

EVENING SITTING

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.

Ms. Simard: — Thank you, Mr. Deputy Speaker. What we were talking about before we adjourned for the supper break was the provincial government's budget, a budget of choices. We talked about the fact that all governments have choices to make, Mr. Deputy Speaker, and we've been telling the PC (Progressive Conservative) government, as well as the people of Saskatchewan, that they've got to change their priorities and they've got to change their choices.

We have repeatedly made the point that we need less government advertising and more resources for basic health services, for example. We need fewer sweetheart deals for big corporations and more beds in our hospitals. We need fewer political advisors and patronage appointments and more health-care workers in our hospitals. And above all we need to stop the wasteful spending and financial mismanagement and put it instead into job creation and other programs for the people in Saskatchewan.

Yes, every government has to make choices, Mr. Deputy Speaker, but what the people of Saskatchewan are saying is that the PC government has made all the wrong choices. Their financial mismanagement is the record of their wrong choices. Their cut-backs in health care is the record of their wrong choices. The \$5 billion deficit, the crippling \$5 billion deficit that this province now faces, is the record of their wrong choices, Mr. Deputy Speaker.

They chose GigaText instead of health-care workers and that was their choice. They chose Cargill instead of beds for hospitals and that was their choice. They chose and are still choosing \$2 million a month instead of job-creation programs in this budget, \$2 million a month in self-serving advertising instead of job-creation programs in their budget. That was their choice, Mr. Deputy Speaker. They're choosing Chuck Childers at \$675,000 salary instead of prescription drug subsidies for seniors and nursing homes. That is their choice, Mr. Deputy Speaker. And the Saskatchewan people are rejecting the PC government's choices. They're rejecting them, Mr. Speaker.

We talked this afternoon about the phoney budget that the government opposite has cooked up in this pre-election period. We talked about the fact that this government says it's going to balance the budget in a very short period of years. But we've heard that before, Mr. Deputy Speaker. In 1986 the member from Qu'Appelle-Lumsden promised a balanced budget within five years, in 1986. And what did he do, Mr.

Deputy Speaker? His forecast on the budget was some \$800 million out — \$800 million out.

And what do we see today? A cumulative deficit of \$5 billion. He promised to balance the budget in 1986 and today we've got a \$5 billion deficit; the situation is even worse. And I say that this budget, Mr. Deputy Speaker, is no different.

And what is happening today in this budget as a result of their waste and mismanagement is that the people of Saskatchewan are being asked to pay for the price of their waste and mismanagement. They're being asked to pay the price of their huge give-aways to out-of-province corporations and their friends, Mr. Deputy Speaker. They're being asked to pay a provincial GST (goods and services tax) which is the biggest and most unfair tax increase in the history of this province. That's another PC choice, Mr. Deputy Speaker.

We see no job-creation programs in this budget, Mr. Deputy Speaker. We see cuts in jobs instead in the civil service sector and in health care — cuts in jobs, Mr. Deputy Speaker. We see closure of hospital beds and cuts to hospital staff and yet they continue to maintain their trade offices in Minneapolis and Hong Kong and pay Chuck Childers \$675,000 a year and so on and so forth. The list is endless, Mr. Deputy Speaker.

And we hear about concern from the health-care community, from the nurses' association, from the Saskatchewan Health-Care Association, from the Saskatchewan Medical Association. We hear concern about these cut-backs to health care and the fact that the government has absolutely no plan. In fact, as I pointed out earlier, Dr. Bob Murray, in commenting on the hospital closure of hospital beds in Saskatoon says there doesn't appear to be any plan. And the nurses talked about that yesterday at their rally in front of the legislature, Mr. Deputy Speaker. This government has no plan and are totally incapable of co-ordinating and integrating health-care services across this province.

And why don't they have a plan? They've had a \$2 million study, Mr. Deputy Speaker. They had a \$2 million study that sits on the shelf and collects dust today. And yet the Minister of Health refuses to state what his position is on one of the most major recommendations in that study, because they've got no plan and no vision in the area of health care.

They operate from health-care crisis to health-care crisis — health-care crisis to health-care crisis — Mr. Deputy Speaker, without any integration or co-ordination of services throughout the province. And then when anybody stands up and criticizes them, such as the doctors at the Plains hospital, Mr. Deputy Speaker, they accuse them of playing politics. They accuse the doctors of playing politics. Well I've never heard anything so silly.

That's quite right; they've done the same thing with the auditor. We've seen it before. They did the same thing with the Legislative Counsel. If someone says something that criticizes their poor choices they accuse them of playing politics.

But let's look at who's playing politics here. Let's look at job cuts to nursing jobs when there are negotiations under way for a new contract for nurses. I say these job cuts by the PC government is playing politics with health care.

Let's look at promises across this province for hospitals and nursing homes when they can't afford the operating cost to keep the hospital beds that already exist, and the nurses and health-care workers who are already working, employed. Is there any sense to that, Mr. Deputy Speaker? I say these promises across the province for new facilities that they will not be able to keep open or to properly operate is playing politics, Mr. Deputy Speaker.

And then they spread the myth out there that health-care costs are out of control. They're playing politics, Mr. Deputy Speaker, because health-care costs are not out of control and have increased in a manner that has been predicted from by the initial people who established medicare in Canada. They are not out of control. But the PCs are playing politics with medicare because they have no commitment to medicare — absolutely no commitment — and because they make the choice to look after their friends, big, out-of-province corporations and friends of theirs such as Chuck Childers, as opposed to preserving and improving the medicare system in Saskatchewan.

And let's look at some other politics that the PC government is playing in the area of health care. Let's talk about a recent letter that went out to doctors in the province of Saskatchewan by the PC party, Mr. Deputy Speaker, which said that, in effect, the NDP (New Democratic Party) were going to put all doctors on salary in this province. The Minister of Health knows that's not true, Mr. Deputy Speaker, because we talked about it in this legislature several months ago.

When I stood up and talked about the need to look at alternate forms of reimbursement, as they are doing in a number of provinces across this country — alternate forms of reimbursement — I made it clear that the fee-for-service system should stay in place, but what we should do is experiment with other forms of reimbursement, such as through community health centres or other forms, such as they are doing in Ontario and other places.

A few days — one, two, or three days later, I'm not sure, I don't remember which, Mr. Deputy Speaker — the Minister of Health stood up here and accused us of having said we'd put all doctors on salary when he knew full well we did not make that . . . we did not take that position. And I had to set him straight on it again, and I did.

And what do we see now? We see a letter circulating to doctors — and there are doctors in my constituency who have raised it with me — saying we're going to put all doctors on salary. Well I say, Mr. Deputy Speaker, that's playing politics with health care because they know that's not true.

Some Hon. Members: Hear, hear!

Ms. Simard: — And what they are trying to do by that, Mr.

Deputy Speaker, is to undermine the concept of community health centres; that's what they're trying to do. That is an aspect of this letter that is going around. Community health centres have proven to be very cost efficient, not only in this province but in other provinces across this country. They have proven to deliver high quality health care at a reduced cost to the taxpayer.

But this government sat on a study from 1983 and refused to release it, Mr. Deputy Speaker. They absolutely refused to release it until we asked them not once, not twice, but several times for the release of that document. Because it established something they didn't want to do for purely political and ideological reasons, they sat on a study that showed how health-care costs could be contained in this province. And all we were suggesting is that they properly fund the community clinics that are now in existence in this province and experiment where doctors and people in communities may wish to establish such a centre.

But no, what they're doing is running around trying to undermine community health centres out in rural Saskatchewan, and trying to raise the fear amongst rural residents that the NDP are going to put doctors on salary, which is not true and they know it. And I say, Mr. Deputy Speaker, that's playing politics with health care.

And let's take a look at the federal off-loading that has taken place with respect to transfer payments, Mr. Deputy Speaker. The minister tries to complain about the Mulroney government's fiscal off-loading on the backs of provincial taxpayers. Well those complaints are simply not credible, Mr. Deputy Speaker. And here again is another example of the PC government playing politics with respect to transfer payments and health care.

In 1985 when the Mulroney government imposed the current transfer payment scheme, the Premier sympathized with the Prime Minister's desire to reduce transfer payments in order to attack the federal deficit. He said, keep up the good work, Brian, keep up the good work. Now the five-year shortfall in payments to Saskatchewan, resulting from the freeze, will total \$360 million. They said, keep up the good work, Brian, and now they try to complain about the federal government's fiscal off-loading on the backs of provincial taxpayers. I say that's playing politics, Mr. Deputy Speaker, and it's playing politics with health care because health care stands to gain substantially from those transfer payments.

And this is the same government that has steadfastly supported every single one of the Mulroney government's measures. They supported the de-indexing of senior pensions. They supported the elimination of two-price wheat and the federal farm fuel tax rebate and the interest-free cash advance. They supported cuts to EPF (established programs financing) funding which I've talked about. And they enthusiastically supported the Mulroney free trade deal.

And this government says it has a plan. It says it has a plan, Mr. Deputy Speaker, but it's never had a plan that they were able to put into place. Their long-term, five-year plans have lasted on the average about three months.

(1915)

You can remember Finance minister Bob Andrew. He's the PC member whose reward for attacking the Provincial Auditor was a political patronage job in one of the foreign trade offices. He's the member who resigned his Kindersley seat almost a year and a half ago and we've still had no by-election, Mr. Deputy Speaker. In 1985 Finance minister Bob Andrew said in his budget he had a plan, a five-year plan. In fact he said he had several of them: one for jobs; one for health; one for agriculture; one for education. And they came to nothing, Mr. Deputy Speaker.

In 1986 Finance minister Gary Lane said he had a plan . . .

The Deputy Speaker: — Order. Members are not to use other members' names.

Ms. Simard: — Thank you, Mr. Deputy Speaker, thank you. In 1986 the then Finance minister, the member from Qu'Appelle-Lumsden, said he had a plan to balance the budget by 1990, Mr. Deputy Speaker, and I spoke about that earlier.

In 1989 the Premier boasted about his privatization plan. You remember his slogan: if it moves, privatize it.

And they announced a plan in the Murray Commission report. And they had health-care professionals travelling throughout this province and presenting briefs in the hope that there would be a good plan and a long-term strategy drawn up for health care. And they've done nothing. In fact, they even refused to take a position on the major recommendation in the Murray Commission report.

Those are the government plans, Mr. Deputy Speaker. They have never ever been able to see a plan follow through. And this plan in this budget, Mr. Deputy Speaker, is every bit as phoney and lacks as much credibility as any of the other plans or so-called plans this government has tried to implement.

This budget is a phoney budget full of incredible promises, cooked forecasts, and absolutely unbelievable claims. The PC government failed to provide in their budget, fair taxation. They failed to control the deficit and control their waste and mismanagement. They failed to improve the economic base of small towns or provide sufficient job opportunities for the young people who are leaving this province in droves.

For nine years this government has made the wrong choices and they've failed to deliver on any plan that they say they've had. They have not delivered on their plans. They've betrayed the Saskatchewan people with one phoney promise after another. They have absolutely no credibility, and what's worse, Mr. Deputy Speaker, is they have no mandate. They are way beyond their mandate and there is no question that what the people want today is an election, Mr. Deputy Speaker.

Some Hon. Members: Hear, hear!

Ms. Simard: — They want an election so that they can tell the PC government opposite that they've made the wrong

choices, that they are not going to allow them to continue to push that deficit up beyond \$5 billion, that what they want is the waste and mismanagement cut and a responsible government. And the only way they're going to get responsible government and the waste and mismanagement cut, is by a New Democratic government, Mr. Deputy Speaker.

Some Hon. Members: Hear, hear!

Hon. Mr. Martens: — Thank you, Mr. Speaker. I want to, first of all, as a part of the preamble to the budget speech today, I want to compliment the Minister of Finance for the excellent job that he did in his presentation yesterday. And I want to say to the members of the Assembly that there are times when choices have to be made. And choices were made and I think that they were right.

I will raise a number of issues that I think need to be addressed, and I know that the members opposite probably will take an opposite view. And I understand that, and I know that they believe in what they're doing, and I also believe in what I'm doing.

I'm going to talk about agriculture, and I want to talk about the '80s and the '90s in relation to the kinds of things that we have done in agriculture.

The contribution that the Saskatchewan and Canadian economy are affected by agriculture is fairly significant. The economy is impacted in jobs. It's impacted in exports. It's affected in its balance of payments, trade enhancement. The food industry is impacted, and there are a whole lot of direct impacts and then there are a whole lot of indirect impacts. And I want to point out a few of them here today and draw the Assembly's attention to that in relation to the kinds of things that the budget addresses.

We've had a realizable plan in the last 10 years of government, and I want to point out a number of them to the Assembly here today. Over the past 10 years we have had a number of incidents that have occurred that have been a part of problems that have arisen because of the involvement of nature. And, Mr. Deputy Speaker, the involvement of nature cannot impact any more in industry, in any single industry than it does in agriculture. And that, Mr. Deputy Speaker, impacted in a number of areas and a number of years. The first time we had that impact was in 1984; the second one was in 1985; and the third one was 1988.

In each of those years, Mr. Speaker, the agriculture sector was almost devastated by the impact that nature had on it. And in dealing with that, the provincial government set down a measured response in each one of those cases. They set down a measured response in drought in '84 and '85. They did it with grasshoppers and the problems that were involved in relation to that in each of those years. And, Mr. Speaker, in 1988 we also came back with a plan that dealt with an enhanced opportunity for agriculture in the province of Saskatchewan.

In the observations that I want to make about a policy for agriculture, Mr. Deputy Speaker, in 1986, the fall of 1986, the province of Saskatchewan had a rain that lasted

all through harvest. And what happened at that period of time, Mr. Deputy Speaker, was that the crop in the province became . . . well it sprouted and all of the grain was poor quality.

