

The Assembly met at 2 p.m.

Prayers

## ROUTINE PROCEEDINGS

### INTRODUCTION OF GUESTS

**Mr. Muller:** — Thank you, Mr. Speaker. It's my pleasure today to introduce to you and through you 27 grade 12 students from Choiceland. Their teacher, Larry Gill; chaperon, Murray Lee; and bus driver, Donna Lee.

Of course everyone probably knows where Choiceland is. It's on the northern end of No. 6 Highway in that beautiful north central part of this province where we have some of the best fishing and hunting in all of North America I guess.

I go to the William Mason High School quite often, visit with the teachers and students, and today I was fortunate enough to have the group in for lunch in the members' cafeteria. So we had a very good discussion, and I'd ask all members . . .

**An Hon. Member:** — Must have been one sided.

**Mr. Muller:** — Yes, probably it was, Murray. I appreciate that coming from you in introduction of guests. But I'd ask all members to welcome the group from Choiceland, and I wish them a safe journey home.

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

**Hon. Mr. Meiklejohn:** — Thank you, Mr. Speaker. It's a pleasure for me this afternoon to introduce to you and other members of the legislature three special people who are in your gallery. The first one, Mr. Speaker, is Mary Muir, who is the chairperson of the Advisory Council, Status of Women here with us today from Kindersley.

And also the two top officials from the Saskatchewan Teachers' Federation, Rudy Schellenberg, the president, and Fred Herron, the general secretary. And I'd ask all members to join with me in welcoming these people here today.

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

**Mr. Lingenfelter:** — Mr. Speaker, it's my pleasure to introduce to you and through you to the Assembly, nine cancer patients who are staying at the lodge over on Pasqua Street. The lodge is associated with the cancer clinic at the Pasqua Hospital, and these people are from around the province. They're in Regina taking treatment — as you know, Mr. Speaker — for probably the toughest disease that we have.

I want to welcome them here, and also the staff. I've had opportunity to have coffee in the evenings over at the lodge and I want to tell you that it's a real home atmosphere and they provide a great service to the people of the province. I want all members to join me in welcoming them here today and wish them the best.

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

**Mr. Hagel:** — Thank you very much, Mr. Speaker. Mr. Speaker, it's my pleasure to introduce to you and through you to all members of the Assembly, 22 grade 7 students from King George School in Moose Jaw, who are seated in the east gallery, Mr. Speaker.

These students have already been on the tour of their legislative buildings, Mr. Speaker. They're accompanied today by their teacher Gordon Johnson, chaperon Merle Brilz, and the bus driver Doug Sheperd.

I look forward to meeting with the students following question period for pictures and refreshments, and the chance to discuss today's proceedings and answer any questions that they may have related to their visit here at the legislature, or just provincial politics in general.

Mr. Speaker, I'd ask all members of the Assembly to join me in welcoming these students from King George to the Legislative Assembly.

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

## ORAL QUESTIONS

### Reduction of the Government Deficit

**Mr. Shillington:** — Thank you, Mr. Speaker. My question is to the Minister of Finance. Mr. Minister, your claim to be able to balance the budget in three years would be laughable if the problem weren't so serious. Mr. Minister, I want to just review briefly some of your success stories in the past. And in the interest of time, Mr. Speaker, I'll just go back a couple of years.

Two years ago, Mr. Minister, you had a six-point restraint program. And we haven't had any restraint, and your spending has continued to spiral upward. Last year, Mr. Minister, you had an economic recovery program. Well, Mr. Minister, I won't ask you to expand on your economic recovery program. Mr. Minister, this year we've got a program to deal with the deficit. I think the one thing we can be sure of is that if this government's in office, we'll always have a deficit.

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

**Mr. Shillington:** — My question, Mr. Minister, is: why would anyone lend any credence to a claim by this government that they're the people to balance the budget?

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

**Hon. Mr. Hepworth:** — Mr. Speaker, our six-point financial plan to balance the budget within three years, I would say, is a very fair, reasonable and realistic plan. There's no question, Mr. Speaker, that there have been plans presented before in this legislature to balance the budget. People have talked about 5-year plans and 10-year plans and 15-year plans. And the reality, Mr. Speaker, it's easy to announce a plan.

