and children who are victims of family violence. And every year . . . I'm delighted that the member from Lumsden is back, because I heard the member from . . .

The Deputy Speaker: — Order. Members are not to make reference to absence or presence of other members in the legislature.

Mr. Shillington: — I'll refrain from repeating that comment, as inviting as it is. The member from Lumsden had said some time ago, a few days ago, this in a way speaking proudly of his government's record, that we began to take steps to ensure that those who were guilty of violence in the home were prosecuted. And to be fair to the government opposite, there's some truth to that. The Justice department did take a stronger stand with respect to prosecution of family violence.

When it comes to spending money, they haven't done anything. Indeed they have decreased the sort of services which families who are the victims of violence need. Last year hundreds of families were turned away from shelters. Two hundred and fifty-six families in Saskatoon, 142 in Regina, and 62 families in North Battleford were not able to take advantage of shelters when they were the victim of violence. Surely it is more important, Mr. Speaker, to prosecute . . . surely it is more important, Mr. Speaker, to look after the victims than it is to prosecute the offenders.

You have approved, members opposite, I say you have approved only one new application in operating grants in the past two years — that for a six-space transition house in Swift Current. This despite a federal program which provides new shelters for women and children who are the victims of family violence.

In fact your government has not even maintained the operating budget of the existing transition houses. These services are inadequate throughout Saskatchewan, and nowhere is that more true than in rural and isolated areas. There's virtually no emergency accommodation available to them. It is a tragic failing on the part of this government.

Mr. Speaker, the members opposite, in conclusion I want to say to members opposite, you have talked about consultation. You talked about building a consensus; building a consensus in health care for the '90s; building a consensus for education in the '90s; building a consensus for the environment in the '90s; building a consensus for deficit reduction in the '90s. And I could go on if it weren't so tragic. If it weren't so tragic it would be laughable.

This is the government which didn't bother to consult with people before it decimated a drug plan; eliminated

North America's finest children's dental health program; gave a number of highway workers the option to work in the private sector, as the then minister cynically put it; imposed a used car tax; imposed a sales tax; imposed a flat tax; imposed increases in income tax, and then tried to sell off Crown corporations and SaskPower to pay for it.

There is a consensus, Mr. Speaker, among Saskatchewan people, and the consensus revolves around one critical question in the minds of the public: how can this government be trusted to guide this province in the '90s when it has a record of such abysmal failure in the '80s? There is, Mr. Deputy Speaker, a consensus, and the consensus is that this government is not the government to address the problems of the '90s. This government is the government which failed in the '80s.

The member from Moose Jaw North spoke in his inimitable fashion about the syndrome of the sorry Tory, the Tory which makes an enormous mess of things and then says, gee, I'm sorry. Ruins a dental program, removes it, and then says, gee, I'm sorry. Decimates public services and then says, gee, I'm sorry. Increases taxes and says, gee, I'm sorry. The member from Moose Jaw North was critical of the syndrome of the sorry Tory. Far be it for me to argue with the member from Moose Jaw North. Let me simply suggest though that perhaps, perhaps the syndrome of the sorry Tory is one which has yet to come into full bloom. I believe that we will truly, Mr. Deputy Speaker, see the sorry Tory — not now — but Tories are really going to be sorry after the next election, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Shillington: — Mr. Speaker, as I said at the beginning of my remarks, this budget is a disaster for the Saskatchewan economy. It's a betrayal of Saskatchewan people. It was prophetic though, in predicting the public reaction. The public reaction has been, enough is enough.

The speech began with talk about the rapid change throughout the world. Well, Mr. Deputy Speaker, change cannot come quite rapidly enough for the public of Saskatchewan.

Some Hon. Members: Hear, hear!

Mr. Shillington: — It is obvious, Mr. Deputy Speaker, that I will be voting against this motion.

Some Hon. Members: Hear, hear!

Hon. Mr. Gerich: — Thank you, Mr. Deputy Speaker. It's an honour to enter into this debate as a new minister of the Crown, and it's with honour, and I take with sincerest and deepest sense of duty on behalf of the taxpayers of the province and on behalf of the people of the Redberry constituency.

Mr. Speaker, we've entered into a new decade, a decade of challenge and of opportunity. This budget, I believe, recognizes those challenges and enables this great province to take advantage of the opportunities of the coming decade and indeed the 21st century. The

challenges, Mr. Deputy Speaker, stem from almost a decade of low wheat prices, rock-bottom resource commodity prices, international agricultural subsidy wars, and the continuing demand on our part of the people for top-notch health, education, and social services.

The challenges for our province, Mr. Speaker, stem from this government's commitment to stand by the people of the province when times turn tough. And we've done that. We've put the treasury of this province between central Canadian banking interests and the Saskatchewan home owners and the farmers. We've continued to increase funding in agriculture and in health care and to education, and in this case it's proven in this budget. There is a cost to that kind of protection, but our commitment has been firm.

And, Mr. Speaker, we have not stopped at protection, we have not stopped at helping Saskatchewan survive difficult times, and we have not stopped at facing challenges. We have facilitated the building of this province through difficult times and have capitalized on the opportunities.

Mr. Speaker, the evidence that supports the government's effort to build and to diversify, no matter what eastern Canadian think-tanks said about our economy, is undeniable. Mr. Speaker, the fact of the matter is that in the past three years our manufacturing investment in this province has increased 600 per cent. This diversification has provided much needed strength to our economy in recent years of the drought and low wheat prices.

Additionally, Mr. Speaker, the number of small businesses in this province has also increased since we took office. Yes, Mr. Speaker, the number of small businesses in the province has increased by 17 per cent since 1982 through the drought, low commodity prices and the international subsidy wars. These facts stand. It is unequivocal proof that economic diversification is the answer for this province.

It was the Premier's vision in 1979 and is still the Premier's vision today, and we've seen it at work. We've seen the benefits of diversification, in spades. Our manufacturing sector has expanded and has picked up much of the economic slack, while our agricultural industry is contracted. But the job is not finished. Many challenges lay ahead and many opportunities await us. The throne speech and this budget will take us to the challenges and bring the opportunities to us.

Mr. Speaker, this province was built by people who were not afraid of challenge and those who could see opportunities where others seen difficulty. Our heritage is rich with these types of people, with the pioneers, the builders and the entrepreneurs. Where others would have looked at Saskatchewan at the turn of this century and saw a desolate prairie, our pioneers with their few meagre belongings that came to this country, their families and their spirit and a very, very positive attitude saw fields of wheat and pastures to support cattle. While others saw little more than a prairie grass, our pioneers saw towns, cities, schools, hospitals, churches, roads. They seen a way of life, Mr. Speaker. I think all of us living in this land

that they built have lost a little bit of that outlook on life.

I wonder, Mr. Speaker, do we have the same positive attitude today? Do we have the same sense of community that built the co-operative movement? Do we have the same entrepreneurial spirit that forged farms from the grasslands in the South and the bush in the central part of our province. I don't think we can answer that with an unequivocal yes to these questions, Mr. Speaker, but I do believe that we can get that attitude back. In fact I would venture to say that the spirit and attitude and sense of the community is slowly coming back to this province.

Mr. Speaker, I recently completed a 21-stop community economic development tour, and I can tell this House that there's a number of individuals in any communities that are rediscovering the greatest economic tools of all, the sense of community and entrepreneurial spirit.

(1145)

Mr. Speaker, in Eastend, in the heart of the Badlands, there is an oasis of positive thinking, future-minded people who see economic opportunity in the barren Big Muddy. That community has accessed this government's community tourism assistance program. It's called CTAP (community tourism assistance program) and they're marketing themselves as a tourist destination on the basis of recent dinosaur finds, the Red Coat Trail, and the Billy the Kid's hideout at Hole in the Wall, Mr. Speaker. Eastend and area have transformed themselves into what they call the "valley of hidden secrets."