In that time frame, the farmers of the province of Saskatchewan decided that they wanted to have a process in the crop insurance side of agriculture that dealt with two things: one, that it dealt with a volume production that was more in direct relationship to their production on their farm; and the second thing that they wanted to have was a set price.

That realization came because in dealing with the sprouted grain that they had on the farms in the province, they found out that the price-setting mechanism under crop insurance did not give them a fixed price. Most of them had expected it and they were disappointed. So the Premier, in setting out an agenda for agriculture from that time on, focused his attention on setting a national plan in place that would respond to that.

These plans needed to have a solid protective focus in the agricultural programs, and from that time on, they began to become involved in setting up a national plan. That national plan dealt with a two-pronged approach. It dealt with, first of all, a protection focus that they needed to have, and the second one was to stabilize the income for agriculture communities and rural communities in and across Saskatchewan.

Now I will point out to the Assembly today how this budget has translated that into reality, and I want to put that focus on the attention of the Assembly here today and the people who are watching.

The 1980s had . . . as I said before, were significant trying times for agriculture. They dealt with . . . Well, Mr. Speaker, I'm going to respond to some of the hassle I might have had from the other side.

I want to point out, Mr. Speaker, that I have farmed in the '60s and I have farmed in the '70s and I have farmed in the '80s, and I'm going to be farming in the '90s, Mr. Speaker. And I'll tell you what: the Liberals weren't bad in the '60s; the NDPs were terrible in the '70s, and it had nothing to do with your administration on the case of whether agriculture did well. As a matter of fact, a thousand farmers a year left agriculture from 1971 till 1981. Ten thousand farmers left agriculture and you say it was good times. Mr. Deputy Speaker, that's what happened in the '70s, and if they want to challenge those just go to StatsCanada figures and you'll see that. And they're accurate.

Mr. Deputy Speaker, I want to also point out that they had some very interesting taxes in those days. Some taxes that taxed widows and orphans and that's the kind of things that they did over on that side. That was called estate taxes. And they did that consistently from 1970 to 1975. And, Mr. Speaker, I'll make a point of making this observation, that they . . .

The Deputy Speaker: — Order, order. The member from Regina Elphinstone will certainly have an opportunity to get into the debate when he wants to rise in his place so

I'd ask him to allow the member from Morse to make his comments.

Hon. Mr. Martens: — Mr. Deputy Speaker, I know that their intensity in agriculture is void because they have absolutely no respect for it; number two, they don't understand it; and number three, like Mr. Diefenbaker said one time, if there was a residual left by a cow twice on an 80-acre field they would definitely step in both of them. And that, Mr. Speaker, is exactly what they know about agriculture.

Mr. Deputy Speaker, I want to point out that the method that we use to combat the problems that occurred in agriculture dealt with the budget through the 1980s — and it had to deal with the budget — and that's part of the reason of the deficit.

If you take a clear look at the volume of government involvement from 1980 to 1990 you'll see that in 1985, because of the U.S. farm Bill . . . The U.S. farm Bill almost totally eliminated any profit in agriculture in Saskatchewan. And that, Mr. Speaker, is the period of time that this province and the Government of Canada put in almost \$10 billion into agriculture. And that, Mr. Speaker, that billion dollars that we put in, is significant in relation to the kinds of things that we had to do for agriculture in those 10 years.

The realized net income for agriculture in the '80s was very close to \$700 million, and that, Mr. Speaker, is very significant, as was addressed yesterday in the budget. The anticipated income for 1991 is anticipated to be about \$160 million. That's significantly better because of the impact of GRIP (gross revenue insurance plan) and NISA (net income stabilization account) in the total volume of dollars. If the province had not become involved, Mr. Deputy Speaker, if the province had not become involved, the volume of loss by each farm family in this province would have been \$1,300. It would have been in the minus side. That's the volume of impact that the international trade has had on the province of Saskatchewan.

The only thing that has been keeping a positive cash flow in agriculture since 1985 has been the federal and provincial governments, and I just want to point that out to all the members opposite. That's what happened. And I want to point out one other thing that was very evident in the '70s.

(1930)

All of these people on the other side, at some point in the '70s, were members on this side of the House, and they allowed the livestock industry to reach the same impact that the grain industry is having today in a negative side. They allowed the hog industry to go right down the tubes, they allowed the livestock industry to go right down the tubes. And they said, wheat is king and we will for ever have wheat so that we can market it. Now in the '80s, what have we got? We've got declining prices, international trade wars, and what we've had to do, Mr. Deputy Speaker, is increase the volume of production in both beef and in hogs.

In 1985, we put \$1.7 billion of assistance into the province of Saskatchewan, together with the federal government, and I think that was highly recognized by the people of the province of Saskatchewan. We have had interest rate subsidies to the people of this province. As a matter of fact, in 1982 when we became involved as the government here, we decided that we were going to put some interest benefitting programs into the province of Saskatchewan. And they occurred in the home mortgages, they occurred in interest rebates on purchase of land. And that volume, Mr. Speaker, only in agriculture, excluding the home protection program and all of those, that amounted to \$275 million through the farm purchase program and Ag Credit Corporation. Yes, Mr. Speaker, the budget reflects some choices that we made. It reflects choices as it relates to health care, education, and agriculture. And I think those are extremely important in this province and they are more than just a item that we talk about, they're a part of our culture and I think they're important to consider.

In dealing with agriculture as a plan for the future, we in the Department of Agriculture, in October of last year, held meetings with the farm organizations in the province. In the meetings that we had in Prince Albert and Swift Current and Yorkton, we called together the farm organizations from across the province. And in those farm organizations we asked them to consider some of the realities that existed in finance, in debt, in transportation. We asked them to consider the details of fact, what was there, what we should do about it.

From that came back to us one very important feature. That important thing was that the people of the province of Saskatchewan believe that agriculture should have a long-term security base, that they have a way of setting up a program that deals with a long-term income security setting mechanism. We talked about GRIP and NISA at that time so that we could inform the people of Saskatchewan and the farm organizations what they were expecting to get. And they, together with us, through December and January, began to set the process together whereby we could move into a time when we told all the people of the province of Saskatchewan what those two programs would be.

In all of this, it's very important to consider that there are three areas that need to be addressed when you're speaking about an individual's capacity to earn an income off the farm. I want to point out first of all — and most people in agriculture will agree with this — that the first line of defence that we have to talk about is the individual's capacity to manage his own farm and deal with the kinds of things that he has on his own production component.

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

Hon. Mr. Klein: — Mr. Speaker, I ask leave to introduce some guests to the Assembly.

Leave granted.

INTRODUCTION OF GUESTS

Hon. Mr. Klein: — Thank you, Mr. Deputy Speaker. On

behalf of my colleague, the Minister of the Family, the member for Regina Wascana, who was expecting some guests this evening, I would like to introduce them to the Assembly. And I would like to thank the member from Morse, our Associate Minister of Agriculture, for allowing me to interrupt.

What you're witnessing here right now is a debate on the budget that was introduced by the government last night. And our Associate Minister of Agriculture, I think, is expounding the virtues very well of the agricultural industry to a lot of the people on the other side that don't really have a lot to do with agriculture.

But, Mr. Deputy Speaker, in your gallery are some injured workers that are participating in the injured workers program at the Wascana Rehabilitation Centre here in Regina, and they are accompanied by their therapist, Lorie Herchuk Norris. And I'm sure that they will find their visit to the Assembly very interesting and informative, and I will meet with you after a few minutes and describe the situation to you. But in the meantime, enjoy your visit, and would all the members please welcome them to our Assembly.

Hon. Members: Hear, hear!

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.

Hon. Mr. Martens: — Thank you, Mr. Speaker. The first line of defence in any farm or ranch in the province of Saskatchewan is the individual's ability to deal with the kinds of things that he has to do in relation to the management of his farm, the skill with which he does it, and the capacity with which he has to work the things that are there and available for him to do. And that applies to a wide variety of opportunities that present themselves.

Right now in the province of Saskatchewan, there are excellent opportunities to view this. In ranches and farms across this province, you are witnessing a process that the Premier calls a renewal, a rebirth in agriculture.

It starts with calves; it starts with crocuses; it starts with grass turning green. It starts with all of the events of nature just turning themselves from a winter into a spring and developing a new life here. And it looks promising and it's green and, Mr. Speaker, the people of the province of Saskatchewan are proudly exemplified in the fact that they will stand and watch a calf being born. They'll watch a field that grows and they'll go out there and tend that and they'll do it with a willingness that is only apparent to another farmer to watch and observe. You'll see them standing out there and they'll take the ground and hold it in their hand and they'll measure the quality and the kinds of things that they're prepared to do with that dirt. And that, Mr. Speaker, is the kinds of things that the people of

Saskatchewan do — 60,000 of them across this province — every spring and every summer.

And that, Mr. Speaker, is the skill of management, the willingness to serve to get that ground ready to grow a crop. That's the first line of defence, that preparedness for all of the things that may occur in relation to that individual doing his job.

The second line of defence, Mr. Speaker, has to do with the involvement of the provincial government in insurance policy. Traditionally over the past 20 years, the province of Saskatchewan together with the federal government have initiated a number of programs that deal, number one, with stabilization, and secondly, Mr. Deputy Speaker, dealt with a crop insurance program that had a capacity to measure the loss of production by an individual on his own farm.

Now that second line of defence became somewhat tattered over the years, not because of its lack of capacity to respond, but farmers wanted more than that. They wanted something that would give them an opportunity to reduce security risk.

The long-term safety nets in this province were initiated by the Premier and the federal Minister of Agriculture. And through that period of time, Mr. Deputy Speaker, what we had was a commitment to change the two components in stabilization: one is to give farmers a set value that they knew in the spring before they went to seed what they would get; and the second one was that their yields would be responded to at 100 per cent of their capacity to produce. It was very, very important.

The third line of defence has been defined as a part of the strategy in dealing with the problems in agriculture, have to do with the impact that the international trade, drought have across the country. And international trade has been fairly successful in impacting into the province of Saskatchewan in agriculture.

As I pointed out earlier, from 1985 to 1990 the agriculture has had a net minus in its capacity to receive from the market-place enough to pay for its cost of production. And that has been extremely important to us. The federal and provincial governments gave money to compensate for that, and this year the country of Canada has contributed in the two areas: one, in dealing with the premium payment in GRIP; the second one is the premium in the NISA program. And added to that, Mr. Deputy Speaker, the involvement in cash advance for the people of Saskatchewan for their next year's crop — the federal government has already committed themselves to that.

I want to point out to the members of the Assembly that this budget includes considerable volume of dollars from the treasury for the GRIP program. And that's valued about \$106 million. That's a significant contribution. That's over and above the contribution by the Crop Insurance Corporation. I just want to point that out. This deals with the revenue side of the GRIP program. Above that, Mr. Deputy Speaker, the NISA program, the net income stabilization account, also gives roughly a \$18 million share out of the budget to the budget in the

Department of Agriculture. Crop insurance's share under the Crop Insurance Corporation is expected to be about \$33 million.

On top of all of this, we have a commitment from the federal government to deal on a 50/50 cost-sharing basis with regard to the administration of crop insurance, and I want to point that out. The relative cost that we anticipate for the new program with crop insurance and the revenue insurance portion is anticipated to be about \$26 million. And this volume of dollars is going to be matched by the federal government to deliver an opportunity for us to provide the program to rural Saskatchewan.

I want to point out some things that need to be addressed, I think, on the livestock side. The province is going to contribute a little bit more than \$8 million in the tripartite stabilization program to the hogs and feeder industry, the livestock industry in this province. I think that's a reasonable amount and the individuals will be fairly happy with that.

I want to make some other things aware to the people of Saskatchewan. We have worked very hard to make credit available to various sectors of agriculture through the Agriculture Credit Corporation. And in that regard we have provided, through the Department of Agriculture to Ag Credit Corporation, moneys to provide administration costs, money to provide interest subsidies in four different areas — the first area being the spring seeding program, the second area being the livestock cash advance. Mr. Speaker, that is fairly significant in the province of Saskatchewan.

We have about \$140 million in a loan to the people of the province of Saskatchewan in relation to the livestock industry. They have a significant advantage because of that and I want to point out to the province that Alberta has just now provided a drought assistance to the southern half of Alberta. That deals with about a \$35 a head value of interest-free money to the people in that area, and ours amounts to, on the beef side, to about \$85 a head. So that's a cash advance to be exactly the same as the wheat cash advance where they have an opportunity from the federal government to receive a cash advance of up to \$50,000 per farm.

We want the Ag Credit Corporation to become involved in dealing with more of these programs. We have a production loan program which we still have some \$400 million in receivables, and that, Mr. Deputy Speaker, is an important program under Ag Credit and the capital loan program which provides interest benefits to various borrowers in the agriculture side.

(1945)

That whole volume of credit amounts to about a billion dollars. And that is administrated by the Ag Credit Corporation for a total of \$28 million. And that's a significant benefit to the people of Saskatchewan, and I think it's reasonable to believe that it's important to the people.

I want to point out, in the agriculture budget there is an increase in the money available for counselling and

assistance for farmers. Last year the province of Saskatchewan contributed \$14 million to this program, and this year they're providing \$19 million to help those people who have a lot of difficulty getting loans through the regular lending agencies. And that's an important part, again, part of agriculture. It's a part of the Ag Credit Corporation.

The ag development fund was a part of what this Premier initiated as a part of developing agriculture in the province of Saskatchewan. We have, in this province, traditionally been very good producers. We have been traditionally very good innovators. And we have traditionally been people who are prepared to maximize our capacity to produce. We have to deal to a great extent in transition time into diversifying that into secondary processing. The agriculture development fund provides to the people of Saskatchewan a method of taking the information that we get out of research teams and universities out of the province of Saskatchewan and providing funding to develop opportunities for people to become involved in diversification and various kinds of technology related to increased productivity and all of those kinds of things.

