

The Assembly met at 2 p.m.

Prayers

ROUTINE PROCEEDINGS

INTRODUCTION OF GUESTS

Mr. Upshall: — Thank you Mr. Speaker. Mr. Speaker, I would like to introduce to the Assembly a number of farmers in the gallery who have come into this legislature today to meet individually with the elected members to discuss questions of a great concern as far as the state of the agricultural economy in Saskatchewan; and to, as part of an ongoing process, try to help with decisions to be made, to make sure that agriculture in Saskatchewan remains a very integral part of this economy; and to help this legislature make proper decisions on what should be and shouldn't be done. So I would ask all members of the legislature to give a warm welcome to the delegation in the gallery.

Hon. Members: Hear, hear!

Ms. Atkinson: — Mr. Speaker, I'd also like to join my colleague in welcoming members of the National Farmers Union and the Christian Farm Crisis Action Committee to the legislature today. As my friends from the National Farmers Union will know, that it was one of the first organizations that I had the pleasure of being a paid employee before in the mid-1970s. I was an organizer with the farm union and travelled the country. I'm well aware of the kinds of work that the men and women in the National Farmers Union in particular have done on behalf of farm families in Canada, and I want to welcome you to the legislature today.

Hon. Members: Hear, hear!

Hon. Mr. Devine: — Thank you, Mr. Speaker, I would just like to take this opportunity, with all members of the Legislative Assembly, to welcome the farm groups and particularly the two that are in today. We met last week and we had a meeting with several farm groups, including the NFU (National Farmers Union) yesterday morning, and we are prepared and have been meeting since 11 o'clock this morning with the agricultural caucus and are prepared to meet with all groups, and we welcome them here into the legislature.

Hon. Members: Hear, hear!

The Speaker: — Before oral questions, I would just like to draw the following to hon. members' attention. I've been listening to oral questions and by and large they've been good question periods. However, the last little while perhaps some of the questions and some of the answers were getting perhaps a bit too long and somewhat provocative and inspiring debate, one might say. So I'd like to ask hon. members to, on both sides of the House, to try to limit questions and answers.

ORAL QUESTIONS

Spring Loans Guarantee Program

Mr. Romanow: — Thank you very much, Mr. Speaker. I'm sure that that admonition did not apply to myself but I'll be very, very stringent in applying your rule.

Mr. Speaker, I'm directing a question today, with your permission, to the Minister of Agriculture who is the Premier, and it has to do with respect to the newly announced spring loans guarantee program.

Some press reports, Mr. Premier, seem to indicate that there will be caps and conditions placed on this new ACS (Agricultural Credit Corporation of Saskatchewan) loan. And I wonder, Mr. Premier, if could you tell the House today if that's the case, and if so, what the qualifications and conditions with respect to getting the loan might be, what the cap if any might be, and what you intend to do for those who are in need, but who might not qualify for the program?

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Mr. Speaker, the key objective of the program initiated by the province in the budget was to get the crop in. Farmers know that if they can plant the crop and harvest a crop, then they have access to cash flow.

Secondly, we had asked, with the unanimous consent of this legislature, that the federal government come up with \$500 million cash now and \$400 million later.

The qualifications for the loan program are being designed with farm groups. We're going to make it as universal as possible, Mr. Speaker, as we saw with previous programs. And as we met with the farmers union, the Saskatchewan Wheat Pool, the United Grain Growers and stock growers yesterday, they were giving us their best ideas on how the program should be designed.

I know that it will be difficult to apply the program to absolutely everybody in the province, but I would suspect that it will be very, very close to being universal. And with the advice of the farm groups, we will be announcing those specific criteria, as we did in the production loan program, as quickly as possible.

Some Hon. Members: Hear, hear!

Mr. Romanow: — Mr. Speaker, I have a new question for the Minister of Agriculture, and may I preface my question, Mr. Premier, Mr. Minister of Agriculture, by saying that I find it somewhat unbelievable, to be very frank about it, that we have here a spring program designed to assist the farmers on spring seeding announced by the Government of Saskatchewan, the details of which are not yet finalized. But let's leave that aside for the moment.

The question that I have specifically to ask you is this. Given the fact that some figures say that 33 per cent of the capital loans are in arrears and 20 per cent of the production loans are in arrears with respect to ACS, my question to you is this: whether or not farmers who are currently under arrears with respect to the ACS programs

as they exist, whether or not they're going to qualify for this new program?

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Mr. Speaker, as I said in my previous response, in meeting with all the farm groups they are giving us their best suggestions on how this should work. We certainly seek their advice and have listened to the recommendations of the wheat pool and the United Grain Growers and stock growers.

The SARM (Saskatchewan Association of Rural Municipalities), as you know and we've advised this House and the general public, the SARM is acting as a board of directors for the agricultural credit corporation in designing the new policies for ag credit. That will be part and parcel of the brand-new program of \$500 million that's out there.

So with due respect to the SARM, who are now acting as a new board of directors and advisers to agricultural credit corporation, which in large part along with financial institutions will be administering this program, I really think, Mr. Speaker, it's fair for us to listen to their advice on how to apply this, if there should be any cap at the top in terms of the size of farm, and how much the maximum should be, and how you would qualify under the conditions that would allow as many people as possible to get access to this program.

Some Hon. Members: Hear, hear!

Mr. Romanow: — Mr. Speaker, I have a new question for the Minister of Agriculture. And again I want to stress to the Minister of Agriculture that spring seeding, for all intents and purposes, is here. We've had the winter months to consider all of these various questions which you raise. And I find it again somewhat amazing, to be very frank about it, that any government would be able to announce a major program of this nature and not have the details ready so that the farmers who are practising farming on the fields will know exactly what their budgeting requirements are which they need to make now.

Some Hon. Members: Hear, hear!

Mr. Romanow: — But seemingly, somehow this government has not been able to come up with the details. My question to you, Mr. Premier, therefore is very simple and straightforward. When will the details of this program be finalized, what's your timetable, and when will you announce it in order to make sure the program is fully operational so the farmers can get on with the job?

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Mr. Speaker, when I announced a few days ago that we would be meeting on a regular basis with farm groups to design the details of this policy, that message was applauded by members opposite. We said we would meet with farmers on a regular basis. We met last week, we met yesterday, we're ready to meet this morning. And these are very in-depth discussions on how this program should work with ACS and how much

money should be put out and if there are any limits on it, and any details.

Now the member opposite thought it was a good idea that we meet with farmers, and now he's saying, well you should have done this before you met with farmers. Well, Mr. Speaker, you can't have it both ways. Mr. Speaker, if they are sincere about helping farmers and designing the program so it's for farmers, I believe it's a good idea that we listen to the farmers as we design these programs.

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — I will just say, Mr. Speaker, we have along with municipal councillors . . . You know, the municipal councillors helped design, with the provincial government and the federal government, drought programs. If we have had any criticism, Mr. Speaker, it hasn't been about the cash; it's about that you didn't take time enough to design it right. So, Mr. Speaker, I have met with these groups, and none of these groups have said we shouldn't meet with them, so we're going to continue to meet with them, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Romanow: — Mr. Speaker, I have a new question for the Premier, and I want to tell the Premier that I favour meeting with farm groups and other organizations three months ago, which you should have been doing, and I favour meeting with farm groups and farm individuals today.

And, Mr. Premier, I've been told by farmers, the groups that were introduced today in the legislature, that members of your caucus refused to meet with these individual constituencies on a one-to-one basis, which is what the request has been made, including the Deputy Premier and others. I find it appalling that farmers who have travelled hundreds of miles to come to talk to their own MLAs have been denied that right.

Now you say you want to talk and listen to farmers. Will you instruct your farmers and all of your MLAs to meet the NFU and the Christian farm crisis group outside in the lobby right after question period?

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Mr. Speaker, the farmers union wrote us on March 17 and asked that we be prepared to meet, and I can table that letter. And we wrote back and said that we are prepared to meet at 11 o'clock this morning, and sent them that letter. And they all knew that the caucus, agricultural caucus, including myself, was prepared to meet at 11 o'clock this morning.

Now, Mr. Speaker, I just leave these letters before you because we were asked if we would meet and we said we'd be glad to meet. We have met last week. We met yesterday. We're prepared to meet this morning. The hon. member now stands in his place . . . and he just wrote me a letter outlining the loan program, Mr. Speaker. The hon. member just wrote me a letter to describe it.

I will also say, Mr. Speaker, as the hon. member knows,

members of the farm group have told me that the Leader of the Opposition says, well we'll give you a five-year moratorium. Members here have told me that the Leader of the Opposition would say, well we'll forgive the production loan program. Well, Mr. Speaker, I would ask if the hon. member would stand in his place and outline his programs before the public of Saskatchewan.

Some Hon. Members: Hear, hear!

Mr. Romanow: — Mr. Speaker, I have a new question to the Premier, and I want to ask the Premier: since when is the rule by the government members, the government PC members, that the only time individual constituents can meet with their MLAs is through a committee, a committee structured by you at your time? When is it when people who come from all over Saskatchewan at their own expense to meet with individual MLAs are denied that right? Since when did that rule come into place? Tell your MLAs to meet them and not chase them down the hallways.

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Mr. Speaker, I'll just point out to the hon. member, there were members of farmers who met with MLAs this morning, and they met with them for over an hour — MLAs. And the hon. member points to the Deputy Premier who was in cabinet this morning.

Mr. Speaker, the hon. member — again I will point out with the greatest respect, greatest respect, is more interested in the political show than he is in helping the farmers of Saskatchewan.

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Mr. Speaker, he can go, and the members here . . . farmers have told me he can promise them a five-year moratorium and he can promise them that he'll forgive the production loan program. And, Mr. Speaker, we haven't seen him stand in here and say those kinds of things.

Well, Mr. Speaker, let me say, I have met with farmers personally this morning. I will meet with them in groups. Members here have met with them personally, and we've also had a cabinet meeting this morning, Mr. Speaker. And, Mr. Speaker, we will meet with them afterwards and after question period. We've got the whole lobby set up for it, before and after, as we have before, Mr. Speaker, because we know that farmers are in trouble and we need their help and they need ours, Mr. Speaker, and we will be there.

Some Hon. Members: Hear, hear!

The Speaker: — Order, order.

Study on STC Financial Affairs

Mr. Trew: — Thank you, Mr. Speaker. My question is for the Premier. Mr. Premier, your minister responsible for Saskatchewan Transportation Company today broke his word to the people of Saskatchewan. Although he had given his word that the study of STC (Saskatchewan

Transportation Company) auditing procedures done by the accounting firm of Ernst and Young would be made public by the end of the month, he has now decided to withhold it from the public.

Mr. Premier, this does absolutely nothing to enhance your government's credibility on this issue. In fact, it adds to the impression that there is a cover-up going on. Will you today, Mr. Premier, will you today order your minister to make that report public, or if he continues to renege on his word to the people of Saskatchewan, will you order him to resign?

Some Hon. Members: Hear, hear!

Hon. Mr. McLeod: — Mr. Speaker, when the Ernst Young, the national firm, Ernst and Young was commissioned to do the study on the accounting practices and so on at STC, I announced that at by the end of March that that would be completed, or at least we would want it to be completed by the end of March and to be submitted to me, and I would release it to the public.

We hear the member from Quill Lakes growling over there, Mr. Speaker. Once again, I should point out, Mr. Speaker, since that time last Tuesday, I believe it was, I received a letter from Mr. Justice Brownridge, as you will know, the commissioner of the judicial inquiry which has been appointed subsequent to that day. Mr. Justice Brownridge has asked that the report of Ernst and Young be submitted to the public through his inquiry. Mr. Justice Brownridge has asked that it be submitted . . . that the report be submitted through his judicial inquiry.

I subsequently wrote back to Mr. Justice Brownridge and said that I would agree with that and I would agree with it. That is the case. That's absolutely the case, Mr. Speaker. Obviously the Ernst and Young report will become public because the judicial inquiry itself is a public forum and will be a public forum.

Some Hon. Members: Hear, hear!

Mr. Trew: — New question, to the Premier this time. Mr. Premier, we have nothing against this issue being shared with the judicial inquiry. If Mr. Justice Brownridge has requested the information, then surely he should have it. That being said, there is nothing that would prevent your government from making the report public at this time.

Some Hon. Members: Hear, hear!

Mr. Trew: — Mr. Premier, it is just one more report requested by the commission and in no way makes it privileged. Mr. Premier, just what is it that you are hiding?

Some Hon. Members: Hear, hear!

Hon. Mr. McLeod: — Mr. Speaker, I want to make it very clear, I have no problem with the Ernst and Young report being public. I have no problem with that being public. All I have done is complied with the request of Mr. Justice Brownridge, as every citizen in this province would expect me to do, would be to comply with the request of Mr. Justice Brownridge.

That's exactly what I have done. I have no problem with that report being public at any time, whether that be now or any other time. Mr. Speaker, if the judicial inquiry determines — the people involved in the judicial inquiry determine that it can be public today, tomorrow, the next day, whenever they decide that it's public throughout the process of their inquiry, that's the day that it will be public, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Koskie: — Thank you, Mr. Speaker. Mr. Speaker, I want to direct a question to the Premier. As the chief executive officer of that government, Mr. Premier, your minister has broken his word that he would in fact make that report public.

I want to ask you, Mr. Minister, will you in fact table, first of all, the letter of the request from Mr. Justice Brownridge; and secondly, will you make the report available to the legislature and the people of Saskatchewan today, because they believe that there is a cover-up going on.

Some Hon. Members: Hear, hear!

Hon. Mr. McLeod: — Mr. Speaker, the member . . .

The Speaker: — Order, order. I'll ask all hon. members to allow the minister to proceed unimpeded.

Hon. Mr. McLeod: — Mr. Speaker, the Justice critic on the other side has just pointed out what he would do were he in the position that I now occupy. That's what he has said. What he says he would do is that if a judge wrote him a letter and asked him to do a particular thing, he wouldn't do it. That's what he said. That's what he's advocating that I do. He's advocating that that's what I do, Mr. Speaker.

What I am doing and what we have done is complied with the request of Mr. Justice Brownridge, the commissioner of the judicial inquiry. We've complied with his request. And I would ask the Justice critic on the other side or members of the media or any members of the public, people who would like to have any questions answered relating to this, whatever, to deal with legal counsel to the judicial inquiry. That's what they need to do.

Mr. Speaker, there is no way that I am going to, as a minister of the Crown, not comply. There is no way I am going to refuse to comply with a request by a justice.

Some Hon. Members: Hear, hear!

Mr. Koskie: — Well, Mr. Speaker, a further question to the minister now in charge of STC. Mr. Minister, how can anyone believe your word, because you said it would be public. How can we now believe your word as to what the request was in the letter. That's the question. The public can no longer believe you.

I want to refer to what the Justice minister said at the time of setting up the judicial inquiry. And he said it's going to be an entire process and it'll be open to the public. And he

went on to say that STC is also conducting a full internal audit of its management operation, which will not be affected by the inquiry. He concurred with what your . . . initial position.

I'm asking you, if there is no cover-up, Mr. Minister, will you in fact table the letter of Justice Brownridge in his request, and also the report?

Some Hon. Members: Hear, hear!