Now villages and towns in the area are putting aside whatever differences they had and are working together as a region. They're well aware that the remarkable, similar communities, such as Drumheller in Alberta, have attracted some 653,000 tourists last year with \$17 million per year turnaround in economic diversification and spin-offs.

Mr. Speaker, Eastend, Frontier, Shaunavon and Climax are not waiting for the agricultural economy to improve. Today, today, they're meeting the challenges and they're seizing the opportunities to control their own future, to diversify and to build.

There are those that told themselves that they were crazy and there was no way that they could do this, but they're doing it. And they're doing it for the community and for their children. In Eastend and area, they're not afraid of the challenges. They're seizing opportunities.

Mr. Speaker, while I was on tour I was talking to two young men from Duval, and they said people told them they couldn't make it in the excavation business with just a backhoe or a cat. Well these fellas through some determination, these two young fellows under 30 years of age, the Schmidt brothers, built their road clearing and excavation company with hard work and determination to accomplishing over \$400,000 worth of equipment. Now they've opened a tire shop in Strasbourg. Are these Schmidt boys afraid of challenges? Not at all. They're seizing opportunities.

The community of Foam Lake has been faced with a

number of challenges in the last few years. For one reason or another, the community has lost some businesses. But they didn't fold up their tents or throw their hands up and wait for the end of the town. They got together and they took advantage of the venture capital program, now called the small-business incentive program, and a number of community leaders throughout the program opened new businesses in that community.

Right now, Mr. Speaker, the same community is looking at doing the same with the old Beaver Lumber store which pulled out of their community just recently. And Foam Lake isn't afraid of challenges. They're looking at the opportunities.

Mr. Speaker, I would like to talk to you about a fellow, a young fellow from Watrous — Andy Diehl. He was at one of my meetings in Viscount and he too has the same drive and entrepreneurial spirit that the pioneers used and tapped to build the province. Mr. Diehl was in a wheel alignment and exhaust business in Watrous. And in the face of people telling him not to do, he recently built a go-cart operation at the province's fastest-growing tourist attraction, Manitou Beach.

In fact, members of this House, including myself, would do well to take a page from Andy's book of business. He told me at the meeting that when times are tough that he looked to expand his business or get into a new one. He believes that if his business is having some trouble, his best bet is to diversify. And he's still in business today.

I would venture to say that he'll be there for a long time. His approach sounds familiar. It sounds like diversification vision of our Premier and of the government. Andy Diehl isn't afraid of challenges. He's seizing a few opportunities.

When I was in the town of Rosetown at a meeting, we met a fellow there called Garry O'Hara from the town of Kyle, and he's not afraid of challenges. He and his investors are seizing opportunities. He's a gentleman that because of the agricultural sector being down, went to town one day, decided that he'd like to open a greenhouse, wanted to raise some funds. He talked to five senior citizens on coffee row. They got together, invested money together in building one greenhouse two years ago. They have now three greenhouses in full operation and they've got 14 employees, the five senior citizens that invested with them plus nine housewives from the district, and they can't keep up.

His worst idea right now is going to be that agriculture is going to turn around and then he's going to lose his employees. That's what he's worried about, and that's his attitude.

In my travels across the province I've seen this — people seizing opportunities. It's bursting through the barriers and there's under the surface indication of that pioneer spirit that built this province. It's still alive and well. I see it coming back. I see it in community after community, individual after individual. The stubborn old attitude of our pioneers to build in the face of challenge — it's there.

People are sick of waiting for someone else to come along

and do something. A lot of these towns are taking the bull by the horns, Mr. Speaker. They're making tough decisions about their own affairs, much as what we've done in this budget. And they're facing the challenges and winning.

In my own riding there is recently created a company that has gone into business, historically dominated by major corporations. This company is called Billywalk Productions. They're manufacturing billboards. Six months ago when they started there was only two people employed. Today they employ 16 people.

Now, Mr. Speaker, there's a little note of interest here. One of the owners or partners is a strong Conservative supporter and the other one is a strong NDP supporter. They share in the work together, Mr. Speaker. And they also share in a word that the NDP hates so much; they share in that word called profit, Mr. Speaker. And they know that their hard work is paying off. The NDP supporter enjoys a profit as much as a PC supporter. And they're not afraid of the challenge. They're seizing an opportunity.

Also in the town of Radisson, Mr. Speaker, the townspeople have faced a challenge. They have a rink there that's been condemned for regulations, and they want to put up a new \$450,000 rec-plex. But they're not waiting for the money to drop from the sky. They've undertaken a self-starter fund-raising campaign, unmatched by any others that I'm aware of.

And in their campaign, it hit the *Toronto Globe and Mail*. A young fellow, a 30-year-old man, Joe Tutt from Toronto, heard about their spirit. So he rode his bike from Toronto to Radisson and back to Toronto to help raise funds to support the community of Radisson because of their spirit. They have also undertaken a letter writing campaign for donations that would make most political interest groups green with envy. Believe it or not, they even got a cash donation from Mr. Harold Ballard. Radisson has been featured a number of times on television specials, and they're going to build a rink. Radisson isn't afraid of the challenge. They're seizing an opportunity.

Mr. Speaker, we in government must be also ready for challenge and opportunity. We must be ready to empower the communities and individuals to cultivate the positive attitude, that drive, that entrepreneurial spirit that was lulled to sleep in this province by agricultural prosperity and, more so, the ever present hand of big brother government.

And this budget is about challenges and opportunities. The challenges that this budget addresses have been echoed at different consultation meetings held by the government across the province.

I've heard, and the Minister of Finance has heard, from people all over Saskatchewan that education, health, and agriculture must be the priorities of the government. And we've met that challenge through a 5.6 increase in education expenditures, 9.9 per cent increase in health expenditures, and a new \$525 million Saskatchewan seeding loan to the farmers.

Mr. Speaker, there's a challenge of fiscal responsibility and good management that has to be faced. This government has met that challenge well. We've rolled back the ministers' salaries, we've cut back ministerial travel, and we've made tough decisions and cut expensive programs. We've reduced internal expenditures, and these measures will reduce expenditures by \$300 million.

Perhaps the single greatest challenge from Saskatchewan people to their government was to hold the line on taxes. Mr. Speaker, this government has met the challenge, in spades. Mr. Speaker, we met the challenges through this responsibility — fair budget that we've given our provincial economy the stability and the stewardship that is required if we as a province are to take the advantages and the opportunities of a new role.

The quality of life in this province, the level of health care and education must be enhanced to allow people to continue to build on their opportunities. And this is the reality of this budget.

The main engine of our economy, agriculture, and the difficulties that it has seen, cannot be forgotten. We continue to stand by our farmers, and that's the reality of the budget.

We continue to work with Saskatchewan people in our plans to strengthen and diversify our economy through tools like community bonds and other programs that empower the public. And that too is a reality of the budget.

Mr. Speaker, challenges and opportunities empowering Saskatchewan people and Saskatchewan communities are why I strongly support the programs through rural development that are protected in this budget. These programs empower rural communities to stabilize and diversify.

In the throne speech we heard more about another powerful economic tool that we empower communities, and this is through community bonds. I can tell this House that the communities are anxious to hear more about the Community Development Bonds.

The people that I met with on my tour want the government to facilitate their vision for the communities and not to impose some scheme or development that was hatched here in the offices of Regina. They're looking for a vehicle to help them access the savings at their local credit union or their bank, to facilitate economic development and create opportunity, to give those with savings in small towns a secure vehicle in which to raise funds for economic development.