That, Mr. Deputy Speaker, is the equivalent to \$28 million worth of funding there. I want to point out that there are some very important things that we have to think about in relation to this. What does this \$28 million go to? Well, Mr. Deputy Speaker, some of the things that that money will go to are paying for the College of Agriculture Building. It'll go to pay for irrigation development along Diefenbaker Lake. Very important components in dealing with the infrastructure not only in the learning side but also in the practical side in production.

One of the things that it's going to fund is the International Centre for Agricultural Science and Technology. I believe that this province has the skills and the people within it to generate an opportunity for technological advancement that is second to none in the world because of the kinds of people that we have here. And we are providing \$750,000 to the International Centre for Agricultural Science and Technology. That will provide a basis to begin to access funds from the industry in agriculture, the supply side in agriculture, and they will be able to provide an opportunity within the university setting and the Centre for Agricultural Science and Technology — an opportunity for them to develop technologies that will improve and enhance our capacity to produce and also to be competitive in the world trade.

Another area that is extremely important as it relates to agriculture is the development of machinery to enhance and have the farmers become more efficient. And we are providing again this year an opportunity to PAMI (Prairie Agricultural Machinery Institute), the prairie agriculture and manufacturing machinery institute in Humboldt, we're providing a benefit to them.

We have in this province gained a lot of skill in a number of areas. We've gained it in our capacity to produce, as I said, in our capacity to produce in grain and livestock. What we are doing in conjunction with a major co-operative of Sask Wheat Pool and the Lanigan feeders is setting up an ethanol production unit that will deal with

making ethanol out of grain and making it available to the automotive industry, Mohawk, Sask Wheat Pool, the Lanigan feeders, and the province of Saskatchewan — a joint effort in producing ethanol. And that, Mr. Deputy Speaker, is going to be an important part of a very significant diversification component in the province of Saskatchewan.

We are in the budget going to provide to the province of Saskatchewan \$6.3 million under the feed initiative program that sets and offsets the impact of the freight assistance that is given to the grain producers. And this money will be paid to producers in the feeding program. And, Mr. Speaker, that in itself is a sign of our commitment to the agriculture.

Now all of these things, Mr. Deputy Speaker, show me and others that there is a plan. There is a plan to have innovation; there is a plan for efficiencies; there's a plan for advanced technologies; there is an opportunity for diversification. These are plans that people will personally become involved with, and that's a very important part.

The development and diversification of agriculture in this province is probably the most underrated opportunity that we have. And that, Mr. Speaker, as I pointed out in this ethanol production, feed lots, the International Centre for Agricultural Science and Technology, that's the kind of thing that we need to have in this province, to move from being producers to the opportunity that we have to be manufacturers, and then also to the opportunity that we have to market.

The agri-food industry is a major contributor to this province's economic base, and the extent to which the industry contributes to the economic well-being of Saskatchewan is indicated by some very important points.

The first point — 40 per cent of our economy is impacted by agriculture in a significant and in a direct way. Forty per cent of the province of Saskatchewan's economy is impacted by agriculture, and that's very important. Two out of every five jobs in this province is related to agriculture.

That, Mr. Deputy Speaker, is very significant because as agriculture moves in its cyclical waves through its production and marketing, the flow of the economy just tracks slightly behind that through those same waves, ups and downs. And that, Mr. Speaker, has been evident in the past five years, and I want to point out that it's impacted there because of the kinds of things that happened with international trade, U.S. farm Bill, the Japanese export enhancement, the Europeans' export enhancement — that's directly impacted in that.

Agriculture represents 61 per cent of the value of primary products that are produced in this province. Over half of the primary products, the capacity produced, is produced by agriculture. Farmers in this province, Mr. Deputy Speaker, will in fact invest three and a half billion dollars in agriculture this year — three and a half billion dollars.

People have said the upgrader here in Regina that the

Federated Co-op together with the federal and provincial government built, is a very important thing, and rightfully so. Mr. Deputy Speaker, that didn't cost three and a half billion; that cost \$750 million. The upgrader in Lloydminster is going to cost over a billion dollars. But each year the agriculture people, 60,000 of them in the province of Saskatchewan, will provide three and a half billion dollars worth of economic value to this province. And that, Mr. Speaker, if it moves down 10 per cent or 20 per cent, has a very serious impact in every rural community in this province.

In Canada the wheat that we grow represents \$2 billion in trade in wheat alone, not to mention durum, flax, canola, the livestock production in beef and in pork. That's a very important component in the international trade scene.

Saskatchewan is also a leader in dry-land farming. People from all over the world come to see how we are able to produce out of the dry land that we have and the capacity that we have to produce under those conditions.

Where do we fit in Canada in cultivated land, arable land? We have 43 per cent of all the land in Canada that is available to agriculture — 43 per cent of that is right here in Saskatchewan. That's why we are a leader in dry-land farming. That is also a reason, Mr. Deputy Speaker, why this province has 25 per cent of all the cattle in Canada. It's important. It becomes a part of a food processing, manufacturing, diversification mode. Why, for example, have Intercontinental Packers become the third largest supplier of pork to the California market? It's because of the energy. It's because of the quality of the product and it's part of diversification. And that's, Mr. Deputy Speaker, is very important.

Diversification comes in other ways. It comes in cottage industries, such as fruit preserves. The ADD secretariat, which is the Agriculture Development and Diversification Secretariat in the Department of Agriculture, this past year delivered to Steinbergs in Montreal 85,000 jars of jam made by the people of this province. And they included everything from wild raspberries, strawberries, to chokecherries and blueberries.

They distributed that all into Montreal — Steinbergs in Montreal — 85,000 jars of it, a very important beginning to the kinds of things that we need in diversification.

And then you could talk about the mushroom industry, you could talk about the wild rice, wheat nuts, rabbit meat, mustard, chocolates. There's a whole host of these kinds of products.

As a matter of fact, the information that the Minister of Finance put together dealing with some of that indicates that the province of Saskatchewan has a very significant diversification component in its capacity to produce unusual and speciality crops like canola, like rice, like flax, like mustard. All of these are well known across Canada.

However, what we are doing is adding to that. For example, we have fish being raised in farms in Saskatchewan. They're processed in Saskatchewan.

They're packaged in Saskatchewan. We have a plant north of Saskatoon that does that.

There's another area that we have had to forge ahead in and that is to provide an identifiable Saskatchewan-grown product. It is very important that the people of Saskatchewan become proud of the things that they do, the things that they grow, the things that they are capable of doing.

And why should we? Because we do have some class in the kinds of things that we do. We have the capacity to do that. But we have to have those items identifiable in the grocery stores across this province.

We in agriculture must recognize one very important thing. And that fact is this: that the customer is always right. He may not decide to buy my product but he will ultimately make the choice between what he wants to buy and what he doesn't want to buy. And my products need to reflect the kind of things that that individual would want to have.

And that's why we have put something on the products that are grown in Saskatchewan, Saskatchewan Made. And that's an important part of what we are doing in the province of Saskatchewan.

As I mentioned earlier, we have recognition across Canada, across United States, for the meat products that we raise in Saskatchewan. And I point out again that Intercon does an extensive business in California with hams and pork products — very important for the economy of this province.

In dealing with the idea that we need to change from just a production mode capacity in agriculture, we decided in Agriculture this past year to add the word food. Agriculture becomes a part of production, but it also has to have a part of making food available to the people that need it. And it's a very important dynamic in the province, and it's necessary to be a part of the department and to get its focus to deal with that.

We, through this past year, have met with . . .

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

Mr. Solomon: — I'd like to request leave to introduce some guests, please.

Leave granted.

(2000)

INTRODUCTION OF GUESTS

Mr. Solomon: — Thank you, Mr. Speaker, and thank you to the member for Morse for allowing me to do this.

Mr. Speaker, I'd like to introduce to you and through you to the members of the Legislative Assembly, 25 Cubs from my constituency who are seated in the Speaker's gallery. They are from the 80th Pack in Walsh Acres, out of St. Bernadette School. They are accompanied by Kathy

Thomson, Ron Schmidtke, Tim Powell, John Hicke, Kim Thomson and some parents.

I'd like to welcome you this evening to the Legislative Assembly. I hope that you've enjoyed your tour and I look forward to meeting with you after a few moments for some refreshments and to discuss what has been happening in the Legislative Assembly this evening. Welcome. I ask all members to join with me in welcoming these Cubs here tonight.

Hon. Members: Hear, hear!

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.

Hon. Mr. Martens: — Mr. Deputy Speaker, I want to point out and welcome these Scouts here today too. On our ranch we have a Boy Scouts' camp. It's called Thompson Camp, in the south-west part of the province, and we have lots of Boy Scouts coming there on a regular basis. And so welcome to the legislature and we'll continue with our discussion about agriculture.

The Department of Agriculture changed its name to a new name called Agriculture and Food. And why was that done? The reason it was done is to bring the attention to the province of Saskatchewan, the people in the province, that it was necessary to have the link between what people buy in a grocery store and what they produce here in the province of Saskatchewan. If you ask people in the province where do they get milk, they'll say, I'll get it from a Safeway store, or I'll get it from my Co-op store, they never think about saying that the milk comes from the cow. Where do they get the various kinds of other things that they find in the grocery store? They get them from the grocery store. The food product comes from the grocery store, and the linking has to be made from the primary producer back into the system where the product is marketed. There's a very important link that has to be made. And as part of our mandate in Agriculture we decided that we'd become a part of a chain, a linkage between the producer and also the person who is retailing that product, a very important part of creating a new idea and linking the production and consumption together.

Agriculture diversification means new opportunities for crop and livestock producers. We just had opportunity this past year to open up at the Crop Development Centre a new product that's called borage, and borage is a plant that grows with a little black seed, almost like a pepper. And that seed is used to get an oil that is called linolenic acid oil, and that is used to prevent heart disease. It's extensively used in the Japanese market. And we are, through the Crop Development Centre, the people in Saskatoon, they're developing an opportunity for us to market that into the international market, especially into the Japanese market. Those are the kinds of the crops that

are available for us to begin to develop, to grow, and to become involved with.

We've got herbs and spices being produced through the ag development fund. Would we be competitive in our provincial market-place in growing these herbs and spices in relation to the kinds of things that we've traditionally done as it being, wheat durum, oats, livestock, dairy production, pork production — all of those kinds of things? Traditional, but what we have to think about is the opportunity for diversification in a whole lot of other areas.

Another thing that we have not thought about, and the ADD Secretariat is doing, is that we are taking and putting into the people's minds what catches the eye of the buyer. The consumer, as I said before, is the individual who provides the benefit to the producer, and that consumer can decide on the basis of colour. He can decide on the basis of the message on the package whether he wants to buy that. And so in order to understand the benefits of the market-place, the people who are producers are going to have to understand that they have to deliver that component and the benefit to the people of Saskatchewan.

Department of Agriculture and Food is working together with the producers. It's working together with the processors and it provides an opportunity for us to deal with them. This past summer we spent a lot of time doing that and it's paid off very well. We have some very, very striking opportunities to talk about in this province.

From this whole discussion, I want to point out that we need to have to plan what we're going to do. We have to set a target; we have to work to achieve that. In that plan, we have to gain the greatest amount of advantage that we can. We have, in the kinds of food that we produce, an opportunity to market them right to the grocery chains in this province by the very simple fact that we have an economic advantage to dealing with the fact that they are right next door to us. We don't have to get the potatoes out of Idaho. We don't have to get the potatoes out of New Brunswick. We don't have to import daffodils from British Columbia. We can do all of that here. We can grow cucumbers, like they do in Kyle in a market garden. That's the kind of things that we can do and that we can promote all the way across this province. And that is managing change, managing and adjusting change.

And I want to point out to the Assembly that in establishing the national program of GRIP, one of the things that is extremely important, and I think it isn't stated often enough, is the diversity of agriculture in this province. You have potatoes in Prince Edward Island. You have daffodils in British Columbia. You have corn in Ontario. You have barley; you have grass seed in the northern part of British Columbia. You have wheat in the South. You have canola in the North. All of these things have a diversified agriculture approach across this country. And what that does is that when you establish an insurance program and you deal with market gardening in Ontario, you also have an opportunity to say to the people in this province, there is an opportunity for us to have something that we can show that GRIP could work for the market gardeners; GRIP could work for the people

in the greenhouses, those kinds of things. And that's the kinds of things that we need to do — plan a strategy, set a goal, and work towards it. And I believe that that's exactly what we're doing in Agriculture and Food at this time.

The other thing that I want to point out, in a group of Canadian or Saskatchewan producers equivalent to what we have in this province, we have a lot of diversified people in this province. We have the capacity to diversify. We have an opportunity to deal with this all the way across this province.

The other thing that I want to point out as it relates to GRIP and NISA — and I've spoken to lots of farmers across the province in dealing with those two programs — it didn't take long for the people in agriculture to take a technology that is evident in all of the schools almost across this province, and that's the computer. How can the computer give me a detail of what I need to do on my farm as it relates to GRIP and NISA?

I met a gentleman south of Regina here who has the whole GRIP program set in his computer so that he can show, not only for himself but to the people who are interested, a way of how that impacts on his farm. I was in Lloydminster last week and I met a gentleman there who pointed out to me that in his program on how the GRIP program would work on his farm. He showed me how it would work on other people's farms.

That's the kind of thing that is available today because of the innovation of the people of the province of Saskatchewan. They're prepared to take that opportunity to do that. And that provides a very, very important service to the people of Saskatchewan. And I say that's diversification in the province of Saskatchewan.

What we have also done across the province, and it was my responsibility with the Minister of Rural Development about two years ago to begin the rural service centre development program whereby we put together some components in agriculture — the lands branch, crop insurance, rural development, and various service side parts of the government in agriculture. And what we did with that is we made it available to the people across the province. They can access crop insurance through that rural service centre. They can access, in some places, the Ag Credit Corporation. They can access lands branch. All of these things have an opportunity for them to stop and shop at one place in this province.