Hon. Mr. McLeod: — Mr. Speaker, as I have said, as I have said, I have no problem with this, with the report of Ernst and Young, a well-respected national firm. I have no problem with their report being public, none at all. I didn't have at the time of the announcement that it would be public. It is my intention, was my intention, always was the intention that it be public.

Now, Mr. Speaker, subsequent to that, when the justice writes a letter to me and says, would you provide this to the inquiry, and which is exactly what he wanted me to do, I complied with that, Mr. Speaker, as is my responsibility to do. I believe it strongly that it's a responsibility of myself as the minister responsible to comply with the request of the justice. I've said that before.

Mr. Speaker, make it very clear. That report of Ernst and Young will be public. There's no question about that. It will be public. It's a matter of when it's public, and it may be public very soon, during the judicial process. The members over here will yell "cover-up," if they want to. But the justice asked for it and I gave him what he asked for.

Some Hon. Members: Hear, hear!

Mr. Koskie: — Mr. Minister, I have an article here from the **Times-Herald**, Moose Jaw. Heading: "Government stalling over prosecution to STC executives." And I want to quote what William Sheetz, lawyer of Darrell Lowry, one of the accused in Dallas; he has indicated that your government is stalling the decision on whether or not charges be laid against Lowry and Castle. And he quotes . . . I quote, and he says: "There are elections in the offing," he says. This I say, Mr. Minister, is a serious allegation by a lawyer acting for one of the co-defendants.

I want to say to you, Mr. Minister, if you have nothing to hide, I ask you, will you in fact come clean? Tell the House when the Department of Justice indeed is expected to make a decision in bringing the charges.

Some Hon. Members: Hear, hear!

Hon. Mr. Schmidt: — Mr. Speaker, the member of the opposition, being a lawyer, should know that the Department of Justice has professional prosecutors who make decisions based on evidence before them. It is a long-established principle that the Minister of Justice will not interfere in the course of justice, and we leave in the hands of the professional prosecutors a decision of when to charge in Saskatchewan and who they should charge. And if they have sufficient evidence, they will make this charge, and the Minister of Justice will not interfere in that

professional decision.

Some Hon. Members: Hear, hear!

Mr. Koskie: — I want to go to the Premier, not to the minister of scrambled eggs. I want to go to the Premier here today and I want to quote a little further as to what the lawyer representing Lowry is saying, the STC executive. He says, Mr. Premier:

“If you delay this and the election takes place in June, there will be no harm to the government. They will have dodged the bullet, as they say down here.”

That’s the statement of the lawyer representing one of your employees. Mr. Sheetz seems to think that there’s a bullet to dodge, Mr. Premier, and my question to you is what might that bullet be?

Some Hon. Members: Hear, hear!

The Speaker: — Order, order.

Hon. Mr. Schmidt: — Mr. Speaker, it’s very easy for an American attorney to make allegations 2,000 miles from Saskatchewan. I can say this, that a Saskatchewan attorney would not make such allegations because they would be professional misconduct in the province of Saskatchewan. But what we have here is a lawyer in the United States making allegations across the border into Saskatchewan primarily to cover his client and whatever . . .

The Speaker: — Order, order. There are several members answering the question. Let us allow the minister to continue.

Hon. Mr. Schmidt: — As I indicated earlier, Mr. Speaker, this is an allegation from an attorney 2,000 miles away who is not subject to the laws and rules of conduct for attorneys in Saskatchewan. It’s very easy to make allegations in another country. This is Saskatchewan, and we will not have Saskatchewan dictated to by American attorneys.

Some Hon. Members: Hear, hear!

Mr. Koskie: — I have a further question to the Premier. Mr. Premier, it is obvious that Mr. Sheetz wants charges to be laid here in Canada, or clarified whether or not they are laid. But he wants no delay in the laying of the charges because that would give the defence the right to call any witnesses they think they need. If a charge were laid here in Canada against the accused, they could come in this judicial system and call any of the Canadian witnesses and any of the documents and ministers.

This question is to you, Mr. Premier. If you have nothing to cover up in respect to this, and if no charges are intended to be laid here or are delayed being laid, I ask you: will you give the public assurance today that any cabinet ministers, government officials, STC officials, board members, or officials of the PC party, and/or any other cabinet documents that are required in the transaction of the court case in Dallas, will you make the

commitment to make all of that available so that justice can be done in Dallas?

Some Hon. Members: Hear, hear!

Hon. Mr. Schmidt: — Mr. Speaker, the opposition has asked for a public inquiry and there will be a public inquiry. They are not satisfied with the evidence that is going to the public inquiry because they want it public before it gets to the inquiry.

Secondly, the American justice system cannot be dictated to from Canada. These citizens of Canada are perfectly capable and permitted to come back to Canada and enter this country as Canadian citizens. But the American justice system won’t let them back into Canada, and that we have no control over. But as far as we are concerned, they are entitled to come back to Canada, come and live in Saskatchewan. If there’s any evidence against them, the professional prosecutors will deal with it. This is an American justice problem at present, not a Canadian problem.

Some Hon. Members: Hear, hear!

The Speaker: — Order, order.

Hon. Mr. Maxwell: — I thank you, Mr. Speaker. I wonder if I may have leave of the Assembly to offer a very brief birthday congratulations to someone here today.

Leave granted.

ANNOUNCEMENT

Birthday Greetings to the Clerk

Hon. Mr. Maxwell: — Mr. Speaker, and hon. members, it was brought to my attention that the Clerk of the Legislative Assembly, Gwenn Ronyk, is celebrating another birthday today. I say another advisedly, because it is a well kept secret as to exactly what age she has attained. However, on behalf of the members, we offer you heartiest congratulations and many more happy years. Thank you.

Hon. Members: Hear, hear!

Mr. Tchorzewski: — Mr. Speaker, on behalf of the opposition I want to also extend the best wishes and greetings to our Clerk who has served us well and wish her the very best, as the member opposite has said, for many, many more years.

Hon. Members: Hear, hear!

ORDERS OF THE DAY

SPECIAL ORDER

ADJOURNED DEBATES

MOTION FOR COMMITTEE OF FINANCE (BUDGET DEBATE)

The Assembly resumed the adjourned debate on the

proposed motion by the Hon. Mr. Hepworth that the Assembly resolve itself into the Committee of Finance.

Mr. Kowalsky: — Thank you, Mr. Speaker. Everywhere in Saskatchewan, Mr. Speaker, we have seen startling evidence, very startling and very sad evidence that under this Tory government, Saskatchewan is becoming a very undesirable place in which to live. And nothing indicated any more and any better the reason for this than the question period that we just witnessed in the last half hour, Mr. Speaker. Nothing attested to it any more.

Some Hon. Members: Hear, hear!

Mr. Kowalsky: — Record farm foreclosures and bankruptcies, businesses and professional people leaving the province, our youth leaving the province. A total of 53,000 people since 1986 have left this province, 23,000 more in this last year than came in — in this last year, Mr. Speaker.

Not any place is this type of hardship felt worse than it is on a farm, Mr. Speaker. Consider a native northern Saskatchewan farmer, 52 years old, married, three children — one at university; has been farming all his life; inherited the family farm, worked on it.

He was one of six children who got the farm and it was entrusted in his care; became a pillar in the community, and now on the verge of losing his farm land. A tragedy. Not because of something he did wrong, not because it was the fault of him or his children, who will now not possibly maybe not be able to go to university. The heritage that was entrusted to him by the rest of the family, he feels very responsible for, and he's asking this kind of question. Does it have to be this way? Why are things going this way?

Mr. Speaker, it is the government that at least partially sets the conditions for whether Saskatchewan is going to be a good place to live or an undesirable place to live. And this throne speech and this budget speech is a good indication of this government's intentions. This throne speech was void of initiatives, save to set up a committee of 100; and the budget speech is void of initiatives. Why? Well what would you do? They've got us in a situation where we're paying \$500 million annually in interest. Now that money would have gone a long way to helping farmers put the seed into the ground.

The problem happened, Mr. Speaker, when the government got elected without a plan. So what have they done since? They've governed by privatization, an ideology of privatization, followed by polling and tracking by polling. And their policy has become, let's make a deal.

And what have been the results? Assets have been depleted, rising taxes, an unmanageable deficit, services decreasing, people moving out. In short, Saskatchewan is being made an undesirable place in which to live.

I suggest, Mr. Speaker, it's time for a change — it's time for a change. It's time for a change in leadership. Do we want a leader who leads by ideology, by the ideology of privatization? I say, the answer to that is no. Do we want a

leader who continues on the concept of privatization that will lead eventually to the poll tax, as it did in England? I say the answer is no. Do we want leadership that leads by polling, which is like driving by looking at the rear-view mirror of a car? And I say no.

I say, Mr. Speaker, that a government should be led by vision and it should be led by example. That's why, Mr. Speaker, I'm supportive of my leader, the member from Riversdale, the member who has travelled across this province, has listened, has discussed, has considered, and is providing true leadership based on values, Mr. Speaker. True leadership and a vision — a vision for Saskatchewan, a vision for economic development in Saskatchewan, a vision for education, a vision for health, a vision for culture, a vision for rural Saskatchewan.

And I mentioned that it's based on values, and I want to compare these values, Mr. Speaker. Let us compare the values of the Tories opposite with the New Democrats on this side. Let us compare the values of my leader, based on a fair share for all in a free democratic society, with their leader, the values of their leader, based on privatization and rugged individual, grab-what-you-can philosophy.

When you ask the question, what is good? the Tory answer is money, consumption, and power. When you ask the question over here, the answer is services to people, sharing, and community. When you look at the processes employed by each government, by each side, the processes that they foster, the process of competition, where winning isn't just everything, it's the only thing. Compare that to the process advocated by the members on this side, the processes of co-operation, where you treat people the way you yourself would like to be treated.

And what are the results? Well we know, Mr. Speaker, that if in a competition, for every winner there are many losers, rather than in a situation where you can build on each other's strength.

So that, Mr. Speaker, is why I want to work with our leader to create a new Saskatchewan, to create a new vision for the new reality that we now face here, based on sound values, egalitarian values.

Let's take a look at economic planning. Let's throw away the Tory question for economic planning which asks the question of how can we privatize Saskatchewan? And let's ask instead what needs to be done in Saskatchewan to make Saskatchewan a desirable place in which to live.

Let's ask not, in education, how can we privatize education? Let's ask instead, what should be done to make our schools the best in the land, providing innovative and effective training for a future age.

With respect to health, let's not ask how can we privatize health. Let's ask, what should we do to make people confident in our health system, accessible to all?

When it comes to culture, let's not ask the question, how can we transfer money from culture to the likes of Cargill? But ask instead, what can we do, and what needs to be done to provide for creativity to flourish in our province,

for our artisans to create and to excel?

When you look at rural Saskatchewan, let's ask the question, what do we need to do to make rural Saskatchewan a desirable place in which to live so people would come in and populate rural Saskatchewan?

When you look at the problems of our business people, you can ask the question, the Tory question: how can we make a deal? Or ask the New Democrat question: what needs to be done so that people feel confident enough in Saskatchewan to invest, to open a business and to sustain a business and stay here and live here?

Mr. Speaker, I submit, if you compare the questions then you will see that my leader is the person with the vision, the vision that is pro-business, that is pro-worker, that is pro-farmer, that is pro-artisan, that is pro-entrepreneur, pro-development, pro-people, professional.

Mr. Speaker, leadership for the 1990s should be based on values, should be based on values to provide a vision. Once you have a vision, then you can set up a plan which will lead to results and will take Saskatchewan from a deficit position to an equity position, from a foreclosure position to a profitable venture, from education and health cut-backs to new services.

We will take a government from secrecy to a government of openness and make this a place, make Saskatchewan a place, that's a desirable place in which to live.

Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Hon. Mr. Meiklejohn: — Thank you very much, Mr. Speaker. It's a great honour for me to join in the budget debate at this time. And it's interesting as I listen to the individual from other side when he talks about education. And this is an individual who has been in education for a number of years, but I sometimes think along the way, Mr. Speaker, that he missed out on something.

But I am very pleased, Mr. Speaker, to enter into the budget debate because I am pleased with the amount of money in this particular budget that is going into education. One can always argue the fact that it would be nice if there was more money to go into education and into every other program that we have operating in this province.

But the fact of the matter is, when we consider the economic times and the fact that farmers are getting much lower prices for their grain today than they have been over the last number of years, that oil prices are down, that uranium and potash prices are down, we have to spread the dollars out just as far as we can. And for us to have gained an increase of 5.6 per cent in our budget this year, I think, was very, very admirable.

We have to consider the fact, Mr. Speaker, when we look at education today, that we are preparing our young people for the 21st century. And when I refer to our young people, I'm referring to the nearly 200,000 students that we have across this country in kindergarten to grade 12.

Well we also recognize, Mr. Speaker, that when we talk about education today, that we are talking about students of all ages, because today we know that we have many, many adults who have returned to school who are wanting to better their education and are continuing that path of becoming lifelong learners.

So when I refer to education and the students that we have, I want you to understand, Mr. Speaker, that we are referring to people that extend from five years of age right on through to maybe 85 years of age. So often, Mr. Speaker, we tend to associate learning with youth, but in point of fact we never stop learning. The right age for learning is whatever age a person happens to be. We must meet the needs of our timid five-year-olds and our uncertain adolescents, of our challenging teenagers and our confident post-secondary students, but we also have to take a look at our adult students and our senior citizens who are also interested in furthering their education, Mr. Speaker.

How have we responded to the challenge of meeting so many diverse needs? And when you consider the fact that our budget this year has been substantially increased to \$888 million, which translates into about \$888 per every man, woman, and child in this province, that is a record high expenditure in this province, Mr. Speaker.

(1445)

And we have another teacher on the other side whom I have a fair regard for and a fair bit of respect, Mr. Speaker, and I refer to the individual from Saskatoon South. And I have appreciated the fact that on different occasions we've had an opportunity to meet and to discuss problems that do exist in education today, and I want the member to understand that I appreciate that discussion and that ongoing dialogue. And I would wish, Mr. Speaker, that there could be more of this, more of this type of suggestion being put forward by members opposite. The fact that this individual has spent many years in the educational field and has had a lot of experience, I do appreciate his input.

I cannot say the same thing about some of the other members opposite, Mr. Speaker. But I do get disturbed when comments do come out about the fact that Saskatchewan has the lowest expenditures across the country in so far as our educational system, because it's totally inaccurate. I've heard members of the opposition indicate that we were at the bottom, that we were somewhere in the neighbourhood of \$774 per capita, but it's been proved beyond a doubt, Mr. Speaker, that the information that they were using was inaccurate. The writer of that particular information has acknowledged that, and if you can divide 888 into a million and come up with 774, somebody needs some remedial math, Mr. Speaker.

The fact of the matter is, Mr. Speaker, that we are somewhere in the range of sixth in spending across this country, not last as some on the other side would have you believe. When we take a look at the information that is put out by the Council of Ministers of Education, and those are the figures that we quote, Mr. Speaker, they are

the most up-to-date figures that we have anywhere in Canada, and I would suggest that the hon. member from Saskatoon South take a look at that.

Well, Mr. Speaker, with regard to the budget this year, as I've indicated, we do have an increase of 5.6 per cent, and that's an increase of 70 per cent from what we had in 1982. It also represents an 11 per cent increase in real spending over 1982 after inflation has been taken into account.