Why previous plans have failed is because they didn't lay out the details as to how you're going to do it. That's the difference this time, Mr. Speaker; we lay out the details as to how we're going to do it in three years. And those details include controlling the biggest cost in running the business of government, that is to say, wages and salaries, that \$2.2 billion. It speaks to the details of how we're going to minimize increases in our operating grants, Mr. Speaker. Albeit that they are increases, they will not be racing at two and three times the rate of inflation as we've had before. This plan details how we're going to control costs in government and have government spending more effective and efficient, and that includes reducing the size of the civil service — difficult enough, Mr. Speaker.

The final point as to why this plan is real and credible, Mr. Speaker, is the new long term . . . the new generation of long-term safety nets which so often in the past threw the train off the tracks.

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

**Mr. Shillington:** — A new question, Mr. Minister. Mr. Minister, your government's last pre-election budget was so far off the mark, even the minister of Finance admitted he knew in advance it was a piece of chicanery.

Mr. Minister, I suggest to you that this is the same thing exactly. Mr. Minister, you're taking a quarter of a billion dollars out of the Crown corporations, and that's on top of \$310 billion last year. Mr. Minister, that's patently irresponsible; it's even clear that it's unsustainable. Mr. Minister, do even you believe that that is a way to balance the budget?

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

**Hon. Mr. Hepworth:** — Mr. Speaker, as a final point in why previous budget plans didn't work as effectively as we might have liked, Mr. Speaker, is the agriculture economy — a drought would come along, a trade war would come along, and it would necessitate a special or emergency payment. Now with these new long-term, new generation farm programs that won't be necessary, Mr. Speaker. And that is why that additional element makes this plan very workable.

As it relates to dividends from the Crown corporations — and he talks about their insustainability — Mr. Speaker, I would remind the hon. members these facts, Mr. Speaker. Three years ago we estimated a dividend of 200; it came in at 275. This past year, 310; it came in at 310. This budget says 250; it will come in at 250. Because one of the differences between this administration and that administration is the Crowns are run in a more business-like fashion, and guess what — they have profits.

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

**Mr. Shillington:** — I won't, Mr. Minister, remind you of your management of the Potash Corporation which lost money continuously or the P.A. pulp mill which lost money continuously.

Mr. Speaker, a new question. Mr. Minister, perhaps the question would be better addressed to the Premier. Mr. Premier, your minister called for restraint. I wonder, Mr. Minister, if it's ever occurred . . . Mr. Premier, if it's ever occurred to you that restraint, like charity, begins at home. If you're going to be closing wings of hospitals, does it, Mr. Premier, also behove you to close the posh retirement homes that you established for Graham Taylor and Bob Andrew in distant parts of the globe?

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

**Mr. Shillington:** — Mr. Premier, if you're going to be eliminating the jobs of public servants, doesn't it also make sense, Mr. Premier, to scale down the bloated size of the Executive Council? Mr. Premier, yours is the only government in Canada in which every member of the government on the benches is either a cabinet minister or a legislative secretary, except for one. The only government in Canada with that. Mr. Minister, if you're going to be . . .

**The Speaker:** — Order, order. Order. Order. The hon. member has had a very lengthy preamble and I'd ask him to put the question. It will invite a lengthy response and this is the kind of thing that gets members in the House unsettled. So please put the question.

**Mr. Shillington:** — Mr. Premier, if you're calling for restraint from others, is there any obligation upon you to observe some standards of fair play?

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

**Hon. Mr. Hepworth:** — Mr. Speaker, I think the public do expect in times like this, with the economy the way it is, that elected officials and government proper should take the first steps and show the way in terms of cutting spending.

Our government and our Premier have taken those steps, Mr. Speaker. We have one of the smallest cabinets in the last 15 years. Cabinet ministers' salaries have been frozen. MLAs' (Member of the Legislative Assembly) salaries have been frozen until the budget is balanced. Severance payments have been cut. The size of the civil service has been reduced. The size of the government payroll has been held static, Mr. Speaker.