So my consultations gave me a very clear understanding of what people want to see as a local investment vehicle. They say the bonds should generate a fair return through either dividends or interest. They say they want local control, similar to the credit union boards, through groups like the rural development corporations or economic development committees. And they're telling me that if you want something done right, do it yourself.

And these bonds can give the people the power and the flexibility to control their own future, and that's the way it should be, Mr. Speaker. Let us empower the communities and our people. If we do that, Mr. Speaker, Saskatchewan people will create more economic diversification and more excitement in one year than any government could in 10.

Mr. Speaker, I'm excited about the potential of the community bonds. They will empower our people and the communities to face the challenge and seize opportunities, challenges and opportunities. And that's what the budget's all about — the challenge to manage and facilitate and the facilitation of opportunities.

Health care, education and agriculture are strengthened by this budget. Some tough decisions are represented in this budget in the interest of fiscal responsibility and good management, and all of us in some areas have to tighten our belts a little.

But my faith in the Saskatchewan people and in the character passed down through generations, that I've spoke of earlier, is telling me that this province is about to experience a rebirth of the same drive and the determination that created a way of life out of grass and soil. Just as that drive and spirit built what we have today, it will create stability in the community, provide jobs for our people, and a future for our children.

And it won't be the government that does all of that. No sir, Mr. Speaker. And it won't be officials from their offices in Regina that facilitate this new attitude. It's going to be the people of this province and the people of its communities. It will be the Schmidt brothers of Duval, the people of Kyle and Eastend, the Andy Diehls in Watrous, and the people of Foam Lake. It'll be the local people, Mr. Speaker, that will face the challenge and seize the opportunity. And it will be the government that acts as the facilitator for each of their visions through things like the community bond.

It was the local people that began to build a province in the turn of the century. One hundred years later, it will be their people and their children that further diversify our economy and secure the future of our cities, towns and villages. Mr. Speaker, with those remarks I can tell you that I'll be voting in favour of the motion.

Some Hon. Members: Hear, hear!

(1200)

Mr. Prebble: — Mr. Speaker, it's my pleasure to enter into this important budget debate today. And I want to direct most of my remarks, Mr. Speaker, on the impact that this budget will have on low income families in the province of Saskatchewan, in the context of my critic role as opposition Social Services critic.

But before I do, Mr. Speaker, I want to also comment on some of the other implications that this budget has for my constituents in the riding of Saskatoon University. And, Mr. Speaker, one of the things that my constituents will be most disappointed in is the implications that this budget has for the debt of the province. Because we see here, Mr.

Speaker, in this budget once again a dramatic rise in the indebtedness of future generations in this province and of the young people of Saskatchewan, Mr. Speaker. And that debt burden, Mr. Speaker, is in effect the debt that is going to have to be paid off primarily by middle income earners in the province of Saskatchewan now and in the future.

And we see again this year, Mr. Speaker, a government that has increased the debt of the people of Saskatchewan by \$390 million. Mr. Speaker, that is, roughly speaking, an increase in the debt of \$780 per taxpayer in the province of Saskatchewan, assuming for a moment that approximately half the people in this province are children or dependants and do not pay tax. Seven hundred and eighty dollar increase, Mr. Speaker, in the indebtedness of each taxpayer in this province in just this budget alone, Mr. Speaker.

And, Mr. Speaker, what we now have, just on the line government departments alone as a result of this budget, is now a provincial debt in excess of \$4.3 billion, Mr. Speaker, in just eight years. And, Mr. Speaker, that is a legacy that the next generation of Saskatchewan residents will have great difficulty in forgiving this government for.

Now, Mr. Speaker, not only do we see a budget with more indebtedness, but we also see a budget, Mr. Speaker, with tax increases — with tax increases, Mr. Speaker, contrary to what the government members have been saying, and at the same time more big cuts in services.

And nowhere is this better borne out, Mr. Speaker, than in the Department of Highways and in the increase that we see in the gasoline tax in the province of Saskatchewan. Because we had a government, Mr. Speaker, that some three weeks ago announced that the 10 cent a litre gas tax rebate was going to be eliminated for Saskatchewan residents. And we see now, Mr. Speaker, in this budget, a \$9 million cut in the Department of Highways.

Now this government, Mr. Speaker, is going to be taking in an additional \$68 million as a result of eliminating the gas tax rebate. And I was always of the view, Mr. Speaker, that one of the purposes of the gasoline tax ought to be to ensure that we have decent highways in the province of Saskatchewan, and that the people, Mr. Speaker, who use the highways ought to pay for the highways. That seems like a fair principle.

But what we have this government now, Mr. Speaker, doing is embarking on a principle that the people that use the highways, Mr. Speaker, will have to pay money to use them, but the money won't be utilized to upgrade the condition of highways in the province of Saskatchewan. The money will go into general revenue and be used for other financial purposes.

So, Mr. Speaker, what we have is an increase of about \$200 a year in taxes for the average person who drives an automobile in this province. And at the same time, Mr. Speaker, those residents are going to see a further deterioration in the highways of the province of Saskatchewan as a result of the budget cut in Highways announced yesterday, Mr. Speaker.

And at the same time, Mr. Speaker, this budget contains

increases in personal income tax and in sales tax totalling some \$56 million, Mr. Speaker, while at the same time we see an increase in taxes that corporations will have to pay in the province of Saskatchewan of only \$2 million.

So once again, Mr. Speaker, we have a continuation of the principle that this government has put in place ever since it was first elected, and that is that the increase in the tax burden in the province of Saskatchewan is borne by middle income earners, by the average taxpayer, Mr. Speaker, while the corporate sector in this province is consistently obliged to pay less and less of the total tax burden in this province.

And we say, Mr. Speaker, that that is not fair. And we on this side of the House are committed to changing that unfair tax system, Mr. Speaker, if we form government, so that the corporate sector in this province will be asked to pay their fair share of taxes in the province of Saskatchewan, Mr. Speaker. And that is something that has consistently not taken place since this government was elected.

Now, Mr. Speaker, the result of these inequities, the result of a government that has consistently shifted the tax burden in this province away from the corporate sector and onto individual taxpayers, has resulted in a situation where Saskatchewan residents, if they're middle income earners in the 30 to \$40,000 a year income bracket, Mr. Speaker, those income earners are now asked to pay by this government more provincial income tax than in any other province in Canada, Mr. Speaker.

And that is a shameful record, Mr. Speaker, and it is a dramatic change from the record of the New Democratic Party in government eight years ago, Mr. Speaker, when at that time, I remind members, that we had one of the lowest rates of income tax in the country, Mr. Speaker — not the lowest, but one of the better rates for personal income tax in Canada.

Now, Mr. Speaker, not only are middle income earners being asked to bear an unfair share of the tax burden, but in addition, Mr. Speaker, low income earners are also being asked to pay an unfair share of taxes in the province of Saskatchewan. One of the things that is truly appalling, Mr. Speaker, is that low income families in this province and single parent families in this province now have the second highest rate of provincial income tax in all of Canada, Mr. Speaker. We say on this side of the House, Mr. Speaker, that it is an outrage that people living in poverty are obliged to pay taxes in the first place, let alone to pay the kind of taxes that this government expects of them, Mr. Speaker.

And when you combine that, Mr. Speaker, with the tripling in the amount of income tax that is being levied at the federal level on a low income family, say a family of four with an income of \$20,000 a year, they're now being asked to pay three times as much as they were in 1985 to the Government of Canada, Mr. Speaker, for personal income tax. So when you combine those two tax increases, you can see the kind of burden that low income families in this province are being asked to bear, Mr. Speaker. And we say that's an outrage.