Education continues to be the second largest expenditure in this particular budget. That indicates the commitment that this government has to education. When one considers that one out of every \$5, nearly one out of every \$5, Mr. Speaker, is being spent on education across this province, this government continues to view the learning process as a top priority, increasing educational spending by almost \$50 million over last year.

Now I know that there are some of those in the school systems and the teachers' federation who have indicated it is not enough, but we have to stop and consider the economic times that we're in today, and that if we can increase by nearly \$50 million, that that is really something I think we can be proud of. Certainly it would have been nice to have had more, but I'm sure that all of those other departments that had cuts or in some cases had no increase at all would very much liked to have had some of the money that is going into education.

Now I'd like to talk about some of the key features relating to education in this year's budget, but I'll get into some of those a little bit later on just to point out the high priority that education is in this province. Budget discussions of any kind, whether it's for a province or for a company or an individual household, are most productive when they transcend dollars and cents issues. We in this Assembly tend to get bogged down from time to time in the statistical quagmire of our own making, firing numerical salvos back and forth before a glassy-eyed public and eventually a shell-shocked media.

This may provide great fun for our number crunchers and good copy for the press, but I question whether we further what I'm sure is the common goal of all members of this House, which is maintaining and improving our school system. I believe we can be more productive by looking beyond dollars and cents. We need to examine whether we're adequately providing for our students' needs in the strict quantitative sense. Certainly, but let's also take a look at why.

Particularly now when economic conditions are less than perfect, we need to look not just at how we can spend more but how we can spend smarter to be most effective. I suspect members opposite will have something to say about the quantitative side of this year's education allocation, and this is as it should be. The role of Her Majesty's Loyal Opposition is to keep a critical eye on the expenditure of public funds. And I invite you to also look at the qualitative side. I ask you sincerely to bring forward constructive suggestions on how we can do more with what we have, how we can obtain better value for our education dollar.

We know, Mr. Speaker, that with the times having been as tough as they have, points out the reliance that we've had in this province on our primary resources. And it also points out the need for us to continue to look at more diversification in the province. We need to create more jobs, we need to have more manufacturing and processing. And we hear members opposite talking about money that's going into Cargill and the development of a fertilizer plant. But, Mr. Speaker, this is exactly the type of thing that has to be happening.

Let's ask the members from Prince Albert if the paper mill has not helped the situation in the Prince Albert area, if it hasn't created jobs, and if it hasn't added to the revenue of that particular part of the province.

Let's also talk to the people in North Battleford and ask them if Hunters has not added to the revenue in that particular area, or the bacon plant. Let's talk about Intercon and what's happened up there in Saskatoon with money that has gone in there from the provincial government.

But at the same time, they do not want to admit, Mr. Speaker, that if the government did not become involved with a company like Cargill, they would go to Alberta, and then we could import all of our products from there. The jobs would be over there, and it would not add any revenue to our province.

Eight hundred and eighty million dollars we've allocated for this fiscal year — that's a lot of money. We have to view education funding not as an expense but rather as an investment, one that pays handsome dividends. Education as an academic discipline, has grown very . . . has grown increasingly complex over the years. Evermore elaborate theories on the process of teaching and learning are generated with each passing year, adding to an already considerable store.

As valuable as this is, Mr. Speaker, we run some risk of outsmarting ourselves. We risk losing sight of the forest on account of the trees.

Reduced to its simplest terms, we educate to transmit knowledge and to generate new knowledge. In so doing, we enable individual students to better their lot in life in economic terms and also to lead more rewarding, productive lives as citizens. In so doing, we preserve our intellectual heritage and enable it to grow. We also preserve our broader, cultural heritage and allow it to develop further.

Bear in mind, Mr. Speaker, that universal public education is a relatively recent phenomenon, at least in historical terms. Generation after generation, through century after century, lived and died without formal schooling of any kind. This only began to change when it became apparent to the decision makers that the collective good of society could no longer be advanced without widespread knowledge.

The driving force of change was economic. The transition from feudal to mercantile to industrial economies require the citizenry capable of comprehending new technological tools and using them to good effect. For the

first time, a consensus emerged that there was in fact some connection between knowledge and material well-being. A consensus began to emerge that knowledge was in fact the key to improving the human condition. It therefore followed that the more people who had access to knowledge, the greater would be the prospects of positive change.

Mr. Speaker, this is as relevant for our time as it was then. In point of fact, it is much more pronounced. What we know of the world is growing by leaps and bounds. Today it is ever more apparent that material well-being and knowledge march in lock-step.

I am going to give you a very basic example of what I am referring to. Let's take a look at the most fundamental of learning skills, the ability to read and to write. Current estimates show that about 1 million Canadians are almost totally illiterate and another 4 million are functionally illiterate.

This problem is estimated to cost upwards of \$3 billion annually, costs incurred by reduced productivity, increased accident rates and retraining requirements. Further estimates show that illiterate adults will earn 42 per cent less than high school graduates during their lifetime.

In other words, whatever immediate saving might be affected by ceasing instruction in reading and writing is more than offset by the costs incurred down the road. The Canadian Scholarship Trust Foundation has estimated that a university education now costs approximately \$7,000 a year. But the economic value of a three- or four-year degree over the lifetime of the graduate can be in the seven-figure range.

When the school system as a whole does not perform to our expectations, that's when we really get a clearer picture of the overall cost. The chief executive officer, for example, of the Apple computer corporation has stated that industry in the United States is now spending \$25 billion annually on further educating entry level people in the work force. That's \$25 billion. This is the cost just of imparting to work-force entrants the knowledge necessary to perform an adequate beginner level in today's increasingly technical work place. Mr. Speaker, by now my point should be very clear. We spend what we do on education because the consequences of not doing so are so far more costly.

The \$880 million, the \$888 million that the school system costs us is in fact the best investment any of us can make, one that pays dividends far in excess of the initial cost. Moreover, it is an investment in our single most valuable resource, the collective potential of the people of Saskatchewan.

It's not by chance that today's economic superpowers, the Japans, South Koreas, and West Germanys of the world are those who recognize the importance of knowledge in today's global market-place. These are the countries whose research and development expenditures far outstrip our own. These are the countries which have been quick to realize that the competitive edge conferred by a natural resource base can be overcome by way of the

class-room and the laboratory.

When we invest \$888 million in developing our human potential, we are in fact investing in the future of Saskatchewan. Our future economic and social well-being will depend largely on the willingness and capacity of our students to learn, and on the learning opportunities that we can make available for them.

Any broker will tell you that maximizing your investment returns is contingent as much upon the nature of your investment as the amount. It depends on the quality of your investment as well as the quantity. So too with education, Mr. Speaker. This year's budget sets new records for education funding in quantitative terms, but how it is being spent is just as significant.

The \$888 million allocated for this fiscal year is almost \$50 million more than that allotted for 1989-90. That's a \$50 million increase in our education investment during a year of continued low resource prices, cut-backs in federal transfer payments, and one of the worst crop years in Saskatchewan's history. Responsible fiscal management means investing wisely when resources are scarce, and we have done so.

Mr. Speaker, 95.6 per cent of our total education budget is targeted directly to supporting our schools and their programs. Only 4.4 per cent is for the internal use by the department to meet the costs of administering these programs. Again we have shown responsible fiscal management, not just in how much we invest but where.

Learning is a lifelong process. The various levels in our school system are like links in a chain, and all must remain strong for the learning chain to do its job. Accordingly, operating funding for the kindergarten to grade 12 school divisions, the universities, our federated and affiliated colleges, and the Saskatchewan Institute of Applied Science and Technology has been increased by 3 per cent across the board.

Capital payments for our kindergarten to grade 12 schools will increase by 2.7 per cent to \$69.5 million. University capital payments will be 10.5 per cent greater than that provided last year, up from 19.5 million to 21.6 million.

Mr. Speaker, we know that there is need for capital construction in our K to 12 school system. We need new schools in some centres. Other centres, renovations have to be done. But we know as well that construction costs a tremendous amount of money today. And we can see that when we consider the costs that are now being incurred with the construction of the new College of Agriculture building in Saskatoon, when some \$92 million will have been spent there by the time the building is complete.

And I would also point out, Mr. Speaker, that if one is to consider the amount of capital construction that has gone on at the University of Saskatchewan during the last eight years, it has been very, very substantial.

I would ask you, Mr. Speaker, or anyone else in Saskatchewan to compare our record with regard to capital construction on our university campuses in the

last eight years to the last eight years that the NDP were in power, and you'll see, Mr. Speaker, that it fell very, very far short of what we have spent.

When we know of the problems today that exist with space shortage at the University of Saskatchewan, why wasn't the NDP doing more about that problem when they were in power back in the 1970s when the economy was good. Where were they? Why weren't they spending more money?

And today then we are found in a position where we have to make up the shortfall, just like we did with nursing homes. And that member over there was in charge of health at that particular time. We now are faced with the problem of having to make up the shortfall at a time when the economy is down.

So I would suggest, I would suggest, Mr. Speaker, that when the member from Saskatoon South and the member from Saskatoon University are next in Saskatoon, that they take a look at the skyline at the university campus and just see how much has been done on that campus in the last eight years.

(1500)

Additional funding is also being provided to maintain up-to-date courses of instruction for our primary and secondary schools. Development and implementation of the new core curriculum is entering its peak design phase this fiscal year. This year there's almost \$10 million allocated to core curriculum. Now that's up slightly from last year, Mr. Speaker, and we feel that over the next couple of years that there is going to be a tremendous need for support and a lot of work on materials, and not only development of materials but also the purchase of materials. And we are going to have to ensure that the core curriculum stays on track and also that it continues to move ahead, because the implementation of the new program is very, very important in our schools throughout this province.

We've allocated \$950,000 to monitor and evaluate student performance during the coming year, to ascertain how effectively core is working and how it can be further improved. Again, we are targeting funds for the best qualitative effect along with providing a quantitative increase.

Another area, Mr. Speaker, that needs a lot of attention today is in the area of student retention in our schools. And you, having been a former educator, would well realize that we do have a lot of students that drop out of school today for one reason or another before they have completed grade 12. So we are going to be providing in the neighbourhood of \$1.7 million this year to continue initiatives for keeping our young people in school until they have completed grade 12.

This of course is very, very important; in some cases it may be more important than others. The northern part of our province. We know that there is a tremendous need to continue to work with our young people in keeping them in school until they have that opportunity to graduate from grade 12. I am very proud of the many programs that

are being provided in the North today to alleviate this problem.

Our regional college network helps make post-secondary education and other learning opportunities more readily accessible to all Saskatchewan residents, no matter where they live.

Now they are also going to be having an increase of funding of 3 per cent. But in addition to that, \$2.3 million will be provided to the regional colleges through the new Advanced Education Enhancement Fund to further the goal of greater access to university and skill-training programs. This funding will allow the colleges to offer a wider range of programming to students in rural and northern Saskatchewan.

We know that by doing this, Mr. Speaker, it's going to do a couple of things. It's going to alleviate some of the enrolment pressure at our two universities. But I think, more important, it's going to provide opportunities for students to attend first and second year university courses or vocational courses much closer to their homes. So it is going to increase that access, Mr. Speaker.

The enhancement fund takes the place of the former university and institute enhancement fund. The 1990-91 allocation of \$17.9 million represents a 79 per cent increase over that provided through this past year. Again we have targeted funding where we feel maximum returns can be realized. In this instance, we not only improve access to post-secondary education but further the goal of improved community stability as well.

The two universities will receive an additional \$8.5 million from the Advanced Education Enhancement Fund in the coming fiscal year — a 21 per cent increase from 1989-90. SIAST (Saskatchewan Institute of Applied Science and Technology) will see its allocation from the fund more than double — from 3 million in '89-90 to 7.1 million this year.

An Hon. Member: — Built into the base.

Hon. Mr. Meiklejohn: — It has not been built into the base. The operating grant has gone up by 3 per cent, but there has also been an increase in the enhancement fund. The member across the way, Mr. Deputy Speaker, is a little bit concerned about the enhancement fund. But I would add that this is a fund that was given to the universities and to SIAST in the past year to help them with some of the pressures that they're having today with their operating. And that's something that they recognize as very, very important and needs to be continued.

The regional colleges are included under the umbrella of the Advanced Education Enhancement Fund for the first time this year. And I've already indicated about the fact that the \$2.3 million that they're going to be receiving this year will go a long way to helping them to expand the offerings to more and more students in their own areas. All told, the Advanced Education Enhancement Fund will inject almost \$18 million into our universities, technical institutes, and regional colleges for this fiscal year. That's \$18 million over and above the increases that these institutions are receiving in their operating budgets.

Mr. Speaker, one of the soundest investments we can make is directly in our students. By this I mean the financial assistance we provide to our post-secondary students that gives them access to the knowledge and training that they need. Since assuming office, this government has increased student financial aid to a level eight times greater than in 1982. The number of students receiving assistance has tripled. We have expanded the scope of the program to include students with particularly acute financial needs.

This year's budget builds on our record of investing in the development of our students' potential. Funding for the Saskatchewan Student Aid Fund in 1990-91 is being increased from 24 million to more than 46 million, an increase of 92 per cent.

Mr. Speaker, this money is going to be utilized for different things. This money is utilized by the scholarship and bursary program that's provided through the universities and post-secondary institutions. It's also money, if you keep in mind the fact, Mr. Deputy Speaker, that students do not have to pay interest on their loans as long as they're attending classes. So the government has to pick up that interest, and this is also what some of the student aid fund is going to be doing, as well as forgivable loans and remissions that we make to students who are given the opportunity to go back to attend classes.

Mr. Speaker, how we deliver our programs can be just as critical as the programs themselves. The best courses of instruction in the world are to no avail if they are not readily accessible to those who need them.

One of the corner-stones of a good education system is equality of access, and this means much more than simply providing ever larger financial aid, important though that is. It also means overcoming barriers of distance and of socio-economic circumstance. We will continue to work towards overcoming these barriers because the development of our human potential must be done without exception.

The correspondence school is a case in point. This is Saskatchewan's largest high school, providing learning opportunities to students all over Saskatchewan and all over the world. Mr. Deputy Speaker, we are providing even greater services today through the correspondence school than ever before. When we consider the role that they are playing with distance education in this province, it's second to none that you'll find any place in Canada.

The school serves more than 7,000 students annually. It provides flexibility to adult students, allowing them to learn at home at their own pace. It also provides school-age students with a chance to broaden their education by taking courses which may not be available to them at their local school.

We know with the problems that we have today, Mr. Deputy Speaker, with declining enrolments in rural Saskatchewan, that it becomes more and more difficult for some of our smaller high schools to offer good programming in a much wider base than they would have

in the past. We understand then the importance of the correspondence school and also the importance of distance education in assisting some of those students to take classes that they wouldn't otherwise have the opportunity to do.

This budget establishes a new revolving fund for the correspondence school to enable the services it offers to be expanded and improved. Particular attention will be given to making greater use of new technological tools for educational program delivery. Roughly 30 per cent of the school's enrolment is adult students. We have designated \$200,000 within the budget to help adult learners take full advantage of what the school has to offer.

The Education Outreach Fund was established in '87 to improve access to education for rural and northern Saskatchewan residents. This budget again provides \$3.2 million so that the Education Outreach Fund can continue providing a source of revenue whereby university, technical institutes, and our other programs can be offered outside our major urban centres.