As it relates to trade offices, we can quibble about who was in them but the reality is, Mr. Speaker, businesses in Saskatchewan like the fact that there's somebody in the Pacific Rim and in the U.S. — two of our biggest trading partners, Mr. Speaker — opening up sales opportunities for them and creating wealth, not just spending it, Mr. Speaker, but in fact creating wealth for businesses to create new jobs and new opportunities in this province.

Are they saying, Mr. Speaker, is their plan, Mr. Speaker, not to promote trade when we make our livelihood from trading wheat and potash and oil and cattle and hogs, Mr. Speaker? That is not our position. We believe in doing everything we can to make the economic pie bigger, create new jobs, new economic wealth, Mr. Speaker. That's our policy. We stand behind it, Mr. Speaker.

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

**Mr. Shillington:** — New question, Mr. Speaker. Mr. Minister, the public of Saskatchewan resent paying sharply higher taxes so that you can spend like drunken sailors on yourself and your friends.

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

**Mr. Shillington:** — My question, Mr. Speaker, is: Mr. Minister, why should they pay higher taxes if you're going to waste it on empty office space, if you're going to waste it on an endless number of hare-brained schemes like GigaText, if you're going to simply blow it? Why should they pay more taxes for you to simply waste?

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

**Hon. Mr. Hepworth:** — Mr. Speaker, first of all I do not accept the hon. member's contention about the high cost of taxation or charges to families and people who live in this province. Finance Department documents that were once again tabulated with this budget clearly show that for families up to 25,000, up to \$40,000 in income — although the numbers change somewhat — or as I recall the numbers, either first or second or fourth lowest in all of those categories when you look at the taxes and charges that apply on an interprovincial basis. I would say that's a pretty good record, Mr. Speaker. And it belies the fact that the hon. member would suggest that somehow we are higher taxed here in this province compared to other jurisdictions.

The more important thing is, Mr. Speaker, what do we do with those taxpayers' dollars? We spend them on the important priority areas of health, education, and social programs, Mr. Speaker. And in this budget, Mr. Speaker, our priorities are clear. What we have done here is revitalized and stabilized our rural economy, stabilized and revitalized . . .

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

### Job Creation Policy

**Mr. Tchorzewski:** — Thank you, Mr. Speaker. My question to the Premier is about the total failure of this budget to provide for the creation of new jobs and opportunities. I think that the *Leader-Post* captured it well when it said today that the budget "turned out to be a horror show."

The problem, Mr. Speaker, is that some of the script of this movie has not been made public. And I want to bring to your attention a document, a secret cabinet document which is entitled as follows: *Saskatchewan Economic Forecast 1990-1994*.

Now, Mr. Premier, this is your government's own economic forecast for the next five years. On table 1 in your document you predict, Mr. Premier, that the unemployment this year will increase by 2,000 and it's going to increase by another 3,000 on top of that next year. Your budget that the minister presented hides this information and these grim predictions.

**The Speaker:** — Now I realize that it's the day after the budget and I realize that there is much information out there for the Minister of Finance and for the opposition in the way of questions and answers. However, I'm going to ask both sides to . . . taking note of that, nevertheless keeping your questions and answers at a reasonable level.

**Mr. Tchorzewski:** — Thank you, Mr. Speaker. I will get to my question. Mr. Premier, in view of the fact that your budget . . . that your own document makes these grim predictions, why did, in your budget, you not address this serious problem? Or did you just think that the Saskatchewan public would never find out about it?

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

**Hon. Mr. Hepworth:** — Mr. Speaker, when it comes to stabilizing and revitalizing our rural and provincial economy, which means creating jobs and opportunity, Mr. Speaker, this budget addressed it and it addressed it in spades. And the opposition are against it, Mr. Speaker.

What we did in this budget is harmonize — harmonize, Mr. Speaker — the federal GST (goods and services tax) with the E&H (education and health) sales tax in Saskatchewan. And what that means, Mr. Speaker, what that means is because of the economic growth that comes with the input tax credit — what that means — is the economic growth in this province, Mr. Speaker, will be in some sectors up by 3 per cent — mining, agriculture, utilities, and transportation — up to 3 per cent growth. And that translates directly into 5,000 new jobs, Mr. Speaker. That's what's in this budget.