Again it's going according to a plan, a plan established by this government; a plan in agriculture that deals with setting a target, knowing what you're doing, and then going to get it. By the time we get all of this completed on the rural service centres, Mr. Deputy Speaker, there will be 52 of them across this province. And I think that that's fairly significant.

And if members opposite really want to take a look at innovation in agriculture, go to one of those rural service centres and you'll be surprised at the kind of service you get, the quality of service you get, and the opportunity for technological advancement. For example, you will have the opportunity to access the markets in a place like that. You'll have the opportunity to deal with Saskatchewan

Communications Network through the rural service centres, an excellent opportunity for the kinds of things that we need to have in agriculture.

I want to go to another point in things that help rural Saskatchewan that are a part of this budget, and that is the rural gas program. I think that of all of the things in the late '70s and early '80s that I discovered when I went around campaigning — and I've been campaigning since the middle '70s — one of the things that I discovered was that people in rural Saskatchewan — small towns, hamlets, villages — wanted to have an opportunity to have natural gas in this province. And, Mr. Deputy Speaker, I come from the part of the province which for years and years, through their administration, had gas wells capped. They drilled them; they found the gas; they'd cap them. They'd drill another hole; they'd cap the well. All over south-west Saskatchewan they did those kinds of things.

Now, Mr. Deputy Speaker, there are 33,000 farmers and small town residents, villages across this province that have natural gas. And that, Mr. Speaker, gives an opportunity for people in this province to lower their cost in relation to their home heating, heating their shops, providing a benefit to things like greenhouses and those kinds of things. That's the kind of opportunity that natural gas has given to the province of Saskatchewan — 33,000 of these rural customers across this province. A very important component in dealing with the lives of the people of Saskatchewan, reducing the costs, reducing the impact of high energy costs within the home. And that, Mr. Speaker, is very significant.

I want to go to a second point that deals with a benefit that has accrued. It's a plan, Mr. Speaker; it's a plan to set a target and then go for it. Natural gas was one of them. The second one was underground power service to rural Saskatchewan.

And there is nothing as frustrating, Mr. Deputy Speaker, as taking your combine out on the field and having a mile of power poles in that field and having to drive around all of them. And that's not the inconvenience, but the auger that sticks out of the combine to unload the grain, when it hooks on to one of those power poles, that has a significant impact in threatening the lives of people across this province.

And that, Mr. Deputy Speaker, we plan to set a program in place that would provide a safety mechanism to the producers in this province, and we've started to do that. It's a plan and we're going to achieve that.

The third item that I want to talk about relates to individual line service in this province. And, Mr. Deputy Speaker, this year will conclude the opportunity for all of the province of Saskatchewan to be in individual line service. And it has an interesting dynamic when we think about it.

It was a broad and bold step forward. It had a plan to provide to the people of Saskatchewan an opportunity that they could put a computer on line with the national networks and take the capacity to develop an opportunity to get information from all across this continent, from universities and all over through their computer system.

And I think that farmers in this province now have an opportunity to do that under individual line service. They have never had that before.

(2015)

They now have an opportunity to take and make their farm a business. And they can put fax machines on their telephones. They can do all of those things, things which they could not do before. And it gives an opportunity for our producers in this province to be competitive with anyone else in the world.

I want to bring to the attention of this Assembly one more thing about what I think is important to the people of Saskatchewan. My constituency is a rural constituency. The largest town has a thousand people in it. When we take a look at the volume of dollars that is provided from that rural community in taxes and benefits to the province of Saskatchewan, it is fairly significant. And I believe that the people of Saskatchewan and the residents in my constituency and the towns there should have some of those tax dollars paid back to that community. Now I'm talking about a program that we call Fair Share Saskatchewan. It's taking government services and making them available within the communities that pay the taxes in the province of Saskatchewan. I want to point out a couple of them.

Saskatchewan Crop Insurance Corporation moving to Melville — I think an excellent opportunity to move a Crown corporation into a community that can have some benefits. It can have benefits to the whole of the province.

Sask Pension Plan to Kindersley — excellent opportunity not only for the people of Kindersley but for the province of Saskatchewan.

Sask Water Corporation — I just want to point out a couple of things to the Assembly here today about the Water Corporation. It's my responsibility as a minister in the corporation. One of the things that was pointed out to me by individuals who are employed at the corporation is the value they place in being in a location that is a small community.

I had an individual who moved from Toronto to begin work in Moose Jaw with the Water Corporation. And he told me that that day was the first time in his life — he was a 40-year-old gentleman — was the first time in his life he had ever gone home to have lunch with his wife. He had come from Toronto where he went to work and never had an opportunity to do that. He comes to Moose Jaw, Saskatchewan and has an opportunity to do that — never made available for him in his whole life in a place like Toronto. The city of Moose Jaw gave him that opportunity. And that, Mr. Speaker, is an example that I believe is very important.

I want to point out to the people of this Assembly that if they really believe that the decentralization out of Ottawa is significant into this province, and it would likely happen into Regina, and I think that that is a very important part of moving some of that tax-generating revenue back into the places where it's generated.

I think those are important parts of a diversified rural Saskatchewan. And if they believe that, I believe that. It's just as important that we move some of the people from within the focus of larger centres in Saskatchewan into the small rural centres.

I wanted to make a specific point of talking about that because the city of Swift Current has the Agricultural Credit Corporation. I want to point out some significant impacts that Ag Credit Corporation, the main office, has had in the city of Swift Current. They had 28 people move within the corporation to the city of Swift Current. Above that, they have 36 people who work in the Ag Credit Corporation main office, and those people come from the city of Swift Current and surrounding area.

Now 23 of these people — these two groups of people that I mentioned — moved and were employed some place else besides Swift Current. Eighteen of them bought homes in Swift Current. Thirty-three of them are now home-makers, or they have property they pay taxes on of 45,000, almost \$46,000 every year. That's the impact on the tax side in the city of Swift Current to the Ag Credit Corporation moving there.

Twenty-seven of them rent or have apartments and they pay an annual rent of almost \$120,000. That's a direct impact into the city of Swift Current and it has a value. It has an economic value and it comes from the taxes being paid to generate that come from all over the province. Every community in this province has a right to those kinds of funds being allocated to that specific community.

Now I just want to point out the economic benefit of the employees being there. In groceries, they spend over \$250,000 annually — these families who are employed by ACS (Agricultural Credit Corporation of Saskatchewan) — almost \$110,000 every year on clothing, and almost \$100,000 on entertainment in the city of Swift Current. And now that, Mr. Deputy Speaker, is a significant volume of dollars that flows into the economy of Swift Current because of the employees that are in Ag Credit Corporation main office in the city. And that benefit can accrue to towns and villages throughout the province. It's a direct benefit to the communities that are involved.

And, Mr. Speaker, I'm going to point out a number of other things that Ag Credit Corporation employees do. It's very important. They become involved in activities in the community. These are the kinds of things that those people are involved in.

I want to point out that the mayor of Melville, for example, is an employee of Crop Insurance Corporation. He was not the mayor of Melville before he moved to Melville. In fact, he maybe didn't even want to move to Melville.

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

Mr. Van Mulligen: — To introduce a guest, Mr. Deputy Speaker.

Leave granted.

INTRODUCTION OF GUESTS

Mr. Van Mulligen: — Mr. Deputy Speaker, it gives me pleasure to recognize a guest in the Speaker's gallery. He is Nial Kuyek, and his daughter, I believe. Mr. Kuyek is the executive assistant to the president of the Saskatchewan Wheat Pool. I wonder if members might join me in welcoming Mr. Kuyek.

Hon. Members: Hear, hear!

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.

Hon. Mr. Martens: — Thank you, Mr. Deputy Speaker. I want to welcome you too to the Assembly, and if you would have been here just a bit earlier, I would have been talking about the ethanol plant in the area of Lanigan and your involvement in there, and we appreciate that. And also we could talk about Biggar and your involvement in diversification in Biggar and all of the things that the Pool has become involved with us. We're greatly appreciative of that.

I want to go on with the kinds of activities that people become involved with when they join a community. When Crop Insurance moved to Melville, one of the individuals decided to run for mayor in the city of Melville. And what happened? Yes, Mr. Deputy Speaker, he became involved with it to the point that the involvement of those people in the city of Melville was so extensive that they almost unilaterally ran the winter games program in the town of Melville. Very important economic contribution; very important social contribution to the communities that these people move into. And it's very important that they become involved with them.

Just to point out some of the things that the children of the employees get involved with. They get involved with Scouts, Guides, Beavers, swimming, gymnastics, and all the way to Air Cadets. All of those kinds of things are kinds of things that the kids get involved with in communities like Swift Current.

Now what do the employees get involved with? They get involved with everything from university classes to coaching minor sports to slow pitch ball. And it doesn't take long for people to move to a new community, to become involved in that town's sports. And if there is any doubt in people's minds about people who would move to Swift Current would cheer for when it came to hockey, you can erase that all from your mind. There's only one team in the Western Hockey League that people would cheer for.

And that, Mr. Deputy Speaker, is the kind of involvement that the communities put together when these employees

come into those communities. Those are very important parts of being involved with the kinds of commitment that we have to . . . what we call Fair Share Saskatchewan, allowing the people of this province an opportunity to go back to those communities that they were raised in and that they were born in — excellent opportunity. And, Mr. Deputy Speaker, I would welcome with the same degree of intensity and warmth the kinds of people in my communities as the people from the city of Swift Current have done for the people who are employed with ACS — very important.

I want to go on to another part of the agriculture strategy. We have a plan in Saskatchewan for agriculture development. We have a plan for diversification. We have a plan, and those include and involve a whole host of community organizations that are there. I'm just going to point out a couple of them. I'm going to point out some very important ones to the members opposite who have either forgotten or have never known the rural way of life.

Rural development corporations, RDCs in this province, to date we have 31 of them. That's where communities, RMs (rural municipality) and towns and villages get together to have economic development. We have 31 of them in this province today, and they have over 400 jobs that they have generated as a part of their economic development package. They are people working together within their community for development and diversification. We have 61 community economic development committees, and these are also a part of a growth component within rural Saskatchewan, taking small urbans, villages, towns, and putting them together with the RMs and giving them an opportunity to have economic and social benefits and impacts into a promising way of life in rural Saskatchewan.

The government of Saskatchewan and the Minister of Finance is going to put a million dollars into those two areas in dealing with the rural development corporations and the EDCs, the economic development corporation.

Because of our plan for rural Saskatchewan, people are working together in rural Saskatchewan to create jobs and stabilize the economy.

Rural Saskatchewan is diversifying. It's moving away from its dependence on wheat and moving into other things that can work and develop an important part of the strategy for agriculture in Saskatchewan. I mentioned earlier that we have designated \$750,000 to the International Centre for Agricultural Science and Technology, a very important part of agriculture. But what it does above and beyond that, Mr. Deputy Speaker, it takes and pulls together the processing sector of agriculture, pulls together the market side of agriculture with science and technology, gives an opportunity to move in a way that would have them commit some dollars to research and development of technology for Saskatchewan.

We have committed \$3.4 million over the next five years to the University of Saskatchewan for research in agriculture. Research for agriculture is extremely important. If we take a look at the economic benefit that research has — and I'll take one commodity and that's

canola — the impact of the dollars used to provide research in agriculture in the canola side have probably had a benefit ratio of about 150 per cent. For every dollar we put in, we get 150 per cent return on it. That's the benefit that research has been to the province of Saskatchewan, particularly in agriculture.

We are proud of the fact that we have had \$100 million spent in diversifying agriculture. The ag development fund has done this in research projects. It's done this in marketing strategies. It's done it in various kinds of areas, and I want to point some of them out: arctic char, rainbow trout, canola used as a dust suppressant, straw as a particle board.

One of the things that is very important in relation to the environment, and that is the area of biological control of the environment and the kinds of pests that farmers have in agriculture. We have beetles eating weeds that nothing else would eat. They'll eat that particular weed. We've had noxious weeds being destroyed in certain areas by these beetles. They'll take and pick them up and move them to another place and clean out those noxious weeds.

That's the kind of biological control that the ag development fund has initiated and has sponsored and has brought to the point that we have planned.

(2030)

We have set a target for ourselves and we're achieving that target. And that, Mr. Speaker, is the point of this budget. I want to point out to the Assembly that we set a plan for ourselves. We set a target for ourselves and we have achieved it. We have also set a target for ourselves in production; we have set a target for ourselves in the various kinds of commodities that we can produce. We're looking for new opportunities.

Just because we've set a plan doesn't indicate that we have achieved all of the opportunities available to us. No, Mr. Speaker, it only sets a window of opportunity so that other people can take and become involved with it.

I want to point out to the Assembly in an area that is unique across this province and it's growing, and it's growing because of the kinds of people that are in it. And those are the people who grow alfalfa seed in this province. I want to point out to you, Mr. Speaker, that it was a Saskatchewan individual who identified the first leaf cutter bee in the world. He identified it and it became a useful tool in propagating forage seed in alfalfa. And that individual is an important part of the agriculture network in this province of Saskatchewan — a very important part of the development of agriculture in Saskatchewan. That, Mr. Speaker, gives us an opportunity to grow alfalfa which we have never really had an opportunity to do before. And that, Mr. Deputy Speaker, was done by research initiated in the province of Saskatchewan.

Mr. Speaker, speciality crops are an important feature in the province of Saskatchewan. The people of Saskatchewan have diversified. The people of Saskatchewan are prepared to diversify even more yet. The combination of market opportunities and the

production capacity is going to have to be blended together so that people in the province have an opportunity to do that.

Going to go into one other area; it's very important in various parts of this province. It deals with game farming. Mr. Speaker, we have expanded game farming from a dozen in this province to over 85 now. And that's an important part of the kinds of things that the people of this province are doing. I recently met with the game producers from across Canada in a conference they had in Saskatoon, and for me it was an energizing kind of meeting.