We will continue to give high priority to meeting the learning needs of our northern Saskatchewan students. Funds have been allocated to continue implementing recommendations from the northern education task force and for other initiatives as well.

And, Mr. Deputy Speaker, I'm very pleased of the progress that we have been able to make in the provision of newer programs in northern Saskatchewan answering the recommendations that were put forth in the task force report. And I know that Northerners are extremely happy with what's happening. What we have to do, Mr. Deputy Speaker, is ensure that we keep in very close contact with them through northern education, through our northern education office in Lac La Ronge, that we will have the input from Northerners so that they can fully be involved in what's happening in their school system and also in their adult education programs.

In keeping with our commitment to accessibility, we will continue to offer special education programs for students with various disabilities as well as those with above average learning ability. In the coming year measures will be taken to improve what we offer in this area by placing more emphasis on actual program delivery and somewhat less on the diagnostic side.

Now I know, Mr. Speaker, that the member opposite, from Saskatoon Nutana, who has been involved over the years with special needs students, will understand the importance of this particular change probably more than many, because in the past a tremendous amount of time and effort and money has been spent on diagnostic services, and sometimes the programming fell a little bit short. We want to see that change, Mr. Deputy Speaker, and we're going to be starting with that this year.

We're also going to be taking a look at increasing funding in that particular area. We also want to have some funding that's going to be available for those students who have higher than average ability, Mr. Deputy Speaker.

This is something that we have done in very close consultation. Again it's Consensus Saskatchewan, Mr. Deputy Speaker. It's been done in very close consultation with not only the regional directors of education but also all of the directors of education in the school divisions. This is something that is a change from . . . the funding had been frozen at the same level since 1987, so we have moved that forward. We are increasing the funding and we're also changing some of the things that we're going to be doing.

And, Mr. Deputy Speaker, I want it to be understood by members opposite and educators in the province that I do not feel that we have the final solution at this point in so far as special education funding. This is something I think will probably have to be done over another couple of years. This is the first step. And I think we have to continue to work with educators so that we ensure that in those school divisions where they are providing a greater or a higher level of services, that they are in fact being reimbursed in a fair manner for the services that they are providing.

There may be some areas, Mr. Deputy Speaker, where a division is not providing this service, and in some cases they may be losers; they may end up losing a little bit of money. But I think, in all fairness, what the educational people are telling me is that they want a higher level of funding in those areas that are indeed providing the service, and I think that we have to take a good look at that, and it may well take us a couple of years before we reach that point. So I keep reinforcing that idea that we're not reaching the ideal with this first step that we've taken. We're going to have to continue to work on it.

Well another thing, Mr. Deputy Speaker, that we have to take a good look at is the area of the Educational Development Fund because this has been very, very important for all of our K to 12 schools in that it has provided additional money for school divisions to increase efficiencies, in some cases, but also to increase the number of resource materials that they have.

I know that in many school divisions the money was used to purchase computers, and I think that if you go into Saskatchewan schools all across the province, including northern Saskatchewan, that you will indeed find some computer labs that are as up-to-date and modern as you'll find any place in this country. And our young people, right down as low as kindergarten, are getting a pretty good education in the operation and functioning of computer programs.

So that's been done, I think for the most part, Mr. Deputy Speaker, through the Education Development Fund. We know that there were some problems created when the program was expanded or spread out over 10 years as opposed to the initial five, but that money is being put to good use.

In some cases I know that school divisions will use some of those funds for materials for the core curriculum, but on other cases I know that they had the money all designated as to how it was going to be used. This year, another \$14.5 million going into the Education Development Fund, and that brings the total up to about

\$90 million that has been spent on the schools in the last few years.

(1515)

Mr. Speaker, the Speech from the Throne outlined four pillars upon which Saskatchewan can build for the future. The budget provides a fiscal framework within which we can get on with this task. It provides \$888 million specifically for developing our human potential, providing our 300,000 students, I suppose, if you consider our K to 12 and all of the adult and university people, the part-time students that are involved today in trying to improve on their knowledge and skills, that this is going to be something that's very, very important as we work through the 1990s and on into the 21st century.

And it does so without prejudice, Mr. Deputy Speaker. Specific measures in this budget are designed to ensure that all students can realize their potential to the maximum possible extent.

This budget enables us to promote economic diversification by developing what is now the critical factor of production in a modern economy, and that being knowledge. It looks to the local needs of communities all over Saskatchewan by making a broader range of learning opportunities more readily accessible to residents in rural and northern Saskatchewan.

And it does so in a fiscally responsible manner. We have not just set a new record for education funding in Saskatchewan with this budget. We have also tried to set a new standard for targeting funds where they are most needed, for allocating our finite resources where they will achieve the greatest good for the greatest number. We have not just spent more, Mr. Deputy Speaker, we have spent better.

I tried at the outset to quantify some of the consequences of not educating, some of the costs that we incur by failing to adequately develop our human potential.

Mr. Deputy Speaker, in Saskatchewan we're living in a demographic time when the school age portion of our population is changing. We've got to consider the fact that when we look at our ageing population, and more and more seniors, we also have to consider the fact that over the next 20 years, that the average Saskatchewan citizen will neither be of school age nor have children in school.

And on a national basis, there are now 16 retirees for every 100 people in the work-force. By the time the last of the baby boom generation retires, this will be up to 34 retirees per 100 working. I raise this point, Mr. Deputy Speaker, because in a democratic society such as ours, numbers represent political muscle. We must be able to demonstrate, in concrete terms, the benefits of what we do with the second largest item in the provincial budget. There are sure to be other priorities clamouring for our attention. These priorities will doubtless have equal credence and possibly greater clout.

We must be able to demonstrate that education is the best blue-chip investment this province can make, and that a

failure to continue this investment will cost us very dearly in the long run. We must be able to demonstrate that all residents of Saskatchewan have a stake in what transpires within our school walls; whether or not they happen to have children enrolled at some level of the school system or not.

Towards this end, we have committed \$700,000 for a new venture called Partnerships in Education, an initiative to encourage greater community involvement in our schools. And, Mr. Deputy Speaker, to me it is very, very essential that we get more of our community members involved in our schools, and that we get more and more people into our schools to understand fully all the exciting things that are happening there, and the work that is being done by teachers to try and prepare these young people for the 21st century.

We know that in these times when money is scarce, that we have the debate arising as to where money should come from for funding education. And this is something that the member opposite from Saskatoon Nutana has raised, and I know that I have had discussions with the trustees associations, with representatives from SARM and SUMA, about the concern of the expenditures, the share of expenditures that we have in this province now provided by the government, and the portion that is provided through local taxation.

Now we have a resolution, we know, ahead of us, that we move to a 60-40 position within the next couple of years. And I want to point out, Mr. Deputy Speaker, just where we are in relation to the funding today, as far as the proportion put forward in operating grants from the province, or what has to come from local taxation. And I want to indicate, Mr. Deputy Speaker, that this budget this year is still around the 50 per cent mark with the sharing of this particular expenditure.

If you look back over the last three years, we have been just a little bit over 51 per cent in so far as the share of operating grants for school divisions. Now I can take the members opposite back into the early 1970s, when the first three years, you people were at a lower level as to provincial funding for operating grants for school divisions than we are right now. For example, now . . . (inaudible interjection) . . . Just, just listen out now and then you'll have an opportunity.

In 1971, Mr. Deputy Speaker, the provincial share was 45.8. In 1972 it was only 48.8, so the balance had to be coming from the local taxpayers, Mr. Deputy Speaker. In 1973 it was 50.9., so they haven't always been higher than where we are right now.

Well, I will go up. I will go up, certainly. In all fairness. In the 1970s when times were very, very good, and the provincial government had much more money to their credit, they were at the 56 per cent range as to what they were providing towards operating grants. And then after that, we've gone down to 51 per cent.

But I would also point out for clarification, let me point out for clarification, because the opposition are very, very good at misleading people on some of the information that they put forward. Let me just clarify so that people

understand how we determine how much of the provincial grants, the operating grants, would come from the province.

Mr. Deputy Speaker, for the most part it depends on local assessments. When you consider the fact that today we've probably got some school divisions in the province where maybe only 30 or 35 per cent of their total operating grant comes from the province. The rest of it is local taxes . . . (inaudible interjection) . . . Yes, Saskatoon is a good example. But I would also point out that it hasn't meant that each individual taxpayer is paying a tremendous amount more in his taxes each year.

I'll tell you where the difference comes, Mr. Deputy Speaker. It's that we've got a much broader assessment today in Saskatoon than ever before, and we have more people sharing that tax load.

And I would be very happy to have the member opposite take a look at this, because I think he can point out that the individual taxpayer's expense towards education over the last eight years, if you want, or 10 years, has not increased all that much.

Let's take a look at what has happened to the tax base in the city of Saskatoon and the number of taxpayers that we've got. Our population has gone up substantially.

But I would also point out that we have school divisions in the province where the provincial government picks up 80 per cent of their operating grant, and that is because they have a very low assessment.

So when you talk about going to a 60-40, or when the trustees' association talks about going to a 60-40, there are a lot of factors that we have to look at, and I've indicated we're going to look at them. We are going to be setting up a committee to work with the trustees, the teachers' federation, and SARM and SUMA (Saskatchewan Urban Municipalities Association) to take a look at this complex issue of educational funding, because times are changing.

I know . . . (inaudible interjection) . . . Well you've got to keep in mind that this is a flip-flop from the trustees. Their stance back in 1986, when the last big report was done, they did not want to see any change in the formula for funding of education, because they felt it would be a loss in their autonomy.

But now of course times are changing. And we recognize as well that in prior years, that the amount of property that a person had usually was what determined ability to pay. In other words, the more property you had the more you could afford to pay in your taxes. And of course this carried over into the operation of schools. That may not necessarily be the case today.

But, Mr. Speaker, what I would like to suggest to the members opposite, that if we're not going to be getting money from the property tax for education, and we're going to transfer more of the responsibility to the province, I'd like to hear their suggestions as to how we do this. Because I think for one thing we would probably have to look at this, and we'll do this in concert with the

other groups, Mr. Deputy Speaker.

One possible source for that would be income tax, and I would ask you, Mr. Deputy Speaker, who pays more income tax in this province? It's individuals like teachers in the province. It's individuals like cabinet ministers and members of the legislature. It's also people who are living in our urban centres, Mr. Speaker.

So if we're not going to be taking it from the property tax owner — and I dare say that there's not a property owner in this province, including myself, who wouldn't like to see his taxes go down a little bit — but I think we also have to consider that maybe it's income tax or something else is going to have to go up. So we're going to have to transfer it from one area to another, because there's just no big pot full of money out there that is going to take up the slack in this.

So I think that it's easy to say that we can make that transfer to a 60 per cent within the next two years. I haven't had the trustees' association answer my question yet, do they want us to do the same thing with capital projects; because at the present time the province picks up 80 per cent of the cost of capital projects — 80 per cent. So maybe they want to move to a 60 per cent, 60-40 formula on that.

Well, Mr. Deputy Speaker, we have to take a look at that; I readily admit that. I've indicated in this House that we have to do that, and I've indicated to the school trustees' association that we're going to have to look at financing of education in this province. But there's going to have to be a lot of discussion on it before a decision is made as to how it's going to come about. Because I can assure you that there are many people in the province of Saskatchewan that will not be very anxious to see their income tax go up, or to pay tax some place else to make up the shortfall, because the money is going to have to come from some place.

The member from Saskatoon South says that this is not enough money for education, but I haven't heard him say where this money would come from. It's got to come from some place. Well all they do is chirp about Cargill. Well, I mean sure, Cargill can go to Alberta and we can buy the products over there, and the jobs will go there as well. And we can rely on grain and oil and this sort of thing. We can chase Weyerhaeuser out of Prince Albert as well. I mean, that's what this bunch across the way would do, Mr. Deputy Speaker. So you can't have it both ways.

I listened with a great deal of interest the other day to the member from Saskatoon University, who was condemning the government for the large deficit that they have, and he was also talking about the taxes that people have to pay. And then in the next breath, Mr. Deputy Speaker, he's talking about all the shortfall in spending, that if their party should ever get into power again — and God help us if they ever do — that they would do all of these great and wonderful things.

Now how he can cut down on the deficit, cut back on government spending, do all of these great and wonderful things, and then all of the additional funds that he's going to need, all of these programs that he wants to bring in.

Mr. Deputy Speaker, it's going to be very, very interesting to see where that member's coming from, because his idea of economics and math is just a long ways out in left field, Mr. Deputy Speaker.

Well as I indicated, I'm very, very pleased with the budget, in so far as education is concerned. The fact that . . . (inaudible interjection) . . . Well that's not true; we've seen headlines in the paper that generally in education, that they're satisfied with money, the money that's going into education.

And if people will just stop and realize the economic situation that we are in today in this province. And some, particularly members opposite, have not realized that, Mr. Deputy Speaker. They have not come up with suggestions as to how we could refinance all of this, how we could fund education, put more money into it. They want more, more, more, but they don't really have any suggestions as to how it would be paid for.

Mr. Deputy Speaker, I have absolutely no difficult supporting this budget speech, the fact that we have increased our expenditures, or will be spending some \$50 million more in education this year over last year. We are going to be able to provide many more different things than we did in the past, particularly, Mr. Deputy Speaker, in reference to the regional colleges and the delivery of more and more university programs to our people in rural areas.

We've also made changes in some of the other areas, but we have to continue to work together with the Saskatchewan Teachers' Federation, with the trustees association, with the directors of education. We have, I think, at this point, a very good working relationship with them.

But these are problems, that we are dealing with today, that will not be solved by government alone. They have to be solved in working in concert with all of these other groups. And at the same time, Mr. Deputy Speaker, at the same time we have to keep in mind that the money that we're spending on education, or spending in health or any other program in this province, has to be in direct relationship of the taxpayers' ability to pay.

And, Mr. Deputy Speaker, there are many taxpayers in this province that feel that there maybe should have been many more cut-backs than we have in this particular budget. There should have been many, many more. So it's fine to say that we've got to do more, but in this particular time we maybe have to take a look at doing less.

Mr. Deputy Speaker, I'm sure that if members take a look at this particular budget, and take a good look at all of the different expenditures and the designations of them, and we see how the money is being put forward, that we should have unanimous support for this budget. And I certainly will be one who will stand in favour of it, Mr. Deputy Speaker. Thank you very much.

Some Hon. Members: Hear, hear!

(1530)

Mr. Lautermilch: — Thank you, Mr. Deputy Speaker. Mr. Deputy Speaker, I am very pleased to enter this debate on this our latest budget in Saskatchewan, our newest deficit budget. And I want to tell the minister from Saskatoon, the minister across the way, that no, this will not be unanimous support for this budget. And I want to spend a while explaining to him, on behalf of the people of Saskatchewan, why it's not only going to be a split vote in here, but that it's a split vote out on the streets in Saskatchewan. Because people are sick and tired of your deficit budgeting, your mismanagement, your coming in here turning a negative budget into your flowery speeches. And the people are sick of that, Mr. Minister.

Mr. Minister, I was surprised when the Finance minister stood in his place the other day and talked about consensus. And the outset of his remarks — I refer you, sir, to the budget address of March 1990 — on page 2 in the outset of his remarks, and I want to quote from this document, Mr. Deputy Speaker.