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

**Hon. Mr. Hepworth:** — But it doesn't stop there, Mr. Speaker. But it doesn't stop there because what else is in this budget is community bonds — fifty community bond corporations across this province diversifying and stabilizing and revitalizing rural communities, Mr. Speaker. More jobs being created with that instrument, Mr. Speaker, for Saskatchewan people and our Saskatchewan economy, Mr. Speaker.

**Mr. Tchorzewski:** — A new question to the Minister of Finance since the Premier refuses to answer, Mr. Speaker. Mr. Minister, from one end of this province to the other, people are being laid off because of your provincial GST — everywhere. Your government has, in the last nine years . . . and now it made an announcement after announcement of policies which were to create jobs and were to get the deficit under control. And every one of those policies has failed.

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

**Mr. Tchorzewski:** — You and your policies have a longer losing streak than the Toronto Maple Leafs. So I say, Mr. Minister, referring you to this document, I want to read this quote to you:

While the major investment projects are expected to create a number of jobs, the location of the Husky upgrader, combined with the transient

skilled construction labour force, (and take note) will limit employment benefits.

In other words, Mr. Minister, despite the job opportunities that you boast about at the Lloydminster upgrader, the jobs will be short term and of limited benefits.

So my question therefore to the minister, Mr. Speaker, is this: knowing the grim realities that your own cabinet document talks about, Mr. Minister, why did you not provide in this budget some measures to create jobs? Why did you pick the wrong decision? Why did you make the wrong choice?

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

**Hon. Mr. Hepworth:** — Mr. Speaker, we obviously have a fundamental difference — this side of the House with that side of the House — when it comes to job creation. They believe that the biggest job creator in Saskatchewan should be government, Mr. Speaker. We don't believe that, Mr. Speaker. We believe in making sure that there are the people there to provide the essential services and that's the strides you will continue to pursue, Mr. Speaker.

We believe in turning business loose, Mr. Speaker, by harmonizing and providing input tax credits and making them more competitive and profitable. We believe in having . . .

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

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

**Hon. Mr. Hepworth:** — Mr. Speaker, we believe in diversifying our economy. We believe in taking natural gas and turning it into fertilizer for our farmers and so our young people will have jobs. And unlike the NDP (New Democratic Party), we believe in taking the oil and gas out of the ground because it means jobs, it means royalties for the treasury, it means rural natural gas to farm homes, Mr. Speaker. That's what we believe in and we're going to stand behind it, Mr. Speaker.

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

**Mr. Tchorzewski:** — New question to the same minister, Mr. Speaker. Mr. Minister, if your policies . . .

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

**Mr. Tchorzewski:** — Mr. Minister, if your policies have been so successful, at some time try to explain why over 80,000 young people of this province have out-migrated to look for a future somewhere else. Because your document talks about that as well.

And I quote to you what that cabinet document says as follows:

Migration is expected to temporarily stabilize this year as economic prospects across the country weaken. Improving conditions across the country relative to Saskatchewan will cause out-migration to re-accelerate in 1992 and 1993 . . .

Now, Mr. Minister, it's hard to believe that things could get worse than the 80,000 who have left, and have left this province to go somewhere else. Your cabinet document shows that you knew what . . .

**The Speaker:** — Order, order. Order, order. Order, order. The hon. member has been stretching his questions to the limit, to be quite frank with you. I've been trying to allow him to redress, and I'm going to ask him to put his question.

**Mr. Tchorzewski:** — I was about to do that when you rose, Mr. Speaker, so I will then get to the minister and ask him that question. Mr. Minister, since your own cabinet document which was kept secret said that there is this serious problem of more people leaving this province, I ask you then, why have you chosen to ignore this situation and had not addressed that problem in this budget so that our young people can stay and work and live in the province of Saskatchewan?