Now, Mr. Speaker, there are a number of other elements in the budget which will be of concern to my constituents.

And, Mr. Speaker, one of the important institutions in my constituency is the Saskatchewan Research Council. And I note with great concern, Mr. Speaker, that the funding to the SRC (Saskatchewan Research Council) has been cut by 22 per cent in this budget. Mr. Speaker, at a time when we in government at the provincial level should be viewing research as an investment in the future of our economy; when we should be seeing research, Mr. Speaker, as one of the basic tools for diversifying our economy and for ensuring a full employment economy in the future, Mr. Speaker, what does this government do? It cuts back on research in the province of Saskatchewan, Mr. Speaker. And that, Mr. Speaker, is an unwise objective, it's an unwise policy decision, and it's a sign of a government that doesn't look to the future, Mr. Speaker, but that's locked in the past. And that's what this government is all about.

Now, Mr. Speaker, we also view with concern in this budget the decision to cut back on environmental protection and enforcement, Mr. Speaker. At a time when this government is rhetorically speaking about protecting the environment, in reality what we see in this budget is another cut to the section of the Department of the Environment dealing with environmental protection and enforcement, a \$200,000 cut, Mr. Speaker.

And we also say, Mr. Speaker — and this is the final item I want to touch on in terms of the general implications of the budget for my constituency — and that is that we see a significant reduction in the amount of dollars, Mr. Speaker, that are going to schools and to technical institutes and to the university in the province of Saskatchewan, when you consider the real increase in the cost of operating those institutions, Mr. Speaker.

There is an increase in the budget for these institutions; for school boards it's 2.9 per cent, Mr. Speaker. But I venture to guess, Mr. Speaker, that in the city of Saskatoon that will translate into a situation where the Saskatoon public and Catholic school boards will receive budget increases well below the rate of inflation, and they will clearly be faced with a choice of either cutting programs or increasing local property taxes, Mr. Speaker, perhaps some combination of both.

And, Mr. Speaker, the school boards of Saskatchewan said to this government loud and clear what their needs were at the local level. And they were saying, Mr. Speaker, that there was just no more room for property tax increases at the local level, and that we have seen a continual trend, Mr. Speaker, over the last few years, in which more and more of the burden for education in the province of Saskatchewan has been shifted onto local taxpayers. And the provincial government has been paying a smaller and smaller total percentage of the cost of delivering education in the province of Saskatchewan. And what we see in yesterday's budget, Mr. Speaker, is an exacerbation of that process, a continuation of a process in which the tax burden for financing K to 12 education is being shifted onto the local taxpayer.

With respect to the University of Saskatchewan, Mr.

Speaker, this budget is clearly going to be a disappointment. The president of the university made it known to this government in the clearest of terms, Mr. Speaker, what the needs of the University of Saskatchewan were.

He pointed out, Mr. Speaker, again and again to this government, that the university was being seriously underfunded, very seriously underfunded, and that, Mr. Speaker, this process of underfunding had been a process that had gotten worse and worse over the course of the last eight or nine years; and that that process of underfunding simply couldn't continue without the consequence being program cuts. And the budget that this government has brought down today, Mr. Speaker, and the implications that it has for the University of Saskatchewan are very serious indeed.

And those implications, Mr. Speaker, because this budget will fall even short of the rate of inflation that the University of Saskatchewan will experience in its operating costs — and the clear implications of that, Mr. Speaker, are that we are going to look at, first of all, a continuation of quotas at the University of Saskatchewan in the College of Arts and Science. That is inevitable as a result of this budget, and we may well be looking at program cuts at the University of Saskatchewan as a result of this budget.

And, Mr. Speaker, those results and the consequences of those results, Mr. Speaker, clearly lie with this government, Mr. Speaker. This government, if there are program cuts at the University of Saskatchewan, which I fear there will be as a result of this budget, the blame for that, Mr. Speaker, clearly lies with the members opposite and with the budget they have brought down today.

Now, Mr. Speaker, I want to move on to the main topic of my remarks this afternoon, and that is with respect to the impact that this budget will have on low income families in the province of Saskatchewan.

And, Mr. Speaker, we on this side of the House say that the effect of this new PC budget will be an increase in poverty and hunger in the province of Saskatchewan, Mr. Speaker. When you look at the Department of Social Services' budget and what has happened to it, Mr. Speaker, as a result of last night's budget, one can reach no other conclusion but that there will be a sharp increase in poverty and hunger in this province.

And I say that, Mr. Speaker, notwithstanding the announcement last night in the budget that there will be some small sum of money now available for feeding programs for hungry children in this province. And I'll comment more on that in a moment, Mr. Speaker.

But what is most significant about this budget, Mr. Speaker, in terms of its impact on low income families, is that there are cuts in real dollar terms to income security programs in the province of Saskatchewan, and there are cuts to employment creation programs. And, Mr. Speaker, those two very significant cuts can only lead to creating more hardship for low income people in both rural and urban Saskatchewan, Mr. Speaker.

The family income plan in this budget has been frozen at last year's allocation of \$13.1 million and has been cut from an allocation of \$20.044 million in fiscal year 1986-87.

(1215)

Mr. Speaker, that is a \$7 million cut to the family income plan over four years. And during those four years, Mr. Speaker, inflation has been close to 20 per cent. So, Mr. Speaker, in reality we have seen the gutting of the family income plan by this government, and that process of erosion is continued in this budget.

Now, Mr. Speaker, the reduction in funding for the family income plan means that the plan will not be paying any increased benefits and it will not be paying benefits to families with children unless those families are earning less than 70 per cent of the poverty line. So in effect, Mr. Speaker, a family is going to have to be living at 70 per cent of the poverty line or less now, if they have several children, to qualify for family income plan benefits. And the whole purpose of the plan, Mr. Speaker, which was to help low income working families move as close to the poverty line as possible, has been abandoned by this government.

Mr. Speaker, thousands of families who need help are thus being made ineligible for family income plan benefits. This budget also means that the benefits paid out per child under the family income plan will be frozen for the fifth year in a row. Furthermore, it is clear from the budget that the government intends to continue its policy of not advertising the existence of the family income plan, so that less and less families that are eligible actually apply for benefits each year.

Likewise, Mr. Speaker, the day-care subsidy paid to low income parents whose children are in day care while they work or pursue an education is being frozen for the ninth year in a row as a result of this budget, Mr. Speaker. The maximum subsidy will almost certainly remain at \$235 a month, just as it was in 1982, despite the fact that day-care costs have risen dramatically during the interim period.

I say that because the allowance in this year's budget . . . I say that because the allowance in this year's budget for child care is frozen at last year's allocation of \$13,269,200. The freeze in the day-care subsidy for a nine-year period is putting day care out of the reach of more and more poor people who are then often forced to remain at home and dependent on social assistance.

And I might add, Mr. Speaker, that that freeze in the day-care budget also has very serious consequences for the operations of existing day cares, many of which, Mr. Speaker, are on the margin in terms of being able to survive because their budgets have been frozen for such a long time. And that has resulted, Mr. Speaker, in the inability of those day-care centres to pay the wages that they would like to pay to their staff, fair wages, instead of, Mr. Speaker, the 6 and \$7 an hour wages that the large majority of day-care workers make.

And, Mr. Speaker, it is this budget freeze . . . this nine-year

freeze now in the day-care subsidy is resulting in an erosion of the quality of day care that many family day-care homes and non-profit day-care centres want to be delivering but are unable to deliver, Mr. Speaker, because of the funding freeze. And, Mr. Speaker, therefore I know with certainty that this budget will be viewed with great alarm by family day-care home operators and non-profit day-care centres across this province.