The minister went on to say:

At town hall meetings, in cafes, at grain elevators and on shop floors, people told us how we should deal with change and how we should build for the future.

And he goes on to say:

I thank all those who came to our meetings and shared their views with us. (And) I am happy to see a number of these people here tonight. (And he goes on to say) I say to you, and to all the people who participated, your ideas have formed the foundation of this Budget.

Now let me repeat that, Mr. Deputy Speaker, "Your ideas have formed the foundation of this budget."

Well, Mr. Deputy Speaker, I would argue with that statement by the Finance minister. I would argue strenuously that this budget is not what the people of Saskatchewan were asking for.

I'd like to know, sir, how they came up with this document. If they were consulting with educators, if they were consulting with municipal governments and school boards, if they were consulting with Canadian Federation of Independent Business, and the Saskatchewan chamber of commerce, and if they were consulting with working men and women across this province through the Saskatchewan Federation of Labour and other groups, I would suggest to you, sir, that you would have seen a much different document presented to the people of this province.

You know, Mr. Deputy Speaker, they talk about the consultative process and the process of consultation that they seem to be wanting to make the people of this province believe they're embarking on.

Well you know, I can remember a previous Finance minister consulting in shopping malls a few years ago. I can remember the former member from Kindersley, now the trade official, the \$100,000 man in Minneapolis,

standing in this place and telling the people of Saskatchewan through a big announcement that he's putting computers in the shopping malls, and that people can feed in their ideas, and that's the basis from which he'll put together a budget to deliver to the people. He'll give them really what they want.

Well I want to tell you, Mr. Deputy Speaker, that people fed their ideas in, but I don't believe that this government was listening any more at that time than they are now. And I am wondering, Mr. Deputy Speaker, if perhaps they weren't using one of the 20 Lambda computers that they paid \$3 million for to put into GigaText, the ones that they only received \$85,000 return on. And maybe the answers came in French and that minister couldn't translate, because I tell you, what the people were saying at that budget time and what this government actually delivered were two totally different things.

They didn't ask for a massive deficit, they didn't ask for an increase to the flat tax, they didn't ask for a cut-back to education funding and health care funding, and waiting lists. None of those things, Mr. Speaker, did they ask for, and they didn't ask for a thousand family farms to go under every year. Those are not the things the people of this province aspire to, and those are not the kinds of things that they're expecting from their government.

I want to say, Mr. Deputy Speaker, the Minister of Education stands in his place, and on one hand he said that the people of this province are bleary-eyed with the figures that are bantered back and forth. And he may be right, because he stood in his place for three-quarters of an hour and he talked dribble and fudged figures, and that's exactly what he did.

And let me tell you two figures that indicate, Mr. Minister of Education, what the bottom line is. The bottom line is this: the increase to education funding in this budget is 2.9 per cent and inflation in this province next year will probably run around 5 per cent, which means that the municipal school boards are going to have to start scratching for more money to educate our children in this province.

And those are the only two figures that the people of this province have to know, and those are the only two figures that you should have been using because those are the only true figures. And that's what education is . . . that's what's happening to education in this province.

And if you think you can fool the people of this province, you've got another think coming, because I tell you, they know what higher enrolment quotas mean; they know what longer waiting lists mean; in post-secondary education they know what cuts to programs and our universities mean, and they know what it means when professors are laid off and have to leave this province because universities can't afford to fund their salaries.

And I want to tell you, you talk about children with learning disabilities, Mr. Minister. Let me tell you, sir, since you've been government in 1982 — and I admit you haven't been the minister the whole time — I've got a little girl with a learning disability and she's been dealing with your education funding since 1982, the education

funding from the minister, from the Premier of this province.

And we deal with that in my house on a daily basis. And I talk with people in Prince Albert and throughout this province who've been dealing with cut-backs to education which has meant lower quality service to their children; kids that need that kind of help and aren't getting it because this government's got priorities like GigaText and like Joytec and like Cargill Grain and like Weyerhaeuser and like Peter Pocklington. And that's what the bottom line is on your education funding.

Some Hon. Members: Hear, hear!

Mr. Lautermilch: — I want to tell you, Mr. Speaker, when I look at agriculture and I travel this province — and I've done a lot in the last two or three years and I've talked to a lot of farmers — what do I hear from farmers? Do I hear from farmers that they say, oh, Mr. Premier, what we need is more debt. Would you give us another production loan so that we can be more in debt and have that interest build so that ag credit corporation can come in and foreclose on us?

I tell you what: if you're hearing that and that's part of your consultative process, you my friends, are listening to the wrong people.

Some Hon. Members: Hear, hear!

Mr. Lautermilch: — I can tell you what farmers are looking for though, Mr. Deputy Speaker. And I can tell the member from Cut Knife-Lloydminster if he'd shut up long enough to listen, I can tell him what they are saying.

I can tell you that they're asking for debt restructuring. I can tell you that they're asking for a reasonable price for their commodity above the cost of production. I can tell you that they're looking for income stabilization. That's what they're looking for.

They're not looking for an **ad hoc** election time promise, delivered by the Premier of this province and by his federal counterpart, the Prime Minister of this country. They're not looking for that. They want some long-term stability and you've had 10 years almost to deliver it. And I say to you, Mr. Speaker, that the Premier of this province has betrayed the farmers of this province because we're losing a thousand of those families every year, simply because they haven't had the vision and the foresight to deliver a long-term agricultural strategy.

I say to you, Mr. Speaker, that in this budget they expected the Premier to announce that he was working with the Prime Minister of this country to bring in a form of debt restructuring, and I say they've been betrayed. I would suggest to you, sir, that a number of the families and the farmers that were sitting in this hall today . . . in this gallery today watching question period have a feeling of betrayal, and they have a right to be.

I've been at meetings with the Christian farm crisis association. I was at one, as a matter of fact, with the member from Shellbrook-Torch River. Or not with him; I wish I would have been with him, but he wouldn't show.

Right in his riding, at Ed's inn just outside of Prince Albert, some 300 farmers were gathered to try and make some sense of what was happening to their lives and what was happening to their families. And I want to tell you who wasn't there; their MLA wasn't there.

And do you want to know why their MLA wasn't there, Mr. Deputy Speaker? Because that MLA was ashamed. He was ashamed of the fact that his political party and his government has not been able to put together a long-term agriculture strategy. And he was ashamed to look those families in the eye and say, we're sorry, we didn't get it together for you, and we're going to have ACS foreclose on you — the farmers' bank, as the Premier refers to it — who holds a big bulk of the farm debt, the \$6 billion farm debt in this province. We're going to foreclose on you. You can't live in your farm and you can't live in your community any longer. You're going to have to move to the city and try and find work in there, or you're going to have to move out of the province, because we didn't have a long-term solution.

And I want to say to you, Mr. Deputy Speaker, that that's not acceptable. It wasn't acceptable last year, it's not acceptable this year, and I suggest to you it's not going to be acceptable when the people of this province have a chance to go to the polls to indicate exactly how they feel.

Some Hon. Members: Hear, hear!

Mr. Lautermilch: — And later on in my remarks, Mr. Deputy Speaker, I want to indicate just why they feel betrayed, because I want to bring the members on that side of the House back to 1982 when they were campaigning prior to the election, and I want to remind them of the things that they said that they were going to do, the promises they made, the sacred commitments that they made when they were in opposition looking to be government, and exactly what they've done after they became government.

Mr. Deputy Speaker, I referred earlier to the consultation process and the fact that through consultation this government is looking for consensus. Well I want to spend a little time, Mr. Deputy Speaker, dealing with the small-business community and why they feel betrayed.

I was quite interested to note during the budget speech — and I was listening intently; I was listening very closely, Mr. Deputy Speaker — to hear what this particular government had for small business. And I tell you if I would have blinked an eye, or if I would have closed my hearing off for 30 seconds, I would have missed it.

And let me read back to you what this Finance minister had for small business. This guru of free enterprise, I want to tell you what he said:

People have told us too, Mr. Speaker, that we should reduce the number of grants to business. We are moving in the direction of eliminating business grant programs, and our focus will now be a partnership approach through equity positions and joint ventures.

Well now, Mr. Speaker, some of us are not really clear

what this Finance minister means in terms of reducing business grants. Like I would like to know, Mr. Minister, if this means that the \$250,000 you fired to Northern Lights game farm is no longer going to be around.

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

Hon. Mr. Hepworth: — Mr. Speaker, would the hon. member the answer for the legislature the question as to why in *The Prince Albert Daily Herald* one business man is quoted as saying:

From a business point of view, I'm quite happy with the increase in internal government cuts.

The Deputy Speaker: — Order, please. Order. Would the member entertain a question?

Mr. Lautermilch: — Mr. Speaker, I would like to finish my remarks, and at the end of my remarks I have some questions for the Minister of Finance, if he would be willing to answer my questions.

Some Hon. Members: Hear, hear!

Mr. Lautermilch: — Would the minister entertain my questions after my speech?

Well, Mr. Deputy Speaker, I'm asking a question of the Minister of Finance. Are you willing to stand up — you're the man that proposed this document — are you willing to answer my specific questions after I'm done my remarks?

An Hon. Member: — No, he isn't.

Mr. Lautermilch: — Apparently not, Mr. Speaker. Mr. Deputy Speaker, I'll continue with my remarks. And as I indicated, the only thing I saw was that they were going to cut back grants, and I'm asking who those grants are going to be cut back to. Is it going to be the foolish grants to Guy Montpetit, the French-Canadian business man who came in and bilked you guys out of 5 million? Is it going to be the \$250,000 that you gave to Graham Taylor's son, now the trade ambassador in Hong Kong? The 250,000 that you gave to him, is that what you're cutting back? Or are you going to cut back what you haven't given to all those small-business men and women out there who've tried to access funds through SEDCO and haven't been allowed to get the funding through SEDCO that should have been given to them?

(1545)

Those are the questions that I ask in terms of this. And I want to say, Mr. Deputy Speaker, I listened to this process of consultation and this new era of consensus and the fact that he's willing to listen now and that he's developed his budget around what people were asking for.

Well, Mr. Deputy Speaker, I want to take you to a pre-budget submission, submitted by the Canadian Federation of Independent Business here in Saskatchewan, and this was passed on to the government in January of 1990. And I ask if what's in this budget

resembles anything the Canadian Federation of Independent Business was asking for. On the first page of that pre-budget submission they ask for a no-frills approach to the 1991 budget, and there must be a clearly communicated strategy for deficit reduction.

Well I ask you, did that happen? What did we get? We got an increase, to an over \$4 billion debt, of another \$363 million. That's what we got, Mr. Speaker. So they failed the Canadian Federation of Independent Business and the business men and women who responded to their surveys. They failed them, because what they've done is added to the debt.

And I go through and I would ask if Mr. Botting had consulted with this member, if he was comfortable and if he said, yes, we're happy with another \$360 million debt and that's what we were looking for, \$493 million in interest we pay. I ask if the Canadian Federation is happy with that, and I would want to say to you, Mr. Deputy Speaker, that clearly the answer would be no.

They went on through there and they said they wanted the government to support lowered fixed costs of production and reduced-profit insensitive taxes which are particularly damaging to small business during these tough economic times.

Well I would suggest, Mr. Deputy Speaker, they were referring to the business tax. And did I hear one word to address it, to finish off a tax that's not based on the ability to pay, not based on income? No. I didn't hear a word about that. And so I ask this Finance minister, what would his response be when they come with that request.

And I go on, and it says:

Their strategies for deficit reduction and fiscal restraint:

1. To make the reduction of the deficit a top priority in the 1991 budget

Well, what did these gurus of finance do? My colleague from Moose Jaw North said, the best business minds in the PC party. Well, I'm afraid if in the PC party this is all they have to offer, you'll never satisfy the small-business community in this province.

Some Hon. Members: Hear, hear!

Mr. Lautermilch: — But you know, the most damning and the most condemning portion of this pre-budget submission to this government was their request for a high priority area for spending cuts should be government funding of megaprojects.

Mr. Deputy Speaker, what they're saying to this government is that your priorities have been Weyerhaeuser and they've been Pocklington and they've been Cargill, they've been Millar Western, they've been Husky Oil. But I want to tell you, Mr. Speaker, they know that it's not the average Saskatchewan family business. They know that. They know clearly you've ignored them. And what you've done in this budget, what this Finance minister has done in this budget, Mr. Deputy Speaker, is

just confirmed their suspicions that that's where your priorities lie.

I go through the list. They ask for no frills. They ask for some relief for taxation, deficit reduction, a stop to the funding of megaprojects. But the last one, Mr. Deputy Speaker, they're asking you for a reduction in the size of the Saskatchewan government's cabinet.

Mr. Deputy Speaker, in the last few weeks we've seen another, yet another reorganization of this government to take a minister that's in trouble out of trouble, move him out. So we've seen another reorganization. We've seen four government departments disappear, Mr. Deputy Speaker.

What did we see in terms of the number of cabinet ministers? Well do you know something, Mr. Speaker? Before that redistribution happened, I could look across there, and what would I see? I saw 20 cabinet ministers. I saw the Premier, in this age of no-frills government and listening to the people and cutting back on the waste that his government has been embarking upon since 1982, reshuffles his cabinet.

But you know something? He hasn't got the common sense to understand that the people of this province, the business men and women and the working people, were asking for a reduction in the number of cabinet ministers.

When you look at the entourage that those cabinet ministers travel with, their ministerial assistants that they travel to London and Rome and goodness knows where with, when you look at the \$100,000 that the member from Qu'Appelle-Lumsden spent in travel last year touring himself and his deputy and his deputy deputy and his assistant to his assistant, and when there's a 100,000 bill coming back to the taxpayers of this province without even counting their salaries, without even counting their cars, without even counting the cost of their secretaries, it's no wonder the people of this province have lost trust in you, Mr. Deputy Speaker.

And the Minister of Finance can stand over there and banter all he wants. He can yip from his seat, which he is probably the most eloquent from his seat and very consistent in it. He can sit there and banter and ballyhoo. But the fact is the people were asking for less government from you guys and you weren't willing to deliver it. The people of this province know that you've still got your members at the trough, just like you had.

I note with interest after this big cut-back in expenditures, the number of legislative secretaries still remained the same. Now I ask what the role of the Legislative Secretary is. We know one thing. It's to collect a cheque every month. That we know. We know another thing. He gets a pretty good expense account every month. But were they willing to cut back on those, Mr. Deputy Speaker? Not a one — not a one.

One of the biggest business organizations in this province asked this government to consult with them, spends hours and dollars to put together a proposal to help cut the costs of this outrageously large government. And what does the Premier of this province do? Mr. Deputy Speaker, he

totally, totally ignored this group. And I suggest to you, they're going to pay when the poll time comes around and these people have a chance to pass judgement on them.

Some Hon. Members: Hear, hear!

Mr. Lautermilch: — Mr. Speaker, it's pretty clear that Cargill gets \$400 million and small business in Saskatchewan gets bankruptcy. It's clear that Weyerhaeuser gets \$239 million and small, mom-and-dad businesses in this province close their doors.

It's pretty clear that Pocklington can bilk this government out of \$20 million, and then move merrily on his way, and the business ends up owned by the Government of Alberta. Those are clear, those are very clear, Mr. Deputy Speaker.