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

**Hon. Mr. Hepworth:** — Mr. Speaker, we do not want to see our young people not be educated here, not grow up here, and not have jobs here. That is why this budget addresses how we will stabilize and revitalize our economy. That is why in this government's economic plan there are the Saferco plants of the world being built. That is why there's the most environmental friendly pulp plant being built outside Meadow Lake by Millar Western. That's why there's upgraders being built, Mr. Speaker. That's why there's community bond projects across this province.

But having said all of that, Mr. Speaker, the single most important thing that's going to save jobs in this province and provide new jobs in this province, Mr. Speaker, is the \$1.3 billion payment that our Premier engineered as part of the new long-term safety net programs. That's what's going to stabilize and revitalize our economy, Mr. Speaker, and that's what will create jobs and opportunity and economic wealth, Mr. Speaker.

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

### Summer Employment for Students

**Mr. Prebble:** — Mr. Speaker, I, too, have a question for the Minister of Finance, and it relates to the tragic lack of job opportunities for our young people in this province.

Mr. Minister, I note that in yesterday's budget, you cut the money available for summer employment for students within the public service by some \$900,000 or 20 per cent of the budget, a cut from 4.4 million to \$3.5 million, Mr. Minister. Now with youth unemployment on the increase and with the cost of post-secondary education for our young people rising very sharply, why have you let down our young people by further reducing employment opportunities in the province?

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

**Hon. Mr. Hepworth:** — The budget for student employment programs, Mr. Speaker, this year was

affected by two things. Number one, we tried to maintain the budget close to what was spent last year in terms of the student employment assistance programs. The other major fact that impacted on this is that we use students to help administer the fuel rebate program, Mr. Speaker. And of course those rebates are now eliminated, Mr. Speaker, so we don't have to have a bureaucracy to administer them, and that means that we won't be hiring those students to administer a program that clearly does not exist.

And that's part of this government's agenda to have more effective and efficient government, smaller government, and not view government as the main growth-creative agent in this province, Mr. Speaker.

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

**Mr. Prebble:** — Mr. Speaker, a new question to the minister. Mr. Minister, it's not just in the public sector but it's your funding for private sector employment for students during the summer that you've slashed dramatically, from ten and a half million dollars in the first year of your term in 1986, Mr. Minister, to only \$2.6 million in this budget. That's a 70 per cent cut.

Now in addition to that we see a 20 per cent cut in student hiring in the Public Service Commission, and what's more, Mr. Minister, much of your government's summer hiring is based on hiring students who are of your political persuasion and have been politically checked out by the principal secretary to the Premier.

My question is, Mr. Minister — talk about unfairness — with these unfair policies, what chance do the majority of students in Saskatchewan have to find summer work opportunities?

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

**Hon. Mr. Hepworth:** — Mr. Speaker, as I explained in my early remarks, the money that was budgeted this year to the student employment program was to more accurately reflect the uptake last year. That's point number one, Mr. Speaker.

Point number two: the community bond projects, the big and small projects, the economic diversification projects that are taking place across the province as well — we hope some students will find employment in the summer in those projects as well as in the ongoing businesses across the province who every year have hired students, Mr. Speaker.

Yes, no question. We would always like to have more money available to subsidize the hiring of students. But, Mr. Speaker, the reality is we are living in a difficult economy and adjustments have to be made. I guess I would just put to the hon. member, how much more — if these several millions of dollars isn't enough — how much more would he want to have spent here, Mr. Speaker? And how much higher would he like to have the deficit go? That's the issue, Mr. Speaker.

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

## Government Economic Forecasts

**Mr. Calvert:** — Thank you very much, Mr. Speaker. Mr. Speaker, my question is to the Premier. Mr. Speaker and Mr. Premier, I have here the same internal cabinet document referred to by the Deputy Leader of the Opposition.

And right here on the executive summary of this document, it indicates, Mr. Premier, that Saskatchewan will be in recession until 1993 — recession until 1993. And I find that interesting, Mr. Premier, because I recall members of your government, officials of your government, earlier this year saying Saskatchewan chooses not to participate in the recession.

Further in this same document, Mr. Premier, it indicates that we will have a 6 per cent inflation rate this year, two years of decline in the gross domestic product, and a 9.1 per cent decline in disposable income.