Mr. Speaker, social assistance payments are also going to stay frozen, or virtually frozen as a result of this provincial budget. The budget allocation for the Saskatchewan assistance plan has risen from \$194,587,800 in fiscal year 1989-90, to \$195,573,600 in this year's budget, an increase of approximately \$1 million, Mr. Speaker. This marks the ninth year in a row, therefore, when social assistance payments to families will have remained frozen in the province of Saskatchewan.

Clearly what this budget indicates, Mr. Speaker, is that there is no meaningful increase in social assistance allocations for the province of Saskatchewan. And that, Mr. Speaker, can only result in a continued freeze in social assistance payments to families in this province.

And once again, Mr. Speaker, this will mark the ninth year in a row when this government has frozen social assistance benefits to families in this province. And I point out, Mr. Speaker, to you and to members of the Assembly and to the public that during that period of time the cost of living has risen 40 per cent.

And therefore, Mr. Speaker, what that means in practical terms is that the amount of money available to families with children on social assistance, in comparison with the year 1982, has declined by some 40 per cent, Mr. Speaker.

And, Mr. Speaker, this cut, which in real dollar terms is a 40 per cent cut, is the greatest single cause of hunger among children and accounts for a large number of the 22,000 children who had to rely on food banks with their parents during the past 12 months in this province, Mr. Speaker.

If the PC government genuinely wants to do something about hunger, they would have increased family income plan benefits and Saskatchewan assistance plan benefits in the province, Mr. Speaker. Such increases would immediately reduce the line-ups at our food banks, which are always longest at the end of the month when the family income plan cheque or social assistance cheque has run out.

Mr. Speaker, New Democrats call for an immediate increase in these income security programs. Our social safety net is collapsing, and unless these income security programs are restored, hunger and malnourishment will become more and more widespread, with a consequent rise in hospital costs and with increasing numbers of children failing to complete their education. And I might say now, Mr. Speaker, that more than one in three children in the large urban centres of our province are not completing their high school education.

And, Mr. Speaker, when you look at the large numbers of children in our school system who are coming to school hungry, and the little ones, Mr. Speaker, those in grades 1 and 2 and 3 are willing to acknowledge to the teacher that they have not eaten. We can be assured in this Assembly, Mr. Speaker, that those who are teenagers, Mr. Speaker, in the high school system, are unlikely to acknowledge that they are hungry because of the embarrassment that that causes to them personally, Mr. Speaker.

And, Mr. Speaker, I am confident that one of the major reasons why we are seeing more and more young people in our province, and particularly in our urban centres, unable to complete their education, Mr. Speaker, is because of this problem of hunger and malnourishment, and the consequences that it has for young people in our province, Mr. Speaker. And the government, as I will comment on in a minute, has completely failed to address that issue.

So, Mr. Speaker, we call for an immediate increase in income security programs, Mr. Speaker. But above all, Mr. Speaker, we call on the government to address the critical question of employment creation in our province. One of the immediate steps the provincial government should have taken to tackle poverty in Saskatchewan is to mount new employment creation opportunities and to move towards a full employment economy in our province.

Such job creation would reduce the numbers of persons relying on social assistance, and accordingly, permit the money that is available for social assistance to go instead in the form of higher benefits to those still in need. However, the budget contained no new employment creation initiatives, Mr. Speaker, and in fact, it cut back the two employment creation programs currently in place.

Funds for Saskatchewan works were virtually frozen at \$11.1 million, the same amount as for 1989-90. This in fact, Mr. Speaker, represents a cut from the 1987-88 expenditure for that program, of \$13,570,200. Funds have also been cut for the Saskatchewan Opportunities '90 student employment program which has dropped from \$3.11 million in the summer of 1989 to \$2.61 million this summer.

These figures do not show the full impact of the reduction in the summer works program, for in the summer of 1986 this program was funded at \$10.5 million — ten and a half million dollars, Mr. Speaker. So it has been cut in four years to a quarter of its original value, Mr. Speaker.

This dramatic slashing of summer employment opportunities for students will result in more and more students becoming heavily indebted and facing the summer without job opportunities. It will have very hard consequences indeed, Mr. Speaker, for large numbers of my constituents, because a third of the constituents in my riding, Mr. Speaker, are students largely at university, Mr. Speaker. And this budget means less job opportunities for those students than we have seen in the province of Saskatchewan for a very long time.

Mr. Speaker, for students with children to support, the

lack of employment opportunities that this budget delivers will be a particular hardship. Those who are poor in Saskatchewan, Mr. Speaker, will be further hurt by the announcement that the municipal transit allowance to municipalities has been eliminated. This is certain to result in an increase in the cost of bus fares in our cities, Mr. Speaker. That will be an extra financial burden for tens of thousands of Saskatchewan people, and will be a particular burden to the poor who rely on the bus as their primary means of transportation.

The only source of relief in the Social Services budget is the announcement that \$740,000 will be allocated to helping relieve the crisis of child hunger in the province of Saskatchewan. This amount will be presumably cost shared between Saskatchewan and Ottawa, so that the province will in effect be spending \$370,000.

While any amount of money, no matter how small, will provide a little bit of welcome relief, this sum of money is not at all sufficient to mount the kind of school breakfast and school lunch program that is needed in schools where hunger is a demonstrated problem.

With over 22,000 children relying on food banks last year in Saskatchewan, a program of only \$740,000 will at best put a small dent in the crisis. The government's announcement, Mr. Speaker, boils down to a proposal to spend \$2.85 a month to help these 22,000 children, Mr. Speaker, who are relying on food banks each year. Put another way, Mr. Speaker, the government is allocating one twenty-fifth of the amount they spend on government advertising towards fighting child hunger. And we say shame, Mr. Speaker, shame on a government, Mr. Speaker, that has only one twenty-fifth of its advertising budget to devote towards tackling child hunger in the province of Saskatchewan.

New Democrats urge the provincial government to instead establish a special provincial fund so that any non-government organization, school board, school, or day care in the province can obtain sufficient funding to establish and operate a breakfast and lunch program. The decision as to whether there is a need to utilize this fund would be made at the local level. The meal program would be available to every child in the schools or day care centres where there is judged to be a need for the program. The program would also be available in community centres during the summer and holiday season. Each local lunch or breakfast program would have a nutrition education component.

One of the key areas where the budget failed to address the issue of hunger was in its refusal to reinstate the food transportation subsidy for milk, fresh fruit, and fresh vegetables being flown up to remote northern communities. It is a disgrace that alcohol continues to be subsidized by this government when transported to northern Saskatchewan while milk and fresh fruit and fresh vegetables receive no such subsidy.

For the government to continue to allow food prices to be two to three times higher in the North than in southern Saskatchewan is inexcusable, Mr. Speaker. And this government knows full well, Mr. Speaker, what the consequences of that are in the North. You can see it in

our hospitals in northern Saskatchewan — northern children with pneumonia, northern children who are malnourished, and who are contracting illnesses, Mr. Speaker, at an incidence that is never seen in southern Saskatchewan. And the responsibility and the blame for that, Mr. Speaker, lies with this government.

And, Mr. Speaker, even as we approach an election year this government refuses to place in the budget moneys that would relieve that crisis, Mr. Speaker. And we say shame on the government for failing to do that.

Finally, Mr. Speaker, in terms of this new Social Services budget, it is notable that community-based non-governmental organizations who deliver essential social services in local communities across Saskatchewan, have received a slight increase in funding over the 1989-90 fiscal year but in reality have been hit with a budget cut when compared to their allocation in the fiscal year 1988-89.