And I want to say that I don't believe the small-business community in Saskatchewan is asking for a lot. What they're asking for is a commitment to fair, open, honest tendering. They're asking for the opportunity to do what they do best, and that's operate their businesses in a climate where small business can exist.

I listened to the member from Regina South talk about the wonderful things that this government has done for small business. Look at the bankruptcy numbers, Mr. Deputy Speaker. Can you tell me that the almost 500 people that went bankrupt in this province, the 500 corporations that went bankrupt last year, are happy with the member from Regina South's analysis? Do you think they agree with the open-for-business philosophy that hasn't worked? You know what they don't agree? They don't agree with the hinge on megaprojects, that's what they don't agree with.

And they say if you've got \$400 million to spend on Cargill in this province, to put at risk on behalf of Cargill, then perhaps you've got some to help small businesses start up. And maybe you've got some money to keep those thousand family farms in existence, so that those families can come in and shop in their businesses. And maybe you've got some money to make sure that the small operators in this province exist in an economic climate where they can make a profit. Maybe those are the kinds of things they're saying to you in this consultative process that you've missed, clearly.

I say, Mr. Deputy Speaker, that this government has failed small business; they've failed the retailers. I say to you they've failed the manufacturing sector. And I want to tell you there's one other area that they've failed miserably, and that's the small hotels in rural Saskatchewan.

Mr. Speaker, as part of my critic area, I've spent a lot of time with a number of hoteliers in this province, trying to understand what their concerns are and what the solutions are to the problems that they're facing. And they know that it's a complex problem in rural Saskatchewan, and they've asked this government for some interim help.

And the members across . . . the member from Rosthern can laugh and that's fine. That's fine. He can think it's a joke to see hotel after hotel close their doors. The member

from Shaunavon can laugh and that's fair and fine. I mean, that's all fine and dandy. But I want to tell you, Mr. Member from Rosthern, as it says in the good book, judgement day will come, and that's going to be in the next election, Mr. Minister.

Some Hon. Members: Hear, hear!

Mr. Lautermilch: — One of the main things, one of the key things that the Hotels Association of Saskatchewan was asking for, when the minister announced new regulations, was a change to the consumption tax. They put forth a proposal, Mr. Speaker, that would have been revenue neutral, would have cost the government of this province not a cent. They knew that there was some pretty broad-based agreement for changes. But did they act? The answer is no.

And, Mr. Speaker, I have a hard time to understand that. But then again I'm not alone, because the people of this province have a hard time to understand what's been happening since 1982, since these people took over and almost crippled the economy of this province.

An Hon. Member: — They did.

Mr. Lautermilch: — My colleague says they did, and that may be. But I want to say, Mr. Speaker, I've got some hope for the 1990s, because I know that we can elect a premier in this province that will cure the ills that these people on that other side have created.

Some Hon. Members: Hear, hear!

Mr. Lautermilch: — Mr. Speaker, I listened with interest to the member from Regina South the other night, and he was going on and on about his government being friends of the business community in Regina and Saskatoon and in other places. Well, Mr. Speaker, I just want to share with you an event that happened about three weeks ago in this province. Our leader invited people to a banquet, a fund-raising banquet in Regina. And we were trying to raise some funds so that we can defeat you people in the next election.

Some Hon. Members: Hear, hear!

Mr. Lautermilch: — And just to give you an indication of what the business community feels about that member of the legislature and all of his colleagues, let me tell you what happened. A hundred dollars a plate, Mr. Member, and there were 800 people there to hear what the Leader of the Opposition had to say about his vision for the 1990s.

Some Hon. Members: Hear, hear!

Mr. Lautermilch: — And I tell you, Mr. Speaker, if that isn't an indication that the business men and women in this province have had enough of this mismanagement, the mismanagement, of this Premier, then I don't know what is.

Mr. Speaker, there is so much that I want to say. And there's so much that has to be said about this government and about their record and about the future of this

province. But I want to allow my colleagues some time.

But before I do, I want to take members on that side of the House back to 1982, and a little document that they may be familiar with.

It was titled, Mr. Speaker, *Pocket Politics*, and what it was was a book that was put together by the PC Party of Saskatchewan. This particular one was authorized by the Melfort PC Association. And I'm sure the member from there will remember it because this is the kind of dribble, this is the kind of a future that they were telling the people of the Melfort area there was in store for them. And I know that this document was around all over the province.

And let me quote from it, Mr. Minister, and then let me explain what we see happening in 1990 in Saskatchewan. Big headlines here I can't show you, because I know that that's not in the rules, so I won't do that. But I'll read it. About three-quarters of an inch high:

A Progressive Conservative Government will:

1. Remove the Sales Tax on gasoline.
3. Assist in the transfer of farmland from older to younger farmers
4. Assist . . . business operators with loans up to \$25,000

And this is the best one, Mr. Speaker. They were going to cut the provincial income tax by 10 per cent.

(1600)

Well, Mr. Speaker, let's have a look at what's happened. In 1982 they're elected and then we have a Progressive Conservative government that will remove the gas tax. And they did, while the deficit mounted. They kind of removed it. Like they took it away for a while but they found out that golly, maybe we shouldn't have been saying that in 1982. Something's wrong here. Deficit budget, paying 400-and-some million dollars in interest every . . . we've got a little problem here. We might have to look at putting the gas tax on. So they did — 10 cents a litre; higher than in 1982, Mr. Speaker.

Assist the transfer of farm land from older to younger farms. Well what do we have? You've got fathers who've put their sons and daughters on land, gone into debt, now are being foreclosed on by the farmer's bank in this province, as the Premier refers to it, by ACS, and by the federal counterparts, the Farm Credit Corporation. So we lose a thousand farms a year, a thousand family farms.

So I mean '82 and '90, well, a little problem with that one. Five hundred bankruptcies last year to the small-business operators that were going to get very low interest rate loans. Hard to understand that one. A 10 per cent decrease in income tax. Now, Mr. Speaker, if ever there was a mistruth, if ever there was a problem with a political party out on the hustings, making a promise to people of this province, this is the one.

Because what have you got, Mr. Speaker? Mr. Speaker, a

\$40,000 income family is the highest taxed family anywhere in Canada. A family with an income of \$25,000 is now the second highest taxed family anywhere in Canada. And by golly, in the most intelligent budget that the member from Cut Knife-Lloyd, if he could remember that far back would remember, the Finance minister, now the trade ambassador in Minneapolis, earning \$100,000 a year, introduced what he called the most intelligent budget, and along with that the flat tax. Started at a half a per cent, went to one, went to one and a half, and by golly now it's 2 per cent, Mr. Speaker. And wouldn't you know that the average family in this province is paying some \$600 a year in new extra taxes. But in 1982, the Premier of this province, then the leader of the PC Party in this province, offered a 10 per cent reduction in income tax. What a betrayal — what a betrayal.

I say to you, Mr. Speaker, that it's no wonder the families in this province are depressed, and it's no wonder that they've lost faith in this government . . . (inaudible interjection) . . . So the member from Cut Knife-Lloyd wants to hear a little more about the commitments that he and others made in 1982, so I'll just share that with him.

Well they've got a little question area here and this deals with utility rates and SGI rates, insurance rates, and it says:

What should and will be done by a Progressive Conservative government?(the question is). Utility rates and SGI rates are always increasing. Is it true a PC government will establish a Public Utilities Review Commission to protect the consumers?

Do you remember that? Now what was this public utilities review commission, and do we have one today?

Well I want to say to you, Mr. Minister, Mr. Speaker, they established a PURC (public utilities review commission), sure they did, and then what did they do with it? When they didn't agree with what the public utilities review commission said in terms of rate increases, they scrapped it, they did away with it. Now that's consensus and that's listening. But you know what that is? That's breaking another campaign promise.

And I go on in this little party brochure that they put out. Mr. Speaker, this PC Party at that time was concerned about the way government operated, about a responsible government.

And so let me put it to you in terms of what they're asking for. The question is — and they say to the people that they're trying to campaign with:

Is it true that Saskatchewan has no freedom of information legislation?

And then it answers:

That's correct. A PC government will be committed to Freedom of Information legislation.

Mr. Speaker, what a joke; what a joke. Eight years later what we have is a Provincial Auditor who can only get at

half of the government's expenditures. What we have is ministers that come into the Crown Corporations Committee and refuse to answer questions as to how their money is spent. That's what you've got. So much for the question and so much for the answer.

And this is another good one:

A PC government will guarantee fiscal accountability to the public by ensuring independence of the Provincial Auditor and by guaranteeing him the financial and human resources to adequately protect the Saskatchewan taxpayer's money.

Well now let's talk about what's happened. The then Justice minister, the minister of the Crown whose role is to protect the integrity of the justice system in this province, stands up and unloads a personal attack on the Provincial Auditor like we have never witnessed in this province. It was a shameful display of a minister, but especially of the Justice minister.

But, Mr. Speaker, it's indicative of the attitude and the mentality of this entire government. It's indicative of the arrogance and the foolishness of the government. And this same minister now sits in Minneapolis drawing a hundred thousand dollar salary plus whatever expenses it takes to keep him down there. But I say to the members of this House, better he's there than in here because down there he can do less damage.

And they indicate:

What do the PCs propose to do about Social Services?

A PC government will give top priority to health and social well-being of Saskatchewan citizens.

And, Mr. Speaker, what do I see in my constituency office and what are members and my colleagues seeing every day in those constituency offices? Families coming in asking for food vouchers, referrals to the food banks, the food banks that didn't exist in 1982. That's what we see.

You see hungry children throughout this province. And in this budget, how to address that? Seven hundred and forty thousand dollars — 3 cents a day for those hungry children, Mr. Speaker. That's what this government's about. And I want to say to you, Mr. Speaker, that's less than acceptable. But more than that, I would tell you it's unforgivable.

This is a government that's lost the ability to care about our province's poor. This is a government that only cares about its own political future. And I say once more, Mr. Speaker, that there are people out there waiting for the chance to show their distrust and to show their anger at this government, and they're waiting anxiously for the Premier to call an election so that they can display those feelings.

Mr. Speaker, in this same document, this *Pocket Politics* that the Tories were running around with in 1982, they talk about what their plans are with respect to Crown

corporations in Saskatchewan. And if there was ever a bigger misrepresentation, Mr. Speaker, I'd like to know what that might be. This is the question that they posed to the electorate:

Is it true the Conservatives plan to dismantle the Crown corporations?

The answer is:

Absolutely not. That's a scare tactic the NDP is using.

And let me go on:

. . . there were suggestions from the premier (that would be the former premier of the province, Mr. Blakeney) that Tory sympathizers were somehow anxiously waiting in the wings to swoop down and peck away at the entrails of dismantled Crown corporations following a Conservative win . . .

Well, Mr. Speaker, I think the former premier was right because that was the record and that is the record. And you know what's funny in this budget speech? Not one time did I hear the word "privatization." Not one time did I hear that the agenda of last session, the privatization agenda of the Premier and of his colleagues, not one time did I hear it mentioned.

And you know, Mr. Speaker, it almost makes me think that they went back and read this *Pocket Politics* and said, you know, in 1982 we said we weren't going to destroy or dismantle the Crown corporations, and by golly, maybe we have betrayed the people of this province.

I tell you they get a little more detailed, and I want to read that to you:

. . . Progressive Conservative Party has not suggested dismantling SPC (Sask Power Corporation).

Well what was the last session about and what was the politics of the last session, Mr. Speaker? The people of this province by the thousands signed petitions, came out to meetings and told this government, this Premier, his cabinet and his back-benchers, that they're not going to tolerate that betrayal, that they're not going to tolerate the privatization and the sell-off of the Saskatchewan Power Corporation.

Mr. Speaker, let me take you back one more time because I want to read that answer again in terms of whether or not they'll dismantle Crown corporations. "Absolutely not," they said. But what happened since 1982, Mr. Speaker? What would move this political party and this government on to a political agenda that would betray the commitments that they made in 1982? You know, members on this side of the House and the people of Saskatchewan have been trying to figure that out for a number of months now. But you want to know something? We can't do it.

And, Mr. Speaker, I'll move off of the privatization agenda that seems to be hidden now; I mean, hidden for a while.

Only if and when they're re-elected after an election will privatization resurface. And mark my words, Mr. Speaker, it will. The only way to stop the sell-off of our Crown corporation assets is to remove this government from power. And the people of this province know that.

It seems in 1982 that one of their big issues was fighting inflation, Mr. Speaker.

So the PC government (I'm quoting from this document) would battle inflation by:

And I'm going through this list again. They would battle inflation by:

-- phasing out the provincial sales tax; (which they increased 40 per cent)

-- putting an immediate freeze on utility rates;

How much do utility rates cost you now as opposed to 1982, I ask every person in this province. Did that come true? The answer is no.

-- a ten per cent reduction in personal income tax;

Did that come true? The answer is no.

-- removing the gas tax.

Mr. Speaker, the answer clearly is no. What they've done is increased the amount of gas tax that we have in this province right now.

Mr. Speaker, I want to say to you that members on this side of the House believe that taking the reins of government and spending people's money is a sacred trust. It's a trust that is bestowed on very few people in this province and in our country. And it's a process and a system that the people of Saskatchewan cherish dearly.

And I want to say, Mr. Speaker, that it's not often that a group of men and women like we have on the other side of the House, members of the PC Party, will so blatantly betray the trust the people put upon you.

I say, Mr. Speaker, that this government has done a disservice not only to their political party, not only to the people of Saskatchewan or the people of Canada, but they've done a disservice by the way they've governed, to all of us — politicians of every stripe, of every philosophy, of every age, and of every gender.

And I tell you, Mr. Speaker, I believe it's going to take a government in the 1990s that has a vision and has honesty and decency and integrity in order that our young people will once again believe that their politicians are there to govern for them and not against them.

Some Hon. Members: Hear, hear!

Mr. Lautermilch: — Mr. Speaker, I say it's a sad day when our young people feel they can no longer trust politicians. And I make a commitment to you, Mr. Speaker, that the members of this caucus will work long and hard to form a government that can restore that integrity to government.

Because that's what our people in this province deserve. And that's what they're going to get when they elect the member from Riversdale as their next premier.

Some Hon. Members: Hear, hear!

(1615)

Mr. Lautermilch: — Mr. Speaker, I've . . . we've taken up enough of the time of the House. I know my other colleagues and members of the opposite want to speak.

And what I want to say to you is this, and to the people of this province, that I'll be voting against this budget. Not only for my children; I'll be voting against this budget for all of the people of this province and all of the people of this country who believe that there is a future in Saskatchewan and that there is a future for this parliamentary system. I'll be voting against this budget because it's wrong, it's unfair, and it's a betrayal of the people of this province.

And I want to tell you, Mr. Speaker, members on this side of the House will be speaking out against unfairness and the kind of government that this Premier has delivered, not only today and not only tomorrow, but as long as this session of this legislature lasts.

And I want to tell you as well, Mr. Speaker, if the Premier has the integrity and the courage to call an election, which is what he should do, we'll be out on the streets telling the people of this province exactly what kind of a government this Premier has delivered. And I say, Mr. Speaker, I'll be voting against this budget and probably I'll vote against this budget.

Some Hon. Members: Hear, hear!

Hon. Mr. Petersen: — Well thank you, Mr. Speaker. We're just checking our lighting system here to find out whether or not I'm actually going to be . . .

The Speaker: — Order, order.