Mr. Premier, my question to you is this: why do you hide this information from the public? Why don't you give us the real story? And why, Mr. Premier, does your budget last night continue to tax us into recession?

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

**Hon. Mr. Hepworth:** — As it relates to our economic forecast, whether they're done by the government or other agencies, including the Conference Board of Canada or many of the national banks, Mr. Speaker, what those documents show and what the record of this government is, relative to the economy, is what they show is, last year Saskatchewan led all other provinces in growth in our economy, Mr. Speaker. That's what they show.

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

**Hon. Mr. Hepworth:** — Now why was that, Mr. Speaker? Well largely because of the rebound in the agriculture sector in terms of the size of the crop. This year, Mr. Speaker, predicated on probably once again normal yields, but with the long-term safety nets in place assuring farmers of some return there, what they do show is an economy that basically is flat in our growth.

But once again in 1992, Mr. Speaker, those forecasts show a growth in the economy. One other reason they show that growth in the economy, Mr. Speaker, is because of harmonization and the input business tax credit which will make it more competitive and profitable for our corporations who can then expand, hire more people, pass on savings to the consumer, and that's what we can look forward to in 1992. I find it ironic that the member from Moose Jaw . . .

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

**The Speaker:** — Order.

## STATEMENT BY THE SPEAKER

### Ruling on a Point of Privilege

**The Speaker:** — Before orders of the day, I wish to make a statement. The statement regards a question of privilege raised by the member from Regina Elphinstone yesterday. I thank the hon. member for the notice on his point of privilege which was received by my office at 12:07 p.m. April 22.

As I noted in yesterday's statement, privilege is a very serious matter. Indeed, the essence of privilege is the ability of a member or members to fulfil their responsibilities. The issue as presented to me by the hon. member is whether the Government House Leader deliberately misled opposition members by failing to indicate what business would be considered under government orders this last Friday, April 19, 1991.

To begin with, on the issue of government orders, I point out to all hon. members that under rule 8(1), and I quote: "... Government Orders may be called in such sequence as the Government decides." In all other instances, proceedings of the Assembly must be taken up in accordance with the order of business given in the order paper. Therefore in this matter no rule was broken by the Government House Leader. Indeed, it is the prerogative of the Government House Leader to arrange the order of business under government orders as he sees fit.

Whatever informal arrangements the government and opposition might have for consultation in regard to House business, they have not been made pursuant to any standing order. As unfortunate as it might be for the opposition when they are not consulted on the government's business agenda, my only reference is to the rules and procedures as they presently stand.

In regard to the order paper on April 19, I point out that all items of business had been duly appointed with notice. At present this is all the notice that is deemed necessary in order for members to fulfil their responsibilities in the Legislative Assembly. Until the process of consultation is formalized, it has nothing to do with the rules of this Assembly. The member may indeed have a grievance in this case, but is not one that can be linked to parliamentary privilege.

For this reason and until this Assembly decides otherwise, I must treat this matter as a dispute between members. Members will be aware that according to Beauchesne's *Parliamentary Rules and Forms*, 6th Edition, paragraph 31 states:

A dispute arising between two Members, as to allegations of facts, does not fulfill the conditions of parliamentary privilege.

Therefore, the matter raised by the member for Regina Elphinstone does not constitute a prima facie case of privilege.

## ORDERS OF THE DAY

### SPECIAL ORDER

### ADJOURNED DEBATES

### MOTION FOR COMMITTEE OF FINANCE

## (BUDGET DEBATE)

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

**Mr. Shillington:** — Thank you very much, Mr. Speaker. It's a pleasure to take part in this debate. This is not the first criticism I've had an opportunity to levy in the direction of the government. It's been made a lot easier, I say to members opposite, my job has been made a lot easier by the public who want to be first in line when it comes to criticizing this government.

If I recall, Mr. Speaker, that the former member for Kindersley, his last budget he called the most intelligent budget ever. Well this might well be called the most incredible budget ever. And judging by the preliminary results, it might be called the most unpopular budget ever.

I do not recall any budget when so many people reacted to the budget, often in language which could not be repeated in the Legislative Assembly but which makes it clear that they don't believe what's in this budget. I have never, Mr. Speaker, seen a budget reacted to with so much cynicism and disbelief.