(1230)

Groups such as transition houses, after-hours crisis intervention services, family service bureaus, native family service organizations, sexual assault services, family violence services, safe shelters, Big Brothers and Big Sisters, and mediation and youth services received \$7.491 million in fiscal year 1988-89, two years ago, and are to receive \$7.44 million in 1990-91, Mr. Speaker. And that, Mr. Speaker, despite the fact that inflation has been 10 per cent during that time, constitutes, Mr. Speaker, a decrease.

This will inevitably result in further reductions in services delivered by these organizations and a continuing freeze in the salaries they are able to pay their staff, many of whom are working for wages well below the poverty line themselves. It also means that at a time when these organizations are facing more and more demand for their resources, they at the same time, Mr. Speaker, are going to be receiving less moneys to maintain existing programs.

In summary, Mr. Speaker, we have a government that has failed to respond to the call by so many Saskatchewan people to end the need for food banks in the province of Saskatchewan. We have a government that while it has finally been pressured to direct a small sum of money towards feeding hungry children at school, has at the same time compounded the hunger problem by extending for a ninth year its freeze on our most basic income security program, the Saskatchewan assistance plan.

We have a government that refuses to put any long-term solutions for tackling poverty in place. Most notably this government has once again failed to bring forward any plan for creating full employment in our province and has cut back the two job creation programs it did have in place.

Today, Mr. Speaker, our party calls in this Assembly for a comprehensive plan for ending hunger and poverty in the province of Saskatchewan.

I mentioned earlier in my speech the need for a properly funded school breakfast and school lunch program to deal with the child hunger crisis. But in addition to that, Mr. Speaker, we need a long-term solution to the problem. Today, Mr. Speaker, I want to outline 10 key elements of what we in the New Democratic Party believe that long-term solution should be.

Number one, Mr. Speaker, we believe that we need a program of full employment in this province using a mixed economy approach to economic development. We need a government, Mr. Speaker, that is committed to full employment and that sets yearly targets for reducing unemployment in the province of Saskatchewan, and that is prepared to use the public sector along with and in co-operation with the private sector and the co-operative sector in this province to once again create full employment, Mr. Speaker.

Instead we've had a government, Mr. Speaker, that is bent on relying on foreign investment by large multinational corporations, in many cases, Mr. Speaker, to create full employment. And that is a strategy that has clearly failed.

Second, Mr. Speaker, we believe that we need a commitment from a government that says that development of economic opportunity for Indian and Metis people is a high priority, and that this development has to be structured in such a way that it takes place under Indian and Metis control, Mr. Speaker.

Indian and Metis people are telling us, Mr. Speaker, that they want to have control of their economic development opportunities, Mr. Speaker. And they are telling us, Mr. Speaker, that the only way to eliminate high rates of unemployment in the North and in the South among Indian and Metis people is not only to have a government that is committed to making Indian and Metis economic development a priority, but that is committed to ensuring that Indian and Metis people have control over that economic development, Mr. Speaker.

This government has never been prepared to do that. We are on this side of the House, Mr. Speaker, and we'll put that kind of a policy into place in the event that we're elected government.

Some Hon. Members: Hear, hear!

Mr. Prebble: — Mr. Speaker, we are saying that the time has come for government to create a northern economic development fund, financed with a portion of northern mineral and forestry royalties, and to direct those royalties, Mr. Speaker, towards community and co-operatively controlled economic development projects in northern Saskatchewan, and to low interest loans for small business owned by Northerners, Mr. Speaker.

Northerners are saying to us, Mr. Speaker, that it is unfair that royalties in large amounts are collected from northern timber and mining resources, but that none of the benefits from those royalties go to northern residents, Mr. Speaker. And therefore, Mr. Speaker, we see unemployment rates of in excess of 60 per cent in northern Saskatchewan — 16,000 people, Mr. Speaker,

who need employment in northern Saskatchewan and only 6,000 jobs for them.

Well we are saying, Mr. Speaker, that it's time to take some of the royalties that accrue from the sale of our resources in northern Saskatchewan and use them for the benefit of the people in northern Saskatchewan, Mr. Speaker. And that's what we'll do if we form government, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Prebble: — Mr. Speaker, we are saying that it's time to end the cheap labour policy of this government and to establish a fair minimum wage in the province of Saskatchewan, Mr. Speaker. And we are saying, Mr. Speaker, that we will do that through the creation of an independent Saskatchewan minimum wage board with part of its mandate being to increase the minimum wage in Saskatchewan gradually to a level consistent with the objective of eliminating poverty, Mr. Speaker.

It is an outrage, Mr. Speaker, that many people in my riding and in ridings all across this province work full time at minimum wage and support two dependants and live, Mr. Speaker — despite the fact that they work full time — at \$1,500 below the poverty line, Mr. Speaker. Even if they have no dependants to support, Mr. Speaker, and they work full time at minimum wage, they're living \$1,500 below the poverty line, Mr. Speaker.

We say that's an outrage, Mr. Speaker. We say that if we're serious about supporting the work ethic in this province that with that, Mr. Speaker, must go an increase in the minimum wage so that people who work get fair salaries for the work that they do, Mr. Speaker — fair salaries for the work that they do.

Some Hon. Members: Hear, hear!

Mr. Prebble: — Mr. Speaker, we are saying that it is time to change the labour standards legislation in this province in such a way that we ensure that part-time workers receive employment benefits prorated to those provided to full-time workers.

Mr. Speaker, we have a government that has allowed part-time employees in this province . . . And I point out to the government that the majority of part-time workers, approximately 70 per cent of them are women, and this government, Mr. Speaker, has allowed the large majority of those people to work in work places where full-time employees get benefits like pensions and part-time employees don't, Mr. Speaker. And, Mr. Speaker, that is a policy that clearly results in discrimination against part-time workers, particularly discrimination against women.

We say to the government, Mr. Speaker, it's time to end that unfairness. It's time to end that policy. It's time to make sure that part-time workers in this province get fairly treated, Mr. Speaker. This budget fails to do that. We will do that, Mr. Speaker, if we form government.

Some Hon. Members: Hear, hear!

Mr. Prebble: — Mr. Speaker, we say on this side of the House that we need a policy that will expand publicly funded and administered educational programs to meet the demands for training and the provision of student assistance at a rate that fully meets a student's assessed need.

Mr. Speaker, I am tired of having students who support children come into my office and tell me, Mr. Speaker, that their assessed need for a student loan is \$11,000, but, Mr. Speaker, the amount of money they've been able to receive from the Government of Saskatchewan, Mr. Speaker, is 30 or 40 per cent less than that, Mr. Speaker. I'm tired of seeing a government that refuses to fund students at the need that they're assessed at by the province, Mr. Speaker. Mr. Speaker, obviously that results in these students living far below the poverty line. And, Mr. Speaker, on this side of the House we're tired of a government that pours more and more student loan money into private vocational schools, Mr. Speaker, that offer a second-rate program for students while cutting back in spaces at technical institutes and putting quotas on our university, Mr. Speaker, in the College of Arts and Science.

We say, Mr. Speaker, it's time to reverse that policy. It's time to invest our dollars in publicly funded institutions, to lift the quotas at the University of Saskatchewan in the College of Arts and Science, to replace the 1,100 student spaces that this government cancelled in our technical institutes, Mr. Speaker, and to say to private vocational schools in this province that if they want to operate, they have to operate with qualified staff and with properly prepared quality programs, Mr. Speaker. That's what we're going to do if we're in government. This budget fails to do that, Mr. Speaker, and we say, shame on the government for that.

Some Hon. Members: Hear, hear!