Hon. Mr. Petersen: — Well there we are, Mr. Speaker. Now that the technical difficulties have been solved, I'd just like to state that I'm very pleased to take part in today's debate.

We've heard a lot of comments today about agriculture, we've heard some about education, some about health care, some about economic diversification. And we've heard a lot of rhetoric and a lot of rehash about history and the past. Well, Mr. Speaker, many of the comments today were frivolous to say the least, many were not exactly the truth, and some, Mr. Speaker, were fabrications.

Now, Mr. Speaker, we expect in this Assembly to see some interchange between that side of the House and this side of the House on a political level. We see some personal exchanges. But, Mr. Speaker, we are living in a world today, in 1990, where partisan politics might be fun and it might grab the odd headline, but, Mr. Speaker, it is not going to do much for the people of Saskatchewan. It's not going to do much for the people who are in this

Assembly today. It's not going to do much for the people that are counting on this Assembly to come through with some framework of how they're going to live and operate in the years ahead of us.

Now, Mr. Speaker, we've had an interesting situation today where the Minister of Agriculture was questioned for about five to 10 minutes on the situation in agriculture. And then we switched to something else. We switched over to muck-raking at its best, as only the opposition can do it.

Mr. Speaker, the members opposite don't stand up and tell us what their policies are as far as agriculture is concerned. They don't stand up and tell us what their policies are as far as education is concerned. They don't talk about the increase in the education budget this year, Mr. Speaker — \$888 million being spent on education of their children and perhaps their grandchildren. Mr. Speaker, they don't mention those things. They don't talk about the increase in health care spending this year, Mr. Speaker — \$1,500 for every man, woman, and child in the province, Mr. Speaker, is going to be spent on health care this year.

They don't talk about economic diversification. Their terminology is megaproject. Mr. Speaker, they do not look at the Co-op upgrader that was built in conjunction with the refinery here as a good project then obviously, because something of that magnitude must be a megaproject.

Mr. Speaker, they talk about Weyerhaeuser in Prince Albert as a bad thing because we entered into a joint agreement with a company that was going to come in, inject some of their own capital and build a fine paper mill in conjunction with the pulp mill. Eight hundred people work there today. Some of the highest wages in the area are being paid by Weyerhaeuser.

I wish I had one of those in my backyard. I don't. It's 120 miles to Prince Albert and I'd have to stand in line if I wanted to apply for a job there. People like the idea. People like the work, they like the jobs, they like the pay. They don't talk about the things that we've done in this province to create jobs, except to say that it was done in conjunction with some big multinational company.

They don't talk about the fact that there have been overtures made to many companies in this province to join with us in joint ventures and have been refused by those Saskatchewan-based companies. They talk about the Cargill project, the Saferco fertilizer plant to be built at Belle Plaine, and they say it's a bad thing because a multinational is involved.

Mr. Speaker, that project was offered to two companies, Saskatchewan-based companies, previous to Cargill coming on the scene. It was offered both to the Co-op refinery upgrader complex, and as well to Saskatchewan Wheat Pool, Mr. Speaker. And those companies said, no, we're not interested; no, we don't want to diversify Saskatchewan; no, we don't think it fits in with our corporate strategy.

Mr. Speaker, the next company that came along said, well

we think we can do something with it. We think that's not a bad idea. We think that we can provide a product for the people of Saskatchewan. We think that we can utilize the resources of the province of Saskatchewan to make a profit for both the company, the shareholders, and the people in Saskatchewan.

Let's take a look at what diversification of that particular project will do for us. And today many people who came here in the Assembly were looking at the high cost of inputs, Mr. Speaker.

Many of them have talked about the fact that Alberta is able to subsidize their farmers in fertilizer production and usage. And where do they get the dollars to subsidize their fertilizer sales to their farmers? Well they get it from the provincial government who gets their money from royalties collected on natural gas, Mr. Speaker, natural gas and oil that is developed, pumped, processed in the province of Alberta. And then that natural gas that is converted into nitrogen fertilizer is trucked into Saskatchewan, sold to Saskatchewan farmers, and the profits on that product go back to companies that are based in Alberta, companies that pay royalties to the Alberta government, who in turn take that money and subsidize the price of fertilizer in Alberta.

And members opposite are against that type of diversification here in Saskatchewan. They don't want to see that. They don't want to see lower input costs to farmers. They want to see farmers hurting. They like to see them hurting because then they can stand up and say, well that government across the way has done nothing for you. They've done nothing for you. They don't want to admit that many of these projects have created jobs and will provide diversification and the money to provide low cost input products to our farmers here. They don't want to agree with that.

They want to stand in that way of those types of projects, because then they can stand up and say they will be the saviours, just like they were the saviours of medicare, Mr. Speaker, the saviours of medicare. For all these years they have been the guardians of medicare.

Well, Mr. Speaker, never before in the history of this province have you seen so much money spent on health care as under a Progressive Conservative government.

And for a history lesson — not partisan, but a history lesson — in 1978, when they were government, they put a moratorium on nursing home construction, Mr. Speaker. And how many new beds have we seen constructed in this province — nursing homes? Thousands, Mr. Speaker. Fifteen hundred dollars for every man, woman, and child in this province is spent on health care today, Mr. Speaker.

And the government previous to ours claimed that they were the sacred guardians of medicare, who put a moratorium on nursing homes. Some of the people who are least able to look after themselves had a moratorium placed on the housing and the care that they desperately needed.

But, Mr. Speaker, they didn't have moratoriums on liquor

stores. And I've said it once before, maybe twice before. I might have even said it three times, but I want them to remember what their legacy was and what they did in my constituency. Three liquor board stores were built at a cost of 350 to \$400,000 apiece; no nursing homes.

Well, Mr. Speaker, since I have taken office in 1982, we have built several additions to nursing homes, a brand-new nursing home in the town of Wadena, and I'm happy to report I have built no government liquor stores.

Some Hon. Members: Hear, hear!

Hon. Mr. Petersen: — Mr. Speaker, when you look at what they talk about as the record, you have to view it with a bit of a jaundiced eye. They don't want to see economic diversification in Saskatchewan. They don't want to see us do good in Saskatchewan. They don't want to see prosper.

They rub their hands with glee every time we have another downturn in our economy — not caused in this province. We have a downturn in the economy, Mr. Speaker, in agriculture because of world subsidy wars. The members opposite sit there and rub their hands in glee and say, ha, the farmers won't be happy with them; they'll vote them out of office. But, Mr. Speaker, the farmers of Saskatchewan can see through that shallow, partisan political move.

You take a look at the members opposite and they talk about . . . they want the deficit decreased, and yet they want increased spending in all areas. Yet they won't acknowledge that we have increased spending in health care, education, and so on, Mr. Speaker. They tell us we should watch our deficit.

Well, Mr. Speaker, those same people across the way call on us for higher wage settlements with the labour sector, higher wage settlements; continually calling on the government for more and more. Calling for tax cuts; on the other hand, demanding that we tax less, demanding that we get the deficit under control. Well, Mr. Speaker, you can't have that. You cannot spend more on one hand and then cut taxes on the other unless you run a deficit.

Mr. Speaker, we're in tough economic times and we admit that. We admit that. The members opposite talk about what they would do in agriculture. They say that well, the government is not doing enough.

The Leader of the Opposition called for a loan for spring seeding. And we agree. No problem; we agree. That's what farm leaders have been telling us. The Leader of the Opposition said there should be a loan for spring seeding. Everybody agrees, Mr. Speaker.

In a letter to the Premier, he states that:

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 be certified to the Saskatchewan Agricultural Credit Corporation; that a loan guarantee is required as collateral (and so on, Mr.

Speaker) . . .

That's what they called for. They called for a loan, yet today the Leader of the Opposition did not want to take credit for agreeing with us that a loan should be there for spring seeding. Instead he tried to do some grandstanding and play partisan politics, to use people who had come to this Assembly to meet with their elected members as a political tool to grab some cheap headlines. Mr. Speaker, it's the type of action that we've seen day in and day out from members opposite.

Mr. Speaker, I think I must have touched a nerve there because I'm starting to hear some chirping from across the way. If the members opposite would be quiet for a while they might learn something.

Mr. Speaker, we all have children or grandchildren in the educational system. We've seen a 5.6 per cent increase in spending in that area. It equals one-fifth of our total government spending, Mr. Speaker. No one can argue that the youth of this province are our future. No one can tell us that they are not our most important resource. We have to make sure that their education is secure. We have to make sure that we can reach out to people. We have to create distance education opportunities. We have to provide extra funding in our universities, school boards, technical institutes to meet the needs of these students for the '90s and into the next century.

The members opposite sit there and say, well how are you going to create an atmosphere for these people to want to live in Saskatchewan? Well I'll tell you, Mr. Speaker, in 1973 when I left Kelsey, which was then SIAST, I couldn't get a job in Saskatchewan. I went to B.C. for a job. I went to B.C. I came back in later years and went farming. And I had to go into farming against the land bank; I had to bid against the land bank for my land — a policy of the government opposite.

(1630)

Mr. Speaker, the members opposite created a land bank. It ran the price of land up. Young farmers like myself had to bid against land bank, and at the very least we had to equal it in order for our families or our friends that we were buying from to satisfy their own needs. If somebody was offering you a high price, why would you sell to somebody down the road for a lower price? They went into direct competition with the young farmers — young farmers like myself who had been educated here, who wanted to come back, and were loaded down with an extra burden of debt because of members opposite.

And you ask, how do you bring young people back into this province who have been educated here, Mr. Speaker. How do you bring them back into this province? Well 1980-81 the members opposite had the answer. You let interest rates run wild. Of course that will bring people back by the hundreds — 21 and 22 per cent interest rates. The then premier, Mr. Blakeney, stood up and said, well interest rates really aren't in the provincial purview, and I'm sorry but we don't really do anything about that, and there's nothing much that we can do.

They really cared about bringing young people back into

Saskatchewan; they really cared about it. They cared so much, Mr. Speaker, that they let those interests run 21 and 22 per cent, so that today we have people in this Assembly who are still trying to pay off some of those interest debts from 1980 and '81.

And you know it, Mr. Speaker, you're a farmer yourself. You understand what the costs are. You understand what the costs are. And the members opposite chirp and say, well that's nine years later.

Well just to give you an example of what happens when you have a problem of the magnitude that was created by the members opposite, or at the very least, that they did nothing about. It shows you, Mr. Speaker, that problems start in one decade and can continue right through if they are compounded by low world prices and economic conditions that do not help us, and weather conditions that do not help us.

Mr. Speaker, this government has put billions of dollars into agriculture. We have convinced the federal government to put billions into agriculture. The Premier has stood four-square against those institutions and against those people who sought to undermine the farmers of Saskatchewan.

We have worked with them and we have worked with farm groups, and members opposite today are seeing that their only political hope in the world is to try to undermine, undermine the Premier, the Minister of Agriculture, and their only answer in policy is: me too and a little bit more; I agree with that, but I'd do it a little better; I'd throw some more on there.

We see that in the letter from the Leader of the Opposition. We'd put in a . . . he calls for a basic spring seeding loan. He calls for it. Then he says, well it was too little, too late, not enough, it wasn't soon enough, we don't have the details. Me too, only a little bit more. That's their ag policy: me too, only a little bit more. That's their basis. That's the basis for everything they do.

They are hoping that through the political grandstanding and partisanship that was displayed in this Assembly today that they can grab some cheap headlines and tag onto the fears of some people who have their backs to the wall, promise them the moon, and say, me too, and a little bit more, and they'll get elected.

Some Hon. Members: Hear, hear!

Hon. Mr. Petersen: — Well, Mr. Speaker, me too, and a little bit more isn't a good enough policy. Me too, and a little bit more, won't sell out there.

The people in Saskatchewan know and understand that the Premier of this province has done as much as is humanly possible by any leader to help agriculture through difficult times. They know that this government has worked with them. And we haven't done everything perfect — I'll admit that. But we have consulted with the people. When we put in the production loan program, Sask Wheat Pool, for one, called on us to provide \$25 an acre loans at 7 per cent. We went one better; we went \$25 an acre at 6 per cent.

When we found that the economic times got a little bit rough and we had a bad crop, we said, fine, what are we going to do? The farm groups — the NFU, UGG (United Grain Growers), Sask Wheat Pool, the cattle people, the canola growers — everyone agreed that we extend the loan for a year, roll it for a year, interest only. We said: okay, fine, makes sense, yes, that's what we'll do. And we went along with it. Members opposite jumped up and said: oh, yeah, me too, only I'd have done it better. Me too, and a little bit more.

When we looked at how we were going to resolve the problem, we were asked to extend the loan period out over 10 years. We said: okay, fine, we'll extend it over 10 years. The members opposite jumped up and says: yeah, me too, only a little bit more; I'd have written it over 20 years, or some such thing. I'm not sure, they might have had another 7-7-7 program.

Mr. Speaker, we've come to a time in our history of this province when we cannot afford cheap political grandstanding. We have to sit down and work together with people. And people today in this Assembly saw the Leader of the Opposition allow his agricultural critic to remain seated. He's embarrassed to have that member as an ag critic, I guess. He allowed his ag critic to remain seated, and he tried to steal the limelight on a cheap political shot — political partisanship. And it was obvious to everyone in the place — obvious to everyone.

That is the depth of their ag policy, and their ag critic is probably sitting there in the back room right now saying: me too, and a little bit more. Whatever my leader said, me too, and a little bit more.

Mr. Speaker, I met with the people who came into this building at 1 o'clock, and I met with people who weren't from my constituency. People came to visit me because I'm a minister in this government. There was four people there in my office, two of them represented the National Farmers Union and two of them represented the Christian Farm Crisis Action Committee.

Now, Mr. Speaker, we had a nice chat for about a half an hour. We discussed some topics, and then I come up to this Assembly to hear question period and I don't see the ag critic asking questions . . . oh pardon me, he was allowed to introduce the people who were in the galleries. I forgot. They did let him do that. They let him out of his cage once in a while so he can jump around like a trained seal.

But, Mr. Speaker, that is the extent that the leader opposite will go to try to steal the headlines for himself. Mr. Speaker, we saw those questions come out and the Leader of the Opposition tried to insinuate that members like myself would not meet with the people in the galleries.

Mr. Speaker, at 11 o'clock in room 218 the agricultural committee of caucus — which is an accepted and recognized part of our program and part of our group and part of the procedures of this Assembly; it's been quoted by the Leader of the Opposition and it's been recognized by farm groups far and wide; we've met with all of them

all across the board for a number of years — was waiting to meet with the members of these delegations in room 218 as communicated to them by our chairman of the ag committee, the member for Wilkie.

And, Mr. Speaker, at 11 o'clock there was no one there. At 11:30, Mr. Speaker, there was no one there. A little later on a few of the members came down to room 218 and met with some of the members of the ag committee. We met with people in our offices, Mr. Speaker, we talked to people in the hallways. And after question period the Premier said, fine we'll all go back down to 218; maybe you couldn't make it at 11 o'clock when we were there; we'll all go back down there and meet with you however you want. And they did.

Mr. Speaker, I take some exception to some of the cheap political grandstanding that went on today by members opposite. And I know they are desperate for headlines. They're trying their best. And I know the members opposite were hoping that those four people I met with down in my office would sit there and wait for me. And then they'd say, the member was unwilling to meet with us.