Those people have imagination, they have a creativity, they have a drive, and they want to get some place. And, Mr. Speaker, we have provided them the window of opportunity to get there. And that's the kind of thing that the ag development fund, the Department of Agriculture and Food, and this Premier have provided in planning, setting a strategy, setting a goal, and going to achieve it. That's the important part of the kinds of things that we're doing.

When I talk about agriculture, I always have to refer that back to what people do in my constituency. And I want to point out some of the economic benefits. I want to point out some of the economic benefits that my leadership and the leadership of this Premier have been to the communities that I represent in the constituency of Morse. This plan, the strategy that we have had to develop to impact in my constituency has been evident in my rural constituency, as well as all of the rural constituencies across this province, been evident in the small towns and across this province.

Some things . . . I'll just point them out. I'll read a list of them. I won't tell you how much money we spent, but it's a significant amount. In my constituency alone: counselling and assistance for farmers; farm purchase program; feed grain adjustment program; feeder association loan guarantee program; livestock facilities tax credit; investment tax credit in livestock; Save our Soils, a good environmental program; farmers' oil royalty; grasshopper control; irrigation assistance, a very important component in my constituency.

Many people, Mr. Speaker, across this province believe that the Outlook area — and I compliment them for it — are the fathers of irrigation in this province. But no, Mr. Speaker, irrigation started in the south-west part of this province. Irrigation started in an area south of Maple Creek and north of the Cypress Hills. That's the kind of irrigation assistance that benefitted the farmers and the ranchers in those areas in that period of time, period of time being somewhere in the early 1900s. Some of those conveyance works were made with horses in the early 1900s.

And that, Mr. Speaker, is the kind of things that we have been doing across the south-west, and as a part of that, this government has been directly involved in upgrading some of those opportunities. I could go through a whole list.

I want to just bring to your attention a couple of more

areas in capital projects. We've had a new school at Stewart Valley, Saskatchewan. We've had a new school at Neville. We've had a new school at Waldeck, and we've had a new school at Success.

And I want to point out to the people in my constituency as well as the people in this Assembly that I appreciate the plan of this government, the plans to put those things in place, and the plans of the Minister of Education and the plans of the Minister of Finance in dealing with the kinds of things that are available to the people in my community. And that, Mr. Speaker, makes it an excellent place for Fair Share Saskatchewan to become directly involved, and I invite various agencies of Crown corporations and agencies of government to come to the kinds of communities that we have. We're proud of them in dealing with the kinds of things that they've been able to do.

And I want to point out the school that they're building in Herbert, Saskatchewan. It's a school that's just being worked on at this time. The Minister of Education has provided the funding for that, and I greatly appreciate it and so do the people of that area.

I want to point out that we have also had some health-care benefits in our constituency. Early in the involvement that I had in this government in 1982, we had the Herbert Senior Citizens Home and nursing home put together a project that involved upgrading their facilities, just finished completing the integrated facilities in Cabri, Saskatchewan.

I want to point out something very important. The gentleman who nominated me last Friday was an individual who represented that community a long time, and was a long-time resident, had worked hard in the '70s to get a facility in that area and had never been able to do it. And now he sees where he has an opportunity to put his parents into a facility like that. He has an opportunity to provide the kind of health care in his community that he thought he should have had as early as 1975. And it was that government opposite that said no to that kind of development.

These are the kinds of things that have been provided by this government because there has been a plan. There has been a strategy. There has been a target set so that the people of Saskatchewan can say yes, I'm going to try and achieve that goal. And what we have done, Mr. Speaker, is given ourselves an opportunity to stretch our imagination and give us an opportunity to achieve those goals.

And, Mr. Speaker, this budget is about choices, and it's about choices for the people of the province of Saskatchewan. As a part of what the Minister of Finance indicated yesterday, we have put ourselves in a position to say to the people of Saskatchewan that health care is important in this province, and we have committed funding for that. We have committed funding for education and, Mr. Speaker, we have committed funding for agriculture.

One final point I want to make to the members of this Assembly. The health region number one started in Swift

Current, Saskatchewan. Health region number one became an example of community health services across North America. It was initiated by the government of the day together with the municipalities and the doctors at that time. And the community of Swift Current became known across Canada and United States. In fact, cousins of mine in Oklahoma, who were studying health care as a community service, came to Swift Current, Saskatchewan to study the kinds of things that were being done as a community-based health program.

What that whole component of health care costs on an annual basis in the province of Saskatchewan — if you compare that and divide the number of dollars spent by the number of cultivated acres in this province across the province — costs \$32 a cultivated acre in this province. If you take education, and I believe in education. I have two sons in university and I believe in education. I believe it's a step in the right direction for advanced technological development across this province, providing services and human resources and all of the things related to it. That costs, on a cultivated acre basis, \$22 a cultivated acre. That added together, Mr. Speaker, costs the people in this province, for every cultivated acre, \$54 a cultivated acre.

I want to point out to the members of this Assembly that GRIP and NISA, the gross revenue insurance plan to protect 60 per cent of the economic benefit of the province of Saskatchewan, costs \$4 a cultivated acre in this province. Taxpayers are asked to pay \$54 a cultivated acre for education and health care, and I believe in them. And they are asked by this reform or by this Minister of Finance's budget to pay \$4 a cultivated acre in the province of Saskatchewan. I don't think, Mr. Speaker, that that is foolish. I think it's a wise investment and an opportunity to enhance the benefits that can accrue, not to 10 people, not to 50 people, but it has an economic benefit in 60,000 farms and an overall benefit to 170,000 people in this province.

I, Mr. Speaker, am going to be supporting this budget. And I, Mr. Speaker, am proud of the Minister of Finance who has delivered, under tough times, the kind of benefits that he has in this budget for the people of Saskatchewan.

Some Hon. Members: Hear, hear!

Mr. Rolfes: — Mr. Speaker, it gives me some pleasure to participate in this budget debate. And, Mr. Speaker, I want the public to note that the Associate Deputy Minister of Agriculture spoke for one hour and twenty-five minutes. And he spoke exactly — I kept track — about 10 minutes on the budget. And the rest of the time was not related to the budget that was handed down last night at all.

He talked, Mr. Speaker, he talked about a plan. He said this budget came about and he was going to support this budget because the Tories had a plan. Mr. Speaker, if the Tories had a plan nine years ago, that they were going to move to this point today, where we the people of Saskatchewan are faced with a \$5.2 billion deficit which did not exist in 1982, if that is the kind of plan that the member for Morse is going to support, he can support it, but we on this side are not going to support it and the people of Saskatchewan are not going to support it.

Some Hon. Members: Hear, hear!

(2045)

Mr. Rolfes: — Mr. Minister, you talked about GRIP and NISA. I went to one of your meetings, as you well know, in Saskatoon where you presented . . . or you answered some questions for the people at the Sheraton Cavalier Hotel.

I heard you well, Mr. Minister, when you were asked a question about the premium. How is a farmer going to pay for their premium? They said we're cash short. We can't pay for the premium. We can't possibly join it, even if we wanted to.

I remember well you answer, Mr. Minister. You said, well, you won't have a problem because when you put your grain in the bin, the inspector will come out and they will investigate how much grain you have in a bin. You can go to the elevator, pick up your cheque, and they'll take the premium off your cheque. That is exactly what you said, Mr. Minister, exactly what you said.

Mr. Speaker, that particular minister . . . Because there were other people there. There were other people there telling you exactly the same thing. I remember a couple of them saying, well, Mr. Minister, what's going on here? I've attended three GRIP and NISA programs, and each minister tells me a different thing. Each minister tells me something different when I ask a question.

I had a young guy from Swift Current who also attended one of your meetings, and again you gave different information to what information you gave in Saskatoon.

An Hon. Member: — Get a grip on it.

Mr. Rolfes: — Exactly, the minister should have got a grip on the program, and he should have had more knowledge about what the people could expect from GRIP. Mr. Minister, you did not have the answers. You gave conflicting answers, as did other ministers, and consequently many of the farmers were confused. They didn't know who to believe, and you people obviously didn't know the details of the program.

And is it any wonder that the Premier of this province, who was the chief negotiator, negotiated such a poor deal? Is it any wonder? He didn't know the details either; otherwise how can he possibly explain, how can he possibly explain why the people in Ontario pay \$30 per capita. The people in Quebec pay \$18 per capita, and we pay in the neighbourhood of \$160 per capita to join GRIP. You call that negotiations? Why should the people of Saskatchewan, Mr. Associate Minister, why should the people of Saskatchewan produce cheap food for Toronto, for Montreal or Vancouver or any of the other larger cities? Why should we produce cheap food for them? Answer that to the people of Saskatchewan, Mr. Associate Minister.

Mr. Minister, you say you support this budget because you had a plan. The Minister of Education had a plan in education. Well if you support the laying off of 300

teachers in rural Saskatchewan, if you support the closure of schools, if you support the increasing property tax because the Minister of Education had no influence in cabinet in order to get sufficient funds in education, if that is what you support, Mr. Minister, then you can support the budget, but we on this side will not support it.

Some Hon. Members: Hear, hear!

Mr. Rolfes: — Mr. Minister, you say you had a plan in health; therefore you are going to support the budget.

I ask the member from Morse to come to Saskatoon. You walk through City Hospital. You walk through St. Paul's. You people expended around 50 or \$60 million in St. Paul's Hospital and then you went and closed the fourth floor. There's equipment sitting in boxes that can't be opened because they don't have the money to operate the equipment. There are floors . . . there are rooms, Mr. Speaker, at St. Paul's that can't be opened because we don't have staff to operate the rooms.

Mr. Minister, you say you support this budget because of health plans. I ask you — you go to City Hospital in Saskatoon. I ask the Minister of Education to walk through the new City Hospital in Saskatoon.

You tell me, Mr. Minister, that you have a plan. What kind of a plan is it when you announced that you are going to expend a \$125 million on a new hospital in Saskatoon, then you can't proceed with the eighth floor because in the middle of the building you people decide that we are going to carry out different services at City Hospital.

Not only that, Mr. Minister, I am told that whole new walls that had been constructed had to be torn down because the Department of Health and your government changed the objectives that were going to be carried out at the new City Hospital. Millions of dollars of waste. Millions of dollars of taxpayers' moneys that were wasted because you didn't have a plan. You didn't have a plan. And today you say you have a health plan. You support the laying off of 300 nurses and the closing of over 300 beds. You say that you have a plan. Mr. Speaker, if they'd had a plan we wouldn't be at where we are today.

I want to, Mr. Speaker, to say a few words also about the constituency of Saskatoon — Saskatoon South — which I have had the honour to represent for the last . . . since 1971 except for four years. I want to say to the people of Saskatoon South: I don't know whether I will be their representative next time; I don't know whether I'll be the representative in Saskatoon Nutana. I've been nominated in Saskatoon Nutana, but we find now, because this government was so undemocratic in setting up a constituency boundaries commission and establishing the boundaries, that the whole boundaries were found illegal, unconstitutional, by the Saskatchewan Court of Appeal. Therefore because I have been nominated in Saskatoon Nutana, I don't know whether I'll be the candidate there because it's now before the courts, and the boundaries may change again. But I want to say to the people of Saskatoon South, I will gladly be their candidate and their MLA again if the boundaries should change in such a fashion that I have an opportunity to run there again.

Some Hon. Members: Hear, hear!

Mr. Rolfes: — And, Mr. Speaker, I want to say to the people of Saskatoon and to the people of Saskatchewan that after the next election when we are the government, we are going to set up an independent boundary commission and set down the rules so that the members opposite, should they ever form the government again, will never have the opportunity to try and gerrymander as they have done in this last opportunity.

Mr. Speaker, I want to now turn to the budget proper that came down last night. And I want to refer to the *Leader-Post* of today and just read a few sections from Dale Eisler's column because I think he well portrays how the people have responded to the budget that came down last night. And this is what Mr. Eisler says:

More than anything we have seen in the last decade, this budget demonstrates the toll the years have taken. Gone is any trace of the economic enthusiasm and positive outlook that was so much a part of the Devine government's psychology in the early years.

Gone is the optimism. If there's one thing the people of Saskatchewan needed, it was optimism. They needed hope. They needed opportunities. They don't need to send our young people away. But, Mr. Speaker, our young people don't have the opportunity to go to our universities if they want to because the Minister of Education is underfunding the universities so that we have to set up quotas.

Our graduates don't want to leave, but what opportunities are there in teaching? And the minister was made well aware of this at Easter council, when a young graduate confronted him about finding some opportunity in this province where she said she would like to stay.

And the minister had no answer whatsoever. Mr. Minister, Mr. Speaker, what opportunities do some of our young nurses have in this province? Three to four hundred being laid off now because of the underfunding of our health care system by this government opposite. But Mr. Eisler goes on to say the following. He said:

This is a budget where the last nine years have finally come home to roost.

And that is so true. That's the plan that the minister was talking about, a plan, Mr. Speaker, where they took a surplus of \$139 million and turned it into a deficit of 5.2 billion, when in 1983 we hear the Premier say in New York, Saskatchewan has so much going for itself you can afford to mismanage it and still break even.

An Hon. Member: — Who said that?

Mr. Rolfes: — That was the Premier of the province. That was that Premier of the province. Did he break even? Well if you call a deficit of \$5.2 billion to break even, well that's what they call it. And the Associate Minister of Agriculture says that's the plan that I support. I support that we will turn over a legacy to our children and his

children of over \$5.2 billion in the current account. He supports that.

Not only that, Mr. Speaker, what did they do to our Crown corporations? The Crown corporations, those that they didn't sell off or give away to their friends, those that are left, they have increased the debt by 5 to \$6 billion in the Crown corporations. And they call that management. And the Associate Minister of Agriculture calls that a plan, a positive plan that he can support.

Mr. Speaker, what kind of reasoning is this? What kind of logic is this? Does anybody wonder why we are in the financial state that we are in today if that's the kind of reasoning that goes on in the front benches. Mr. Speaker, Mr. Eisler goes on to say the following;

when they (and he's talking about the Tories) came to power, the Tories talked of eliminating the provincial sales tax.