Mr. Prebble: — Mr. Speaker, we say it's time for a government that is prepared to reinstate a transportation subsidy for food in northern Saskatchewan, and that is prepared to do more than that, Mr. Speaker, but extend that transportation subsidy to cover fuel and other necessities of life in northern Saskatchewan, so that the price of these necessities becomes affordable to northern people.

Mr. Speaker, we have a government that knows full well that the amount of social assistance that they are now providing to people in northern Saskatchewan living in remote northern communities, Mr. Speaker, is so inadequate that the dollars available for social assistance don't even cover the cost of food, let alone the other necessities of life, Mr. Speaker.

That's been the policy of this government, Mr. Speaker. And they knew, Mr. Speaker, that they were compounding that hardship when they eliminated the food transportation subsidy in the North in the same week, Mr. Speaker, that they lifted the cap on the amount of money that cabinet ministers can spend on food and on accommodation when they travel outside of province, Mr. Speaker.

We are saying, Mr. Speaker, we'll reverse that policy. We will place a cap on the amount of money that cabinet ministers spend on restaurant meals and on accommodation when they travel out of province, and we will, Mr. Speaker, reinstate the food transportation subsidy for residents of northern Saskatchewan living in remote communities, Mr. Speaker. That's another thing that we will do that this budget has failed to do, Mr. Speaker.

Mr. Speaker, three other items that we are committed to, and these relate to income security. First of all, Mr. Speaker, unlike this government, we will increase payments made under the Saskatchewan assistance plan, Mr. Speaker. We will increase payments made under the Saskatchewan assistance plan. We will end the nine-year freeze that this government has placed on Saskatchewan assistance plan benefits to families, Mr. Speaker. And, Mr. Speaker, when those Saskatchewan assistance plan rates go up, which they will in the first three months of our government, Mr. Speaker, we will see an immediate reduction in the line-up at food banks in the province of Saskatchewan, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Prebble: — I am getting tired, Mr. Speaker, of going to a food bank like the one in Saskatoon, Mr. Speaker, that I want to know for members opposite, fed 2,791 children in the month of December alone. I'm tired of going to that food bank and seeing a line-up in excess of 100 people on some days, Mr. Speaker. Well I say, Mr. Speaker, we are going to end the need for those line-ups, and one of the first ways we're going to do it is to increase benefits paid under the Saskatchewan assistance plan to families in this province, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Prebble: — Likewise, Mr. Speaker, we are going to change the unfair Saskatchewan assistance plan regulations, Mr. Speaker, which create disincentives for people who want to work, to be able to work, Mr. Speaker, or for people who want to get an education, to receive an education, Mr. Speaker. And in this way, Mr. Speaker, we are fundamentally different from the members opposite.

And I want to give just two or three examples of that, Mr. Speaker. You know for instance, first of all we saw a new announcement from the Minister of Social Services, Mr. Speaker, that now under the family income plan, students who are going to school, Mr. Speaker, are obliged to count their student loan as income, Mr. Speaker. In other words, Mr. Speaker, a single parent with three children who's studying at a technical institute is being told by this government that she is ineligible for the family income plan, Mr. Speaker, because she's getting student loan money, Mr. Speaker.

Well I remind the government opposite, Mr. Speaker, that this student loan money, Mr. Speaker, needs to be repaid. It's not permanent income, Mr. Speaker, it is temporary income. And much of that income, Mr. Speaker, isn't being used to meet the necessities of life, it's being used to pay for tuition. It's being used to pay for books, Mr.

Speaker. Why should that be considered as income under the family income plan by this government, Mr. Speaker? If that isn't a disincentive to study for that single parent family, I don't know what is, Mr. Speaker.

(1245)

Let me give you another example, Mr. Speaker. Mr. Speaker, I might add that we will change that policy immediately on becoming government. Let me give you another example. Somebody works . . . The summer is approaching, Mr. Speaker; many people who are on social assistance will be looking for summer work.

Let us suppose that someone goes into the landscaping business for the summer, Mr. Speaker, and decides they want to get off social assistance, Mr. Speaker, or at least reduce their dependence on social assistance, and they have a family to support. They want to reduce their dependence on social assistance and they want to go out and get a job, and they're going to go into the landscaping business for the summer, so they become self-employed. Well do you know what this government does, Mr. Speaker? It deducts every single dollar they make as a self-employed person from their social assistance cheque. It doesn't matter how long they work, Mr. Speaker. It doesn't matter how long they work . . . (inaudible interjection) . . . The former Minister of Social Services is saying, that's not true. I invite you to look at the regulations, Mr. Minister. I'll debate this in question period or at any other time you want to, Mr. Speaker. Those regulations are in black and white. You know about them, Mr. Minister, because you wrote them, Mr. Minister, you wrote them.

Some Hon. Members: Hear, hear!

Mr. Prebble: — Mr. Speaker, we're going to repeal that regulation when we form government. Within the first two months of forming government, Mr. Speaker, that regulation will be gone.

Let me give you another example, Mr. Speaker. Mr. Speaker, let me give you another example of what this government has done, Mr. Speaker. Somebody goes out and they take a training course, Mr. Speaker. They have a family to support, they want to get off welfare, they take a training course, Mr. Speaker, and they complete it. And they take a part-time job. I have many people who come into my office, Mr. Speaker, I have many people who come into my office who've been in this situation. They complete their training. They take a part-time job. They have small children to support, Mr. Speaker, so they can't work full-time, but they take part-time work at, say, 25 hours a week.

Mr. Speaker, they don't quite earn enough money to get off social assistance so they have to rely on social assistance, but in a small amount. Well, Mr. Speaker, do you know what this government does? During the first three months that this person has to apply for social assistance, they may only be receiving a cheque of 20 or \$30 a month as a top-up to their part-time salary. Do you know what this government does? For the first three months that they're on assistance after they apply, they deduct every dollar they make from their part-time job,

Mr. Speaker.

They can work 25 hours a week, a hundred hours a month; they don't get to keep a penny of what they earn in the first three months, Mr. Speaker. It doesn't matter what kind of salaried employment they have. We say, shame on the government, Mr. Speaker. If this doesn't run counter to the work ethic, Mr. Speaker, I don't know what does, Mr. Speaker.

Members opposite try to pretend that they have embraced the work ethic, Mr. Speaker. Nothing could be further from the truth. They have designed regulations intentionally under The Saskatchewan Assistance (plan) Act, Mr. Speaker, that penalize those who try to advance themselves, Mr. Speaker, that penalize those who try to get off welfare or depend less on welfare, Mr. Speaker.

We say on this side of the House that we're going to repeal those regulations, Mr. Speaker. We're going to put the work ethic back into the Saskatchewan assistance plan, Mr. Speaker. We are going to create a system, Mr. Speaker, that when people on social assistance who can work get part-time work, Mr. Speaker, they will get to keep a substantial portion of what they make, Mr. Speaker.

They will always be better off working, Mr. Speaker, than they are depending totally on social assistance. We are going to bring down the empire of unfair regulations that the former minister of Social Services, the member from Melville created, and we are going to put in place instead, Mr. Speaker, a set of regulations which create real incentives for people who try to better themselves in this province, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Prebble: — Mr. Speaker, finally I want to say, Mr. Speaker, that we are going to revamp the family income plan, and we are going to ensure that there are higher payments for working families with children living below the poverty line. Mr. Speaker, why should a family of five, with three children, living \$9,000 below the poverty line be ineligible for the family income plan? You explain that to me, Mr. Speaker, or more significantly, maybe the Minister of Social Services could explain that to me, Mr. Speaker.