Well, Mr. Speaker, I was both in room 218 at 11 o'clock and down in my office at 1:15. The members opposite would do well to take note of that and to mention . . . to make mention of the fact that we aren't, on this side of the House, afraid of people. I don't mind meeting with people. I've made the offer to members opposite to work with them to develop policies. I've made the offer a number of times. I made the offer to the members in my speech in reply to the throne speech, and to this date, Mr. Speaker, since I made that speech, not one of them has come down to my office to talk to me. They're really worried about transportation policies as it affects agriculture and the people in Saskatchewan. Not one of them has come down to my office. Matter of fact, I haven't had a question in question period either.

And transportation policy, Mr. Speaker, is an important part of our agricultural policy in this province. It's an important part of our diversification policy and it's an important part of our everyday lives.

So, Mr. Speaker, until the members opposite see some cheap political advantage that they may be able to gain over me, I don't expect a question, nor do I expect them to be down in my office. They're free to come any time. The coffee pot's on, and I'm there meeting with people on a regular basis.

Mr. Speaker, the members opposite specialize in political grandstanding. The Leader of the Opposition talks about having a meeting with business leaders in the province of Saskatchewan. And that's great. I think that's fine. He's finally noticed that there are some business people in Saskatchewan, and maybe he should meet with them.

And they gave him the benefit of the doubt. They came to his fund-raiser and I congratulate them for doing that. They came there and their conclusion was that the leopard cannot change his spots. I don't care how hard he tries.

But what he's saying by calling those people in, or inviting them to come to his fund-raiser, is that he's agreeing with diversification, he's agreeing with working with the business sector: me too, and a little bit more; me too, and a little bit more. That's all he wants to do — me too, and a little bit more. Any program we have ever put in, ever instituted, the members opposite say it was either too little, too late; it wasn't soon enough; it was too early sometimes; you should have done a better job on it and done a little more thinking into it. When we do take the time to consult and work with them, well, you haven't got it out fast enough; and when it does come out they jump up and says, well, I'd have done exactly that if I had been in government only I'd have done it a little different. Me too, and a little bit more. You know, that's going to be great. I think you should use that for your next campaign slogan. Me too, and a little bit more. It'll work well.

Some Hon. Members: Hear, hear!

Hon. Mr. Petersen: — So let's take a look at agriculture, Mr. Speaker. Let's take a look at what we have as far as the program that's been announced. Mr. Speaker, we have got low-interest loans to farmers, as called for by members opposite, as called for by members of the agricultural community, at ten and three-quarter per cent. We're looking at over \$500 million being put out to farmers of Saskatchewan for spring seeding.

And the members opposite say, well, me too, and a little bit more. Well maybe this time it wasn't me too, and a little bit more. They only called for a 5 . . . let's see . . . they were looking for a \$500 million payment. Yes, that's interesting. So, Mr. Speaker, this time it wasn't me too, and a little bit more; it was just me too. Just me too. Me too. Me too.

And the member for Cumberland says, me first, me first. And that's exactly their policy. That's what they always call for. They always call for that. And they were doing that today in the Assembly. They were trying to gain some cheap press, real cheap press at the expense, Mr. Speaker, of the feelings, at the expense of some of the problems that the people in these galleries are experiencing.

Those four people I met with told me the problems that they are having, and I can see it, Mr. Speaker. I see it in my friends; I see it in my neighbours; I can see it in my own operation. I can understand, Mr. Speaker, the consternation that they must have felt when they left this Assembly, knowing that they had been manipulated and used by members opposite as a cheap political ploy.

Mr. Speaker, rural Saskatchewan understands the commitments that this government has made to it. When you take a look at the federal government, sometimes we have to wait a little while. Sometimes we have to play some pretty hard politics.

The Leader of the Opposition, seeing that the Premier had gone to Ottawa to meet with the federal government, said, me too, and he went down and he met with the federal leader of the NDP. I wonder what kind of cheque she wrote him. I wonder what kind of a cheque.

An Hon. Member: — And got a little more.

Hon. Mr. Petersen: — And he says he got a little more. Well I'm glad he got a little while he was down there, Mr. Speaker. I'm really glad he did well.

I understand, Mr. Speaker, that members opposite can only say, me too, and a little bit more. That's their whole byline.

Saskatchewan is being forced to take on some of the richest nations in the world: the United States, the European Economic Community. Those two groups, Mr. Speaker, have put subsidies into the world markets that have distorted it, well, so you wouldn't recognize it.

The Premier's talked about some of the subsidies in agriculture in Europe. They've got a subsidy on dairies, and they've got mountains of butter piled up. So what they do is they take the butter and they put it back into cattle feed. Goes in one end and comes out the other, kind of like members of the opposition.

An Hon. Member: — Absolutely . . . (inaudible) . . .

Hon. Mr. Petersen: — That's exactly what comes out the other end.

Mr. Speaker, we found that members opposite . . .

The Speaker: — Order. I'd just like to draw to the attention of the hon. member, he should be careful in his phraseology.

(1645)

Hon. Mr. Petersen: — Mr. Speaker, I apologize if I have offended you or anyone in the Assembly.

Mr. Speaker, the truth is the truth. Members opposite have talked about agriculture in Saskatchewan. They've talked about the type of economics we're in, and they don't understand it. They don't understand it, Mr. Speaker.

The former administration, under the then minister of Agriculture, Gordon MacMurchy, wanted to close the doors to this province, wanted to build a wall around us — said, we don't have to participate in world trade. We don't have to do that. We don't have to worry about what's going on in the world. His famous quote was, his 1948 two-ton was good enough for him.

Well, Mr. Speaker, the truth is that we are in a changing world; we are in a situation where we have rail line abandonment predicated by the federal government. I've fought 18 rail line abandonments around this province, Mr. Speaker. And in agriculture, I have seen people go from hauling grain five and 10 miles to having to haul grain 50 miles, to the detriment of the road system in both the municipality and the Highway department, Mr. Speaker.

Those things cost extra dollars, tax dollars. Well where were the members opposite? Where were the members opposite when rail line abandonment was being talked about? Where were they? They were in Ottawa in some kitchen cutting a deal on a constitution that hasn't worked

anyhow, that hasn't worked anyhow. They didn't care about what was going on back here in Saskatchewan. They were busy grandstanding on the world stage. And the then premier of the province, Mr. Blakeney, went ahead and said, I'm going to sign this constitution and be part of the history in Canada. And the Leader of the Opposition, now Leader of the Opposition, said: yes, me too; I want to be in on it too. So he got back in the kitchen with them and signed something or other that we're still fighting about — we're still fighting about it.

And he's bragging about how he got a little more. Well if he'd have got so much, we wouldn't have had to pay 21 per cent interest in this province. He just wanted his name in the history books, Mr. Speaker. Didn't care about farmers, didn't care about businesses, didn't care about families, just wanted his name in the history books — another cheap political grandstand move by the member opposite.

Mr. Speaker, agriculture depends on transportation, agriculture depends on transportation. We have to move our wheat and our barley and our canola out of this province, Mr. Speaker. We try to diversify here; we try to process it. Members opposite say, oh you shouldn't do that, because there's big multinationals. What about Biggar Malt? Is that a big multinational we're involved with there? You're against that, I presume, are you? I imagine you would be because, God forbid, it isn't totally government owned.

And that's what members opposite want, Mr. Speaker. They want total government ownership. It doesn't matter that the project is providing jobs for people. It doesn't matter that the project is going to make money. They are looking to have total government ownership because that is what they believe in, total government ownership.

Mr. Speaker, other provinces have entered into joint agreements with what members opposite would call big multinationals. And you know what, Mr. Speaker, a province that comes to mind is Alberta. And they've entered into some agreements with some people that . . . oh boy I tell you, it's real scary — Esso. Esso. Can you imagine that? A big multinational.

And what does Esso do in Alberta besides providing hundreds of jobs for the folks in the oil patch, besides providing all sorts of economic activity in the major cities in Alberta? What does this big multinational do in conjunction, a joint venture, with the province of Alberta? Well they make fertilizer, Mr. Speaker. They make fertilizer.

Well let's see. Where are all our young people going, Mr. Speaker? They're going to Alberta. Members opposite have stood up and day after day said all the young people are leaving Saskatchewan; they're going to Alberta where the jobs are. Why can't you do the same thing? Why don't you have jobs in this province? And when we do come up with a diversification project they say, oh no, don't do that, no, no, don't do that — that's a multinational; good heavens, we can't do that.

And they won't even recognize the benefits that have come from the projects that we have done that are up and

running. Long and political rhetoric, cheap political shots, partisan politics, using unfortunate situations to try to get cheap political headlines that we've seen happen today, exactly what happened today, Mr. Speaker.

Mr. Speaker, we have to diversify. We have to continue what we have started to do. And we don't just do it on a large scale, Mr. Speaker, we do it at the local level. We do it at the local level. We're looking at projects in some of the communities in your constituency: furniture manufacturing. Who ever thought of furniture manufacturing in the constituency of Last Mountain-Touchwood?

I'm sure that your predecessor would not have thought of furniture, because his 1948 truck was good enough for him. He would have never thought of diversifying the economy of a small town because he believed in growing wheat and shipping it out of the province so that it could be processed some place else, so that our children could be educated here and go there, other provinces, other states, other countries to find their jobs.

He wanted us to stay as hewers of wood and drawers of water. They don't want to see people able to stand on their own. The members opposite do not want to see people in this province stand on their own doing their own thing. They want to have government ownership — government ownership. I wonder how many government liquor stores they would have built if we hadn't defeated them in '82. I wonder, Mr. Speaker.

My constituency is agricultural, Mr. Speaker. We have a great deal of people who are in the senior years, who have been agriculturalists, farmers, founders of this country, Mr. Speaker. They've seen the time when the railroad came to their town and they've seen the time when the railroad left their town, Mr. Speaker. And for most of that time the government, as espoused by the members opposite, was in power and they did scant little to stop it from happening, Mr. Speaker, very little.

In my riding we've now seen a spur line put into the town of Kelvington. Even though we saw rail line abandonment happening in the Preeceville sub, we managed to get a little spur line into Kelvington and it's servicing that community. And I saw people in this gallery today from the community of Kelvington who are happy to have that type of a system and that type of a service into their town.

The infrastructure of transportation has to be maintained. We've seen other innovations. We've seen places where railroads were scheduled to be abandoned. We've seen places where elevator companies were planning on moving their facilities out of the community as part of their rationalization program. And we said, I don't know if that's a great idea; is there anything that we can do to help you out out there folks? And the people came to us and said, you know if we only had some way of buying this rail line up, we'd run it ourselves. We don't need CN; we don't need CP. Well we thought about it and said, well that makes some sense. What would you operate it with? And they said, we don't know, let's see what's there in the market-place.

So we worked with those people, Mr. Speaker, down in

the Killdeer subdivision by Rockglen in southern Saskatchewan. And we worked on the Avonlea-Parry subdivision with another group of farmers, and we put together with their association and with their help something called Southern Rails Co-operative. The thing that Saskatchewan people have always done — tough times, back 'em to the wall, they'll find an alternative to the situation they find themselves in. And better than that, Mr. Speaker, it's making money. It's going to make money, and it's going to continue to make money, and it's going to service the needs of the people in those particular communities.

Well, Mr. Speaker, why didn't the members opposite think of something like that? Why didn't they think of something like that? They just sat back and said, oh well we got to let it go. There's nothing we can do, oh God, there's nothing we can do about high interest rates, We just got to let them run. There's nothing that we can do, Mr. Speaker. We'll just sit here. And that's what they did. That's what they did.

The Leader of the Opposition sits there today and tries to tell everybody that he's going to be the great saviour of agriculture in rural Saskatchewan. Where was he when we were losing our rail lines? Where was he when there was 21 per cent interest rates? Down in Ottawa trying to sign a constitutional deal, getting his name in the history books. That's what he was up to.

Mr. Speaker, Southern Rails Co-operative is going to operate at a profit. It's going to provide services to people in the communities, and it's going to get the commitment from the rail . . . pardon me, Mr. Speaker, from the elevator companies to keep their facilities in place to provide those services. That particular company is going to be successful, Mr. Speaker, because it has got community support, it has got innovative technology as part of it, and it's working in a joint venture situation with the Government of Saskatchewan. They're not a multinational. They're not a multinational. It's not a megaproject.

But have I heard one comment from members opposite about it? Have I heard one comment from members opposite about a project that's a co-operative, providing services to the people in the province of Saskatchewan with new and innovative technology that's going to make money. No, not one. Not one comment. I'm eagerly awaiting a question in question period on it.

I'm sure the critic for the opposition knows all about Southern Rails and would be more than happy to question me. And I'll make the offer to him, if he cares to come down to my office. If he cares to come down to my office I'd be glad to share information with him and talk to him about Southern Rails and tell him the concepts behind it, if he's got the interest to come or if his leader will let him out of his cage.

We've seen the Leader of the Opposition keep the ag critic in his seat today, trying to grab some cheap political headlines. So I can only surmise that there must be something, something in transportation that they're going to try to grab some cheap political points on, that the Leader of the Opposition will jump to his feet and yell and

scream about some afternoon in this Assembly, and leave the critic for transportation sitting.

Well, Mr. Speaker, Southern Rail is a good company, Mr. Speaker. It's operating right now with a small unit that is going to be replaced by what we call a road-railer. Mr. Speaker, the road-railer unit is a fairly interesting piece of technology.

One of the problems that we have in this province is that many of the short-line, branch-line railroads that were being abandoned are often 100 miles away from one another. They are connected by a main line in some cases, but in other cases their main lines do not interconnect except 300 miles away. So the problem is these small railroads have no way of buying a huge locomotive for millions of dollars and making it run economically on their line. They have no way of moving that locomotive from one short piece of line that's being abandoned to another short piece of line that's being abandoned.

So we looked at the concept of taking a large truck, a large highway tractor and making it possible for that machine to operate on the rail as well as our highway system. The road-railer unit, Mr. Speaker, is fairly simple in its concept but highly technical in its design and its operation. Tests have been done this past year, Mr. Speaker, to look at what it would take to provide this type of mode of unit.

Mr. Speaker, members opposite are chuckling because I'm explaining a piece of technology that's going to help farmers in Saskatchewan. The member for Moose Jaw South is sitting there making all kinds of derogatory comments. And we're talking about agriculture, we're talking about rural Saskatchewan, we're talking about innovative technology, we're talking about a co-operative doing something in conjunction with the province of Saskatchewan, and the member sits there and chuckles. He sits there and chuckles.

Well, Mr. Speaker, I don't know what he wants, but I presume that when we do have this machine on the rails . . . And it will be there shortly. It's presently being developed in Regina. It's being outfitted here by Saskatchewan companies, by Saskatchewan people, to be used in Saskatchewan. And I just thought I'd make note of that so members opposite don't have some idea that this is a big multinational firm that's doing this. It's being done by Saskatchewan people.

And one of the members opposite is giving me the high sign, telling me it's two minutes. Well I had to check the clock, Mr. Speaker, because I wouldn't trust anything that members opposite tell me about.

The road-railer unit might not be of interest to people across the way. It might not be of interest to members opposite. It may not be of interest to the member from North Battleford. It may not be of interest to the member from Moose Jaw South. But I'd have thought anything related to rail or transportation would strike a chord.

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

The Assembly recessed until 7 p.m.