What has happened? Instead of eliminating it, they've increased it from 5 per cent to 7 per cent — 40 per cent increase.

They said, "and slashing income tax rates by 10 per cent." What has happened in income tax? Well we now have the flat tax of 2 per cent. We now have a surtax that has just gone up from 12 per cent to 15 per cent, which wasn't there before. And they were elected on those promises. They were elected on that optimism. And I remember well, in 1982 when the Premier came out and he says there is so much more that we can be. So much more that we can be. What is that so much more that we can be? Well I'll tell you. It isn't that there's any more opportunity in this province for our young people because they have to . . . 80,000 people had to find their future somewhere else. Not 8,000, but 80,000 since they have come to office have left this province to find their future somewhere else.

As my colleague said before, we have a real brain-drain in this province, and they are somewhere else. And many, many of those people, Mr. Speaker, will not come back. They will not be here to build that compassionate society that we all want — that co-operative, compassionate society — not the one that the people opposite want to build, the one of individualism, the one of greed, of pure, selfish greed. No that's not what they want.

But they won't be here to build that society because they will be building, they will be raising their families somewhere else — somewhere else, Mr. Speaker — all because as the Associate Minister of Agriculture says, we had a plan, we had a plan nine years ago. That plan didn't work, Mr. Speaker.

Mr. Speaker, I could go on and quote some more from Mr. Eisler, and he states very succinctly, very correctly, the mood that is out there about the Conservative government opposite and their budget. The people are simply saying, enough is enough; give us an election and let's put in a new government that will come to grips with the problems that are facing us.

Some Hon. Members: Hear, hear!

Mr. Rolfes: — Mr. Speaker, I want to now also turn just very quickly to the Premier of the province and some of the things that he supposedly stands for.

My colleague, the critic for Health, spoke earlier this evening. But I think before I get to the Premier we have to put into context what was going on in this province in 1982, as Mr. Eisler indicated, in 1982 when the province was full of hope, full of optimism, there was a future there. We had the lowest debt in all of Canada. We had the fastest growing economy. We had the lowest unemployment. People weren't leaving in droves because they had opportunities here. We didn't have 14 per cent unemployment in Saskatoon like we have today. The average unemployment in Saskatchewan in 1982 was 4.6 per cent, the lowest or very near the lowest in all of Canada.

There was a plan; and there was a plan, Mr. Speaker, because the government that was in office was a government that looked at the best interests of the people of Saskatchewan and not in the best interest of a government in Ottawa that this Premier has been doing over the years. Every time Brian Mulroney says jump, our Premier says, how high? How high do I have to jump? And I'll prove that very quickly, that he's jumped many times and once too often, Mr. Speaker.

(2100)

Mr. Speaker, our debt in 1982 was \$3,500 per capita. Today we don't know exactly what it is but it's somewhere in the neighbourhood of 13 or \$14,000 per man, woman, and child in this province. In other words, Mr. Speaker, in nine years, in nine short years, the people opposite have increased our debt by over \$10 billion. And it took us from 1905 to 1982 to build up a debt of 3.5 billion. Ten billion dollar increase. And, Mr. Speaker, that wouldn't be so bad if they had built, but they've sold off a lot of our Crown, producing and profit-producing corporations. They're gone. And I'll tell you, is it any wonder that the people are asking, and the opposition is asking, let's open the books. Where has all the money gone? They want to know where all that money has gone.

Mr. Speaker, let me just say to the members opposite, if that is the legacy that you are so proud of, that is the legacy that you want to leave your children, you can have it. You can answer for it to your children and your grandchildren but I will tell them that I had no part of it. I had no part of leaving that debt and asking them to pay that debt on your behalf because you mismanaged this economy to that extent. You have to answer for that, not the people on this side of the House.

Mr. Speaker, we needed some optimism in that budget last night. We needed to give some hope. We needed to show people that, yes we have come to grips; we know what the problems are and we're going to confront them. But did we see that last night? Not at all. What we saw was some more rhetoric. We saw rhetoric . . . we heard in 1983 — pardon me, 1985 — when the member, the former member from Kindersley, Bob Andrew, was the Minister of Finance. And he called it one of the most intelligent budgets that had ever been presented in the

history of Saskatchewan.

In 1986 we heard the present member from Qu'Appelle-Lumsden — now the Minister of Justice. In 1986 he said that he would balance the budget by 1990. And now we hear the present Minister of Finance saying I will balance it by 1993-94. What utter hog-wash. And I will say — and I'm glad that the Minister of Finance is here to listen to me — Mr. Minister . . . (inaudible interjection) . . . No nothing wrong with it, I said I'm glad he's here to listen to me.

The Speaker: — Order. I appreciate the hon. member's remark, but strictly speaking it is referring to the presence of a member, and I just bring that to your attention.

Mr. Rolfes: — Mr. Speaker, I accept your ruling on that and I apologize.

Mr. Speaker, I want to say, I want to say to the Minister of Finance — if the Minister of Finance had been honest with the people of Saskatchewan last night, he would have done a few other things, he would have done a few other things. He would have said to the Premier, Mr. Premier I cannot live — I cannot live with the announcement that there shall only be 4 per cent this year in increases for salaries, and 2 per cent . . . two succeeding years . . . 2 per cent in each of the two succeeding years.

He would've said, Mr. Premier, you need to eliminate some of the legislative secretaries. There is no way — there is no way — he would have said to the Premier, there is no way that I can justify you paying those legislative secretaries \$8,000 a year when we are going to eliminate people from the civil service. There is no way, Mr. Premier, that I can justify you having 10 legislative secretaries, and if . . . we are going to cut nurses, we are going to cut teachers.

And in addition to that, Mr. Speaker, I think the Minister of Finance would have done well if he'd have talked to the Premier and said, in these tough economic times, why don't we cut down on the cabinet so that we will take the real lead because there isn't that much activity that we have to do in the next two or three months, and 16 or 17 of us should be able to handle it. We'll take the lead. We'll make the sacrifice. But did he do that? No, he did not. He did not take that lead, and he did not eliminate any of those 10 legislative secretaries. They will still draw their \$8,000 while those teachers who are dismissed and those nurses who are dismissed will have to seek their future somewhere else. A double standard, Mr. Speaker, and that's unacceptable to the people of Saskatchewan.

I want to also ask the Minister of Finance where he was. I want to know whether he went through the Provincial Auditor's report and checked on page 119. It was brought to your attention the other day, but I want to bring it to your attention again. On page 119, the Provincial Auditor says the following — and I want the people of Saskatchewan to be aware of the double standard of the people opposite — he said:

After completing a study the Liquor Board changed its management structure and

management remuneration. The Minister-in-Charge signed a memorandum specifying the Chairman's remuneration as \$115,000 per year effective January 1, 1989, and \$119,600 per year effective July 1, 1989.

Now you might say, Mr. Speaker, so what's wrong with that? So we pay the chairman of the Liquor Board 119,000. But oh, but do you know what was wrong with that is that in 1987 the chairman received 60,000. So the chairman of the Liquor Board gets a \$59,000 increase, 100 per cent increase. But what does the Minister of Finance do in his budget last night? He says to the civil servants, you will get a 4 per cent this year, 2 per cent next year, and 2 per cent the year after, but the chairman of the Liquor Board, 100 per cent increase — a double standard that the people in Saskatchewan simply will not accept.

Mr. Speaker, due to the shortage of time, I will skip over some of the items that I wanted to talk about — for example, the Saskatchewan Property Management Corporation. If the government again said that they are going to pull in their reins on expenditures, why did the Saskatchewan Property Management Corporation receive increases last year of 28 per cent? Well do you think they got maybe a 2 per cent raise this year? Oh no. Well 10 per cent? Oh you're way low. How about 20 . . . (inaudible interjection) . . . No you guys are still low. They got a 30 per cent increase.

An Hon. Member: — Go on. Who did?

Mr. Rolfes: — SPMC (Saskatchewan Property Management Corporation) — 30 per cent increase to service whom? The people opposite, the people opposite. So they said . . . And they're saying to the people, you have to receive a 4 per cent increase but SPMC gets a 30 per cent increase. And I wonder, Mr. Speaker, if that is fair — if that is fair.

Mr. Speaker, I want to now turn to education. Very quickly I want to turn to education. Mr. Speaker, in this last year and year and a half, we have been after the present Minister of Education and also the previous one, now the Minister of Finance, to do something in the area of protection of our people in private vocational schools. Over and over and over again, Mr. Speaker, we have heard that there was nothing wrong in the private vocational schools. But every week or every month we had another private vocational school close. The students were simply ripped off and the ministers stood by and did virtually nothing.

In the last 18 months we had nine private vocational schools closed, affecting hundreds of young people — hundreds of young people. And what was the reaction of the ministers opposite? When the students were unable to pay back their student loans, the first thing they did was to send a collection agency after these people — the first thing they did. Did the ministers ever take into consideration that maybe they had an obligation to find some new opportunities for these people so they could further their education? That was the furthest from their mind, the furthest from their mind.

Mr. Speaker, that wouldn't be so bad but the Department

of Education, in 1990-91 gave \$22 million of student loans to those students attending private vocational schools — \$22 million dollars of taxpayers' money. And they weren't willing to protect those students attending those schools. Mr. Speaker, that's a scandal. It's absolutely a scandal, it's irresponsible, and it's a waste of the taxpayers' money.

Mr. Speaker, turning to education, I will not say anything. Mr. Speaker, about kindergarten to grade 12 education because my colleague from Saskatoon Nutana will speak on that extensively in the budget debate in the next few days. I do want to however, Mr. Speaker, also speak about the grants that have been made available to our universities. I will say very little about SIAST (Saskatchewan Institute of Applied Science and Technology) because I hear an official of SIAST saying that they were quite happy with the grants that they had received, and so I expect that they will be able to carry on and provide quality education at SIAST.

I do want to however say this, Mr. Speaker: I will be questioning the Minister of Finance in estimates, and the Minister of Education, as to why SPMC, in SIAST, received a \$23 million increase. I think I know what the answer is because if you go to Avord Towers in Saskatoon . . . I invite anybody to go to Avord Towers in Saskatoon, and you should see the corporate office that they are setting up in the Avord Towers in Saskatoon.

A fair amount of it, Mr. Speaker, I think, is going into Avord Towers in setting up, yes, a first-class — Cadillac offices as we referred to them last year — in Avord Towers in Saskatoon. And I will be asking more questions about the increase in the corporate budget at SIAST as opposed to the educational program on our four campuses.

Mr. Speaker, very quickly, universities: this government says that they have a commitment to our universities. The 3.39 per cent that the U of S (University of Saskatchewan) received in this budget simply cannot and will not suffice for the university to carry on its goals and its objectives.

It will have to continue with quotas. It will have to not only continue but it will have to extend quotas in other colleges. It will have to increase the average for students attending universities. That means more and more of our young people will be unable to attend university and will have to leave this province to search for their future and their education in another province. Most, Mr. Speaker, of those young people will not be coming back. They simply won't be back.

I say to the members opposite again, there is no way that you can justify, when you are already the lowest per capita expenditures on post-secondary education in Canada . . . According to the Canadian tax foundation we rank at \$744 per capita in 1988, '89-90. And, Mr. Speaker, there's no way that we went any higher because last year the operating grants were 2.9 per cent. This year they are about 3.3 or 3.4 per cent.

We rank last, Mr. Speaker, as far as operating grants to our universities is concerned. And consequently, the quality of our education at the university is going to have to decrease unless we are going to get a commitment from

this government that more moneys will be put into the operating grants for our universities.

The president of the U of S was going to close down some colleges. He was threatening to close down . . . or at least . . . I shouldn't say that. The task committee that he set up recommended that the College of Dentistry and the College of Drama be eliminated from the university.

(2115)

They didn't take that action this year but with the promise by the Minister of Education that he will only provide 3.5 per cent this year and only 3 per cent in the next two years, in each of the next two years, there is no way that the university can help — they have no other choice, Mr. Speaker — but to eliminate some programs and maybe total colleges.

That, Mr. Speaker, will have very, very dire consequences for post-secondary education in this province. What I can't understand, Mr. Speaker, is how the Premier of this province, how the Premier of this province can make promises to the university where he says that he will provide — and I read this in the House yesterday — he will provide adequate operating funds for the new agricultural building, which means \$2.5 million, and then turn the university down after the building is being built and is ready to be opened.

Now, Mr. Speaker, does that promise fall in the category of the promises that the Premier made in 1982 when he was elected into this province? I think it must be the same thing. Promises don't mean anything to those people opposite.

I mean, he put it in writing. He wrote to the people concerned so that moneys could be raised for the agricultural building and now they refuse to provide adequate operating funds.

What's the sense of spending \$90 million on their beautiful agricultural building and then not provide the operating funds so that the university can operate it. And the minister's answer is ludicrous when he says that they should take it out of their 3.5 per cent allocation of their operating budget. To take another \$2.5 million out of 3.5 per cent, that means, Mr. Minister of Finance, you are giving the U of S only 1.5 per cent increase. That's about 3 per cent under inflation. Not only that, you have now added on a 7 per cent tax on all equipment and books that they have to purchase. And there was no relief in the budget last night, none at all.

And I noticed, Mr. Speaker, in the *Star-Phoenix*, dated I think it was April 4th . . . no, pardon me it was the fourth month, so April 13th in the *Star-Phoenix*, and this is what the editorial is entitled, "Meiklejohn stands tall". Because the Minister of Education opposed, at least in public, he said he was opposed to the provincial GST being applied to reading materials and reading books and that he would . . . in principle was opposed to it.

I ask the Minister of Education, where is he today on that principle? There was nothing in the budget last night that there would be relief, that the tax would be taken off of

education materials and books. And I say if the Minister of Education is standing that tall, if that is a principle which he stands by, then either he should have more influence in cabinet or he should resign from his position and sit as a back-bencher.