And, Mr. Speaker, once again we see a further erosion of the family income plan, as I mentioned, in this budget, Mr. Speaker. Well we on this side of the House, Mr. Speaker, say that family of five should be eligible for the family income plan. It's a working family; they're trying to get ahead; they're trying to advance themselves; they're trying to meet the basic needs of their children, Mr. Speaker. They're trying to stay away from the food bank, Mr. Speaker, and this government makes it impossible for them to do that because for the fifth year in a row they've frozen benefits under the family income plan, Mr. Speaker.

Well we say it's time to work towards a policy of bringing those families up as close to the poverty line as we can, and we will revamp the family income program so that in stages we are able to do that, Mr. Speaker. That is one of

the key elements to eliminating poverty in this province, Mr. Speaker.

Regrettably, Mr. Speaker, the government has not addressed a single one of these proposals in the throne speech, and in failing to do that it has clearly signalled that it accepts the immorality of food banks in our province, Mr. Speaker. We do not, Mr. Speaker. We in the New Democratic Party are committed to ending the need for food banks in this province. We in the New Democratic Party, Mr. Speaker, will endeavour to do that in our first term of office. I believe that can be accomplished in the first term of office, Mr. Speaker. I not only want to see the line-ups at food banks dramatically decline, I want to see a celebration at the end of our first term, Mr. Speaker, in which the food banks announce that there is no longer a need for them to exist in the province of Saskatchewan, Mr. Speaker. We are going to work towards that goal, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Prebble: — And then we are going to go on in subsequent terms of office in this province, if the good people of Saskatchewan permit us to do that, Mr. Speaker, to work towards the elimination of poverty in this province, Mr. Speaker. We say, Mr. Speaker, it's an outrage that we have 64,000 children living below the poverty line in this province, Mr. Speaker. Saskatchewan can once again be an example for North America and for the world in this area, Mr. Speaker. If governments like Sweden and Norway can dramatically reduce child poverty, Mr. Speaker, to instead of being 25 per cent of children, as it is in this province, to only being 3 or 4 per cent of children, then we can do it in Saskatchewan, Mr. Speaker. And we will do it in Saskatchewan, Mr. Speaker.

For all these reasons, Mr. Speaker, I will be opposing this budget, Mr. Speaker, and we will be putting forward in the months ahead, as I've attempted to do today, a new vision for the people of Saskatchewan, Mr. Speaker. And one element of that new vision will be an end to poverty in this province. Thank you very much.

Some Hon. Members: Hear, hear!

Hon. Mr. McLeod: — Thank you very much, Mr. Speaker. I see by the clock, Mr. Speaker, that I have just a very few moments to enter into this debate today, and it would be my intention in just a very few moments to adjourn the debate and to enter the debate again on Monday where at which time I will have a significant amount to say about this budget as it relates to the department that I have the honour to be responsible for, the Department of Health. I have a good deal to say about that.

Today though, Mr. Speaker, I just thought I might speak for a moment or two about the constituency that I have the honour to represent in this House, and I've had that honour for a number of years, since 1978.

My constituency, Mr. Speaker, could be characterized as one which has been fortunate enough to have a diverse economy now. We have . . . all of us in this House at various times over the years, regardless of who's in

government, we've talked about diversifying the economy of this province. And this government has made it a special effort in that area to diversify the economy away from agriculture or to supplement what agriculture has brought to the province.

I am pleased to be able to say that the portion of north-western Saskatchewan that I represent, the Meadow Lake constituency, has been blessed in many ways and has a diverse economy. You just go down through the areas. Agriculture obviously is a major portion of that constituency, but it's not just agriculture in a sense that you will see in some other portions of central and further parts of southern Saskatchewan. We have mixed farming which is . . . a major portion of our farming community is mixed farming, although we have some very large grain farming areas as well. We have ranching and exclusive ranching. Many people in this province have the misconception that the large numbers of cattle in Saskatchewan are in the south-west where they traditionally were. The facts are, and the numbers now show, that the largest numbers of cattle in this province are in the north-west section of this province and that's in . . . a good number of those are in the constituency of Meadow Lake that I have the pleasure to represent.

We have a diverse agriculture, as I have said. We have honey producers and others whose sole living is from the apiary industry. We have oil and gas in that constituency, with a special emphasis on natural gas. And in recent years, because of policies of this government . . . because for many years our people were told — although we suspected that the natural gas that was just across the border on the Alberta side probably came across over on to our side — we were told for many years, under the former administration, that the border was a very, very deep line, not just a line on the surface of the earth, and because that line was so deep there was no gas on our side of the border. We have now proven through policies of this government, and through encouragement for producers to drill for natural gas, that that natural gas is in fact there and is producing, and there is more and more activity in the gas fields in the western half of my constituency at the present date.

In the forestry area, Mr. Speaker, I think it's well-known that the forestry area is now coming into its place in the sun. And while for many years forestry . . . my own family made its living for many years in that area, from the forest industry — the forest industry now is moving in with the announcement of the CTMP (chemi-thermal mechanical pulp) pulp mill that is now under construction in Meadow Lake — the environmentally sound CTMP pulp mill. And I should say just a very, very quick word about that, Mr. Speaker.

I would say to the House and say to all members here and to the people of my constituency, as I've already said, I would not have been an advocate of a craft mill going into that environmentally sensitive area. I would not have been and at no time would I ever have . . . was I ever an advocate of a craft mill going into that area.

But the technology that CTMP brings to the pulp industry and the opportunity that it presents because of the new technology that can use hardwood, which we normally

call poplar in our area, has become a tremendous opportunity for the area, a tremendous opportunity to use our forest resource, especially that hardwood resource which heretofore has been known as a weed in the forest.

And so we're very, very pleased that that project has gone forward, and with, I would say, the blessing of the largest majority of folks in this province who understand that it is an environmentally sound project and it is the kind of project that I feel proud to be an advocate of for the area that I care so very much about.

Tourism, another area, Mr. Speaker, and I can just say for a couple of minutes that the tourism area is a tremendous part of our economy as well. We have two provincial parks within the boundaries of my constituency — the Meadow Lake Provincial Park, the largest one — the largest provincial park in the province, as a matter of fact. And that's a well-known park in this province. It's about 100 miles long, has a whole series of lakes, many activities, and it's a very popular place for people from all over western Canada during the summer months, and increasingly for seasons outside of the summer months, Mr. Speaker.

The Makwa Lake Provincial Park near the community of Loon Lake is another recently designated provincial park, designated by this government a number of years ago, and it's one that is just finding its place in the sun as a provincial park. It certainly has been an area that has been well regarded by visitors for many years, and the lakes there are, as many members in this House know from all sides who have visited there, that it is one of the most beautiful parts of our province and indeed of all of western Canada.

So the other portion of tourism that has potential — we've recognized that potential for an awful long time — the historic north-west areas and places which have a secure place in the history of Saskatchewan, but we have not exploited it enough and, from a tourism point a view, we have not pointed out to the people enough places like Fort Pitt, places like the rifle pits at Frenchman Butte, places like Steele Narrows — the last location in Canada where shots were fired in anger, in this country, the last place — we have Steele Narrows, just west of Loon Lake in my constituency. All of those locations have potential for people who are interested in the history, not only of western Canada but the history of Canada and the history of Saskatchewan. All of those locations are in my constituency as well, and we've been working hard with the north-west tourism development organization to bring more and more of a tourism plan to that whole area.

So there are many, many things that I could speak about Mr. Speaker. I will go in to some of this again when I speak on Monday, but I am very, very proud to represent the people of Meadow Lake constituency. And because I have many more things to say in this debate, I would beg leave now to adjourn the debate.

Debate adjourned.

The Assembly adjourned at 1:01 p.m.