Some Hon. Members: Hear, hear!

Mr. Rolfes: — As a back-bencher, Mr. Speaker, he could criticize this government, and I would expect that he would do so. But in cabinet, if he doesn't have that influence, then let him resign.

Mr. Speaker, I cannot support this budget. This budget, Mr. Speaker, does nothing to eliminate the \$6 million debt at the U of R (University of Regina), does nothing. It does nothing to the commitment and the promise made by the Premier to help build a union centre at the U of R, absolutely nothing.

Mr. Speaker, this budget does not come to grips with the huge tuition fee increases at the U of R of 17 per cent, and I was told last night that in some of the colleges at the U of S, tuition fees will increase by 45 per cent — 45 per cent tuition increases. And what does the Minister of Finance do, supported by the Minister of Education? They reduce student aid by \$5 million — \$5 million dollars. And they're saying to the students of the province of Saskatchewan, we are not going to eliminate the quotas, we are going to increase your tuition fees, and we're not going to give you student aid so that you can continue with your education.

What opportunities do our young people have? What hope is there in this budget? I say, Mr. Speaker, this budget is a bogus budget. It is a sham perpetrated on the people of Saskatchewan. It was a travesty that was introduced in this legislature last night. I cannot support it. It does not come to grips, it does not come to grips with the problems that we have in Health. It does not come to grips with the problems in Education. It does nothing about jobs. And, Mr. Speaker, this minister, this Minister of Finance, who, Mr. Speaker, caused all those problems for us in Education when he was in Education, and has set this province back for years in the education field hasn't done any better. In fact he's done worse with his first budget.

His promise, Mr. Speaker, his promise to balance the budget by 1993-94 falls on deaf ears for the people of Saskatchewan. This budget is no budget for the future of Saskatchewan. It doesn't build. It gives no hope. I can't support it, and, Mr. Speaker, neither will I support it. Thank you very much.

Some Hon. Members: Hear, hear!

Mr. Toth: — Thank you, Mr. Speaker.

Mr. Speaker, it's an honour for me to stand here and participate in this budget debate. I was just a little disappointed that the member from Saskatoon South didn't take a little more time. I was expecting a few more minutes from him, but I appreciate his comments in the debate.

Anyway I'm honoured, Mr. Speaker, because I believe this to be one of the most important, if not the most important budget in our province's history. It is important because our province is at a crossroads. Mr. Speaker, we in this Assembly are all aware of the fact that we have endured some difficult years. Time certainly hasn't been kind to Saskatchewan or the people of this province. And, Mr. Speaker, difficult times demand difficult decisions — solutions, not empty promises.

This government and the members beside me on this side of the House have accepted this challenge head on. We have put our words into action. We have listened to people and have taken the steps necessary to implement a plan. The plan of this government, Mr. Speaker, has been in place since we were first elected in 1982. It is a plan based on people, a plan based on the family, and protecting our way of life. This is a plan that will diversify, stabilize, and protect and reform Saskatchewan — a plan for the people, written by the people.

Mr. Speaker, as we have travelled across the province and in our constituencies and talked to people, talking with people at GRIP and NISA meetings, or at meetings to establish community bond corporations or pre-budget consultation meetings, or Fair Share Saskatchewan informational meetings, people have told us that they are worried about the future of their communities. They're worried about their communities, worried for themselves, their children, and their friends. And this is most evident in rural areas like the constituency of Moosomin, which I represent, where the majority of people depend on agriculture for their livelihood.

Agriculture is the backbone of this province, Mr. Speaker. The government knows it and the members across the floor know it as well. We have all witnessed firsthand the effects this agricultural crisis has had on the entire province. For 10 years we have had to deal with the international subsidy wars, low grain prices, and depressed markets for our resources like potash, uranium, and oil.

Yet in spite of these difficulties, Mr. Speaker, our government has stuck to its plan. We have remained loyal to the people of the province. When they needed us, we were there. Whether it was assistance for farmers, new initiatives for diversification, or support for schools and hospitals — we were there. Programs like community bond corporations, rural natural gas distribution, individual telephone line service, small business investment development, regional colleges, senior citizen centres, and on and on, Mr. Speaker. Programs that were developed and put into place by this government; programs that will ensure that our villages, towns, and cities remain viable for many years to come.

The time, Mr. Speaker, is all about programs such as the ones I've just mentioned, and which I will talk about later in greater detail — programs designed to strengthen the infrastructure of our communities. And as we build on the infrastructure of the towns and villages, the cities in this province will benefit as well.

While it is very important to those we represent to maintain these programs, people have also asked us to

keep our financial house in order. We are aware of the need for fiscal responsibility, and the need for responsible leadership. And knowing this, Mr. Speaker, where do we start? At the bottom? No, at the top, the top with severance packages for members of the legislature. All members of this House will face the fact that severance packages have been eliminated. MLA (Member of the Legislative Assembly) salaries have been frozen for the second year in a row at 1989 levels, and no MLA in this legislature will receive a raise until Saskatchewan has achieved a balanced budget. As well, cabinet ministers and legislative secretaries have had their salaries frozen at '89 levels.

I have mentioned the need for tough decisions, Mr. Speaker, and one of the toughest decisions this government has made was the move toward harmonization with the federal GST. Certainly, Mr. Speaker, it's something that I've heard a lot about over the past few weeks. They've been in my riding and across the province. We will all admit that people have raised the issue of harmonization.

But there's . . . An interesting comment was raised with me a couple of weeks ago by local constituents who commented on the fact that they have a little grocery store in their community. And for a number of days people were commenting and the complaints were coming in about the provincial sales tax and the GST and harmonizing and the fact was in their store, most of the products already had PST on so there really wasn't a major increase for consumers.

However, Mr. Speaker, as I was talking to this young couple they mentioned an interesting conversation took place in their store one day. Three elderly women walked in the store and as they were shopping they overheard them commenting on the sales tax and the added burden. Then one of them mentioned, did you happen to receive the notice from Saskatchewan Health indicating the cost of the services that were done on your behalf by the Health Department. And another lady says, yes, I did, by the way, what was yours? And they were commenting back and forth on the dollar values that had been paid by the province, and by the people of this province on their behalf. And they were very surprised, in fact amazed at the cost that had been incurred on their behalf. And the conversation . . . in the end, they all commented on the fact, well I guess so many times you take health and education for granted. And, Mr. Speaker, it has to be paid for some place. So the comment was, they left the store feeling that well, we have to pay for it sooner or later, we may as well be paying for it now.

If this government had it's way, Mr. Speaker, there wouldn't have thought of being a federal GST. We've opposed this tax since it was first announced in 1988. In fact, I've commented on many occasions, Mr. Speaker, the fact was the GST, even as it is today, has become a bureaucratic nightmare and it's administratively too large. It could have been a lot simpler, even simplified. But like it or not, the GST is here and is now a part of our lives.

It is important to state here, Mr. Speaker, that the member from Riversdale and his colleagues across the floor, in

particular the Finance critic, have been in favour of harmonization since the beginning. And on many occasions in this House when questioning members, the comment or suggestion was made that, why don't you harmonize and simplify the taxation system? Ever since the goods and services tax was announced in 1988, they have been calling for the implementation of a single provincial sales tax, and that's what harmonization will do. It will harmonize so there's one tax collected.

The decision to move toward full harmonization was a difficult one, Mr. Speaker, because nobody, except maybe the members across the floor, like to raise taxes.

Mr. Speaker, harmonization means many things to Saskatchewan. Of course there will be a period of adjustment for many people. And in order to make this adjustment easier the government has announced the family tax credit, which starts this month. One of the benefits of harmonization is the revenue that will be used to honour our commitment to the farm safety net packages, GRIP and NISA.

(2130)

No one can deny the support ... and the need to support agriculture. The last 10 years are proof of what a crisis in agriculture will do to the provincial economy. GRIP and NISA, Mr. Speaker, will go a long way toward removing the guesswork from farming in Saskatchewan. Farmers will know before seeding just what their guaranteed revenue will be for each crop. GRIP is the revenue insurance component of the safety net. And I feel that the most important aspect of this vital component is that it is targeted to individual farmers. That means the money will go where it's needed most.

At the safety net informational meetings held across the province over the last few months, farmers have told us the programs are basically good, but GRIP premiums were too high. Could we help them cover the initial cost of joining the program? And, Mr. Speaker, in the recent announcement, their concerns were heard. And together with the federal government, the Premier of this province has delivered, as part of the third line of defence announced by the Premier last week ... is that the federal government will now pay 25 per cent of the producer's share of the premium which could mean, to the province of Saskatchewan, a total of \$60 million. This commitment of our Premier and of the federal Minister of Agriculture makes revenue insurance and GRIP more affordable, just what the farming community has been asking for.

The other half of the farm safety net package is the NISA program: a stabilization account that allows farmers to put money away during the good years to overcome difficulties faced in bad years. Again the recent announcement made by the Premier of this province further enhances NISA. The producer puts 2 per cent of his gross revenue into a savings account, and this amount is matched by the federal and provincial governments.

As another part of the third line, the federal government will trigger the initial funding of this program which, Mr. Speaker, will mean ... this increase could mean as much as \$90 million will be paid to Saskatchewan producers

this spring through the NISA program. This is \$90 million above the regular government contribution to NISA accounts. Combined, GRIP and NISA, Mr. Speaker, could bring more than \$1.3 billion in benefits to Saskatchewan farmers in the new crop year.

GRIP and NISA will go a long way toward reducing the uncertainty and the insecurity that accompanies price fluctuations, drought, grasshoppers, and any other difficulty facing farmers today. Increasing the stability of our farmers is a vital part of your government's plan, Mr. Speaker, because as our farmers become more viable, so does the Saskatchewan economy.

Mr. Speaker, the lawyer from Riversdale and his colleagues across the floor know that these farm safety net programs are good, solid programs, but can't seem to bring themselves to compliment this government. And I guess that's why they're in the opposition. They are unable to come with a policy of their own.

Mr. Speaker, allow me to quote from Kevin Hursh — a well-known Saskatchewan agricultural columnist who wrote in *The Battleford's News-Optimist* on January 27, 1991, and I quote:

... members of the NDP have responded by saying GRIP is no good because it doesn't guarantee farmers a cost of production. No it doesn't. (says Mr. Hursh) Nor should it. There are a lot of prominent New Democrats who know better, but many others still propagate this myth about cost of production. Come on guys. Join the real world. Get a real policy on agriculture (end quote).

Some Hon. Members: Hear, hear!

Mr. Toth: — Yes, Mr. Speaker, they should know better. Their opposition to GRIP does not make sense. They don't understand Saskatchewan's agricultural community and they don't understand Saskatchewan people. We know it and now the people of Saskatchewan know it as well. The NDP, Mr. Speaker, apparently have no plan. They have no vision, no ideas. The commitment of this Premier and this government to the agricultural community is unlike that ever experienced before and this is most obvious in my constituency of Moosomin.

Mr. Speaker, the Moosomin constituency has benefitted from the following programs: more than 13 million for counselling and assistance to farmers, a program, Mr. Speaker, that allows farmers and creditors to work together to solve financial problems before they become uncontrollable. And I can assure you, Mr. Speaker, that in my constituency a number of farmers have used the counselling and assistance program and today they continue to operate their farms because of this program and because of the commitment of the Premier and this government;

More than \$3 million under the 1985 livestock drought assistance program, funds that were used to move livestock to areas of better pasture and water, moving them from areas that were dried out into northern areas — a program which has secured and maintained our

livestock industry;

More than \$200 million into the feeder loan association guarantee program. Again, Mr. Speaker, a program that has been used to help young farmers of all ages in the province of Saskatchewan. In total, agriculture producers in my constituency have received more than \$28 million in financial support and that does not include major initiatives such as the production loan program or the spring seeding loan program — programs which provided farmers with low-interest loans.

As I've mentioned before, Mr. Speaker, the commitment of our Premier and this government to Saskatchewan farm families is unequalled by any other government. Since we were first elected in 1982, Saskatchewan farmers have received more than \$7 billion in financial support from the provincial and federal governments. When our farm families needed us most, we were there. We have said we would help them any way we could and, Mr. Speaker, the Premier of this province has gone to no length to do that, to reach out, to not only meet the needs of the farm families but the small rural communities. Harmonization, Mr. Deputy Speaker, is not only to pay for the agricultural safety net, there are other benefits to this decision as well.

For example, Saskatchewan's businesses will now be on a level playing field with other businesses across Canada and in the United States. Currently, approximately 60 per cent of all sales tax collected in the province comes from business. This amounts to a cost to business of some \$260 million each and every year. Under harmonization the sales tax is spread across a greater number of people. Businesses are eligible for a rebate on all sales tax paid on inputs. This is almost like a \$260 million assistance program for Saskatchewan businesses. And I know, Mr. Deputy Speaker, that businesses in my community appreciate the fact that they will be able to apply for and pass on the savings to the consumers that they are reaching out to draw to their businesses.

As a result of our harmonization with the federal GST and the fact that the province of Manitoba is not harmonizing, this will mean that businesses in our communities and our province will continue to face the benefits. And certainly Manitoba businesses will bear the burden of the vast majority of sales tax costs.

In the case of Alberta and B.C., consumers bear the additional tax burden of paying a health tax. Alberta residents pay more than \$500 per year for their health care and B.C. residents pay more than \$700 each year. Mr. Speaker, when you think of the benefits that the health plan has, that people of this province derive from their health plan . . . And certainly I've had numerous constituents mention on numerous occasions the fact that maybe it wouldn't have hurt to continue to be paying, or to continue, or to have continued the health premium, a premium which was removed by the members when they formed government a number of years ago.

When we look at the cost of providing health services, the cost of maintaining beds in this province, the cost of just maintaining facilities, Mr. Speaker, I believe we in Saskatchewan have a lot that we can be thankful for, a lot that we can certainly be proud of. And many times we

look at the taxes we do face. We may feel that 7 per cent is a large tax but in reality, if we looked at other areas of not only our country but other countries of the world, we would find that the residents of this province, in total, really don't face a great burden in covering health costs because it is shared by each and every one of us, and I think we're all thankful and grateful for that.

The revenue gained from harmonization, as I stated before, Mr. Speaker, will go toward our commitment to the farm safety net programs, and as the Minister of Finance stated last night, reduction of the provincial debt. By using the money this way, this government has relieved some of the pressure on the provincial debt.

It is public knowledge that the NDP on the other side of the House are in favour of harmonization. They have had many chances in this House and in the media to state their opposition to it — something, interestingly enough, they refuse to do. They refuse to come clean to the people of Saskatchewan on this issue. They refuse to say what they would do instead. What is their policy? Mr. Speaker, they continually ask to open the books. Well we would ask them, why don't they open up their books? Why don't they let the people of Saskatchewan see what their policy really is, what their plans are? The people of Saskatchewan do not want empty political posturing, Mr. Speaker, they want ideas and solutions.

And the other evening the Minister of Finance laid out a plan, laid out some ideas, and laid out some solutions that will help this province get on its feet again. And that is what the people of the province have been asking, and that is what they will get from this government — a commitment to protect and stabilize their communities through diversification and government reform.

A very important part of our plan to strengthen Saskatchewan's small towns and cities is Fair Share Saskatchewan. This policy fits into every aspect of the plan of revitalizing our province. It will lead, Mr. Deputy Speaker, to diversification as other businesses start up in response to the government agencies that will move into communities. It will stabilize and protect as it brings a constant source of income, secure jobs and new families and communities.

Fair Share Saskatchewan will reform government institutions as it brings these departments and agencies closer to the people that they serve. In fact, Mr. Deputy Speaker, a number of comments lately in our community have been, and from some of the mayors, if the government wouldn't have moved the government departments away a number of years ago, the communities wouldn't have to get involved in Fair Share Saskatchewan — if it would have been just left the way it was.

The community of Moosomin, for example, had three government agencies back in the fifties. They were all centralized. Mr. Speaker, I believe Fair Share, or decentralization, is something that people have been asking for for many years. Fair Share Saskatchewan and the policy of decentralization is not a new idea of this government, but this is an initiative which was first started in 1985 when the Saskatchewan Water Corporation was

moved to Moose Jaw. And I believe, Mr. Deputy Speaker, if you talk to any resident in Moose Jaw, they would appreciate, and they're thankful today that the Saskatchewan Water Corporation has its head office . . . And the benefits and the spin-off to their community, the added benefits to the community are certainly something they have welcomed and appreciate.

The Saskatchewan Crop Insurance moved to Melville. And, Mr. Deputy Speaker, just take a look at the community of Melville, a community that was struggling. It appeared to maintain itself, for its existence, being not that far from the communities of Yorkton and certainly not that far from Regina. To have the Saskatchewan Crop Insurance board move out to their community and set up their head office in Melville has been a real economic . . . or made an economic impact on that community.

And as we've heard on a number of occasions, brought forward my colleagues in the past two days, the mayor of Melville happens to be an employee of the Saskatchewan Water Corporation . . . or Crop Insurance. Had he remained in Regina, he wouldn't have had that privilege, he wouldn't have had that honour. And so, Mr. Deputy Speaker, I'm sure he's proud of the fact that he is mayor of a growing and progressive community. And not only the Saskatchewan Crop Insurance in Melville, but we do have a number of other businesses that have started and been initiated and in recent years that are working out of the community of Melville.

The community of Swift Current has the Agriculture Credit Corporation. It moved its headquarters to Swift Current in, I believe it was 1985 or '86. But, Mr. Speaker, the benefits and the spin-off, the economic spin-off in that community has certainly been felt and appreciated as well.

When you think of the number of employees that have moved to Swift Current . . . and certainly Swift Current many times . . . many people in Saskatchewan look at the south west and we think well that's an arid, dry, windy part of our province. But as you drive into Swift Current and you're driving through the province, Swift Current is a beautiful centre in this province and I'm sure the people of Swift Current believe it is and the people who have moved out with the Agriculture Credit Corporation have found to be it a very caring and kind community and have probably found that the residents of Swift Current have really welcomed them with open arms. And I know Swift Current appreciates that Agriculture Credit has moved its headquarters.

(2145)

Saskatchewan Pension Plan went to Kindersley, and Kamsack is the new home of the New Careers Corporation. These moves, Mr. Deputy Speaker, have been extremely successful, benefitting both the community, the agency, and the individuals involved. Moving government agencies to smaller centres in Saskatchewan creates new opportunities for those communities and helps to stabilize the local economies. For example, when salaries and local supply purchases are worked in, the New Careers Corporation is expected to bring about \$600,000 annually to the Kamsack and

area economy --\$600,000.

Mr. Deputy Speaker, that is certainly nothing to be sneezed or laughed at. It's something that the businesses in and around the Kamsack area are going to really appreciate and be thankful for. The Saskatchewan Pension Plan will bring about \$650,000 to Kindersley and area. In addition to the financial benefits of having a head office located in a smaller community, those agencies provide career opportunities and serve to stabilize and strengthen Saskatchewan's communities.

And, Mr. Speaker, as I talk about the Swift Currents and the Melvilles and the Kamsacks and the Kindersleys, certainly communities like Moosomin, Whitewood, Kipling, Wawota, communities and the constituency that I represent feel, as well, that they have and deserve a portion of Fair Share Saskatchewan. And certainly they are looking forward to more government announcements as the government looks at the Fair Share and systematically approaches the position of putting departments into rural communities.

And I believe, Mr. Deputy Speaker, the government has taken a very positive approach and taken a very careful and humane approach to this matter of diversifying and decentralizing government services. Certainly as constituents, some constituents have mentioned, it wouldn't be fair just to go into a department tomorrow and say you're moving out to, say, the community of Rocanville tomorrow. It wouldn't be fair to the employees. But what has the government done? It has worked over . . . for the past number of years to identify the areas that could work very well in rural communities.

And over the next period of a year or two years we'll put in place this program of matching government agencies with rural communities so that in the end, the communities will be more than happy to have the government agencies having come out to their community, so that the employees who decided to make the move will find that they've chosen a community that they can go into, become involved in the infrastructure of that community, maybe working with the sport program, maybe involved in coaching hockey or baseball and finding out that their involvement in the community is something that they have never really had in a large centre because the small urban centres, Mr. Deputy Speaker, make way for a more healthy and a caring attitude of people for each other and the fact that you know your neighbour a lot easier than you do in the larger centres.

Saskatchewan's government departments and agencies can operate as well if not more efficiently outside of Regina as they do within Regina. No longer does the government have to be an unreachable, unfeeling entity. Moving out to other areas of the province will bring these agencies closer to the people they serve, making them more accountable and efficient.

As I talk about the budget and our government's plan, Mr. Speaker, I would also like to talk about how this plan has benefitted my constituency in Moosomin. I've already mentioned the tremendous support Moosomin's agricultural industry has received. The support has

resulted in many spin-off benefits in small businesses in the area. When I talk about spin-off benefits, total spending in Saskatchewan schools and universities has almost doubled since this government was first elected in 1982. And as of February 20, 1990, Mr. Speaker, spending has been increased by another 3.5 per cent.

Mr. Speaker, our commitment to education has meant new schools, like the Parkland School in Wawota and the Maryfield School in Maryfield. Money for renovations and upgrading at other schools like Rocanville and Langbank, Whitewood and McNaughton School in the town of Moosomin. And when I think of Langbank, the community that I actually live in, the fact that four years — no it's five years ago now, Mr. Speaker — we were able to get together with another small community and amalgamate the two schools into one. We have the K to 6 system and grades in the Langbank school, and the 7 to 12 in the community of Kennedy. These two communities, by the way, Mr. Speaker, are only four miles apart.

And as we've seen the working arrangement that has been derived over the process of the last four years, it is amazing to see how the communities have worked together and how the school has become one of the progressive . . . and I guess when you look at the numbers, the indicators indicate that in the near future it'll be the highest attended school, or have the highest student population, of any schools in the Broadview School Division.

Mr. Speaker, that was no easy task. We all know what it's like to try and get two small communities together as each one is fighting for their own individual identity and they don't want to be absorbed by another community. But, Mr. Speaker, it took a bit of time. It took a bit of hard work, and a fair bit of commitment, but the young families in these two communities, Mr. Speaker, worked together and now we can look back with pride as we see our children getting a top-notch education with educators who are really committed to teaching their children.

And I believe part of that commitment of this government is the reason these two communities got together and agreed to work out a solution whereby they could combine the two schools. And the other thing that was facing us in combining the two schools, Mr. Speaker, was that the one community was in one school division and it was in the Arcola School Division; Langbank was in Broadview. But in the end they all formed and amalgamated under the one school division.

Mr. Speaker, it is an enhancement to our community. I believe that the commitment of this government in education has been top-notch and certainly doesn't have to take second place to any other government.

This government is dedicated to building upon the existing infrastructure of our communities. For example, the rural natural gas distribution, something which has been discussed by my colleagues on this side of the House — prior to our forming government, Mr. Speaker, fewer than 25 people in my constituency were hooked up to natural gas. Now because of your government's policy of deregulation there are now more than 300 rural natural gas customers in Moosomin and area, and I can say that

there isn't a farmer in the community or rural landowner in the area who is not looking forward to that day when they will have the same opportunity of being hooked up to natural gas.

Although, Mr. Speaker, I might add, talking about business and enterprise, I have a farmer in the area who is working together with his brother who has been very innovative in the manufacturing of heat pumps. And their plans are to establish and build a heat pump factory in the community of Wawota. Heat pumps, Mr. Speaker, are mechanical instruments which take water . . . and it works on the principle of a fridge where you compress the heat out of the water and use the distribution system to heat your house. And in the summer-time you reverse the process, Mr. Speaker, and you have an air-conditioning system. And I would like to add that I believe SaskPower has a display home right in here in the city of Regina right now that has one of the houses in their display area that is heated using a heat pump.

I believe, Mr. Speaker, this shows the innovative attitudes and ideas that come from rural Saskatchewan. And even with natural gas, the fact that we can take our source of water, which is abundant in our area, to heat and cool our homes is something that is very positive. And certainly this government has had a very major role and a hand in encouraging men and women around the province to diversify and get into new businesses.

Community bonds, Mr. Speaker, have been a way of helping people develop their businesses, develop their ideas. Mr. Speaker, I was just speaking this evening with another constituent who was in the process of working out with a number of ladies in the area to establish a marketing garden business. And they were busy cleaning out a barn so they could set up to sell the fruit and vegetables that they're going to produce. And in fact they just received word from the local care home in Wawota that they would buy all the produce that they produce. And I think that shows the initiative of people in this province, initiative that has been encouraged by the government of the province and by your Premier.

Mr. Speaker, another area that has benefitted rural Saskatchewan is the rural underground distribution program under SaskPower, which eliminates overhead power lines over farms in rural areas. Before, overhead power lines were vulnerable to high winds and storms which often lead to power outages and other problems. Now the delivery of power to many areas of my constituency is much more secure, making things easier for businesses and home owners.

And, Mr. Speaker, you will admit and many of the farmers in this area will admit that it certainly takes away many of the hazards we face every time we pull out into the field and you've got a power line running across that field, the number of power poles that you have to worry about coming in contact with.

And, as we have seen over the past number of years, certainly some farmers have come very close to severe injury when they were just not watching as closely and found their equipment running into power poles and in the process cutting down power lines.

Mr. Speaker, I think of one instance where a gentleman was out trying to work around a power pole and just misjudged. He happened to be right near a community and an elevator agent and a couple of people standing on the driveway happened to see him hit this pole and they were surprised when he got out of the tractor and jumped off of the tractor and there were sparks flying all over.

The Assembly adjourned at 10 p.m.

The fact that the plan of this government to put power underground is . . . certainly going to make it a lot safer and a lot easier for people right across the province, not just for the farmers, but people right across Saskatchewan.

Individual line service doesn't sound like a big deal to someone living in the city, Mr. Speaker, but to those living in the rural areas, this means increased privacy. This government, your government, is the first provincial government to remove party lines, to give rural residents in Saskatchewan greater privacy in their phone conversations. And we all know, or many of us know and remember the old party line service that we used to have.

Welfare reform, Sask Works, and grants to family services are all programs that protect the Saskatchewan way of life. Certainly the welfare reform program is a program that many of my constituents have been watching. And they appreciate and they like what is being done to help individuals get off the roll of welfare and into leading more productive and enhanced lives, and in fact, Mr. Speaker, one community that really got involved in the welfare reform program had over the past six years has seen, out of the eight employees that they have hired under the welfare reform program, seven of them have completed and are now working on their own, have found their own jobs, have found private jobs.

And, Mr. Speaker, I was talking to the mayor of that community recently, and the comment was made to me, you know, the past three years we've hired individuals, we've gone back to ask them to come work for us the second year, and they said, oh unfortunately we can't, we've found our own jobs now, and we appreciate that. Welfare reform, Sask Works, grants to family services, are all programs that protect the Saskatchewan way of life.

Our record on health-care spending is unsurpassable, Mr. Speaker. We have done more for Saskatchewan's health care than any other government this province has seen. In fact the health budget for the 1991 budget is \$1.5 billion — \$1.5 billion, Mr. Speaker. Certainly that is something we can be proud of. Funding hospital services has gone from 321 million in 1982 to \$600 million in the 1989-90 budget.

Mr. Speaker, we've heard the member from Riversdale and his colleagues across the way place . . . we look back and we see they place moratoriums on the building at seniors' nursing homes, and health-care services were drastically under funded. Today, in this province, we have a health-care card, bar none. The first of its kind which has gained international recognition . . .

The Speaker: — It being 10 p.m. the House stands adjourned until tomorrow at 2 p.m.