Mr. Minister, this budget didn't begin last night. Indeed this was the budget that was never supposed to happen. This was the budget by press release, Mr. Minister.

This government began and gave us this budget, the bad news on February 20. They gave us the GST, they gave us cuts in hospital services and education and schools. And of course, Mr. Speaker, they never expected to give the rest of it. One would wonder why six weeks in advance of an election which is what they thought it was — indeed yesterday was supposed to have been election day — one would wonder if six weeks in advance or a month in advance, why they would announce taxes of a staggering order of the provincial goods and services tax.

Well I think that's relatively clear, Mr. Speaker. They were on the eve of an election — desperate to try to carve out of the Saskatchewan electoral map a segment which will vote for them. And indeed the provincial goods and services tax was intended to drive ever deeper the wedge between rural and urban Saskatchewan.

Mr. Speaker, among the most destructive things this government has done is the creation intentionally of the rural-urban split. I think, Mr. Speaker, this may be a destructive act whose consequences may be with us a lot longer than many of the things they've done.

Nothing, Mr. Speaker, is as cynical, nothing is as cruel as what this government has done in the creation of the rural-urban split. I suppose there's some sense of justice when one sees this Frankensteinian monster now turning back on the government, as indeed it is. The real losers of course in the rural-urban split are rural people themselves. And rural people are increasingly coming to understand that urban people, perhaps if perfect justice were observed, would blame the government. People being what they are don't just resent the government, they

present what they see as a privileged class. Little do they understand, Mr. Speaker, that rural people have themselves been victims of this government's neglect.

Mr. Speaker, the rural-urban split is an attempt to drive that wedge even deeper, lay at the foundation of the February 20 budget, and that's what explains the rather unique approach to an election of announcing a large tax increase on the eve of an election.

Mr. Speaker, this was never intended to be a budget. This was never . . . they never intended to come to the Legislative Assembly with this document. And it's obvious, Mr. Speaker, when one looks at the document, that indeed they did not intend to bring it here, and it's been the object of some very hasty preparation.

Mr. Speaker, this budget speaks of balancing, of eliminating the deficit in a fashion which I doubt that anyone believes, Mr. Speaker. It talks of creation and development, this from a government whose policies have gone a good deal . . . are a major cause of the economic problems that this province finds itself in.

Mr. Speaker, this wasn't intended to be a budget; this was intended to be an election document. Mr. Speaker, it is, perhaps again with some just desserts, that this government has to try to justify this, and he's having so much difficulty in so doing. Mr. Speaker, this government, in reaping the angry reaction from the public which it is, is simply reaping its just desserts for its neglect, for its callousness and for its single-minded self-interest over the last nine years.

Mr. Speaker, I want to deal with this government's claim to eliminate the deficit in three years. Mr. Speaker, I think it is an accurate statement that this government has not met a single one of the goals which it has set for itself with respect to the economy. Mr. Speaker, one can look back upon their various attempts. The first slogan shortly after they were elected — open for business — may have been open for business, but businesses has steadily closed. It seemed to have misunderstood the message that members opposite have.

The Premier announced in the House and announced outside the House that this province had decided not to participate in the recession. What foolishness, Mr. Speaker, what abject foolishness.

During a period of time when there was some warning that a recession was coming, this government did nothing to prepare for the recession, did nothing to attempt to ameliorate the harsh consequences of it. Instead, like Nero, this government fiddled while the province took fire and began to burn.

Mr. Speaker, that approach is still in evidence today. This government . . . Mr. Speaker, today we have a serious problem with employment of young people. We have young people leaving the province in unprecedented numbers. Indeed, once again rural Saskatchewan is the real victim of this neglect. The depopulation of rural Saskatchewan is very serious, Mr. Speaker.

Mr. Speaker, there are any number of instances in rural

Saskatchewan where the entire graduating class of a rural high school is on the way out of the province. My nephew, Mr. Speaker, graduated from Mortlach high school, told me that he was the only one of his class of 13 who graduated from grade 12 who are still in the province. That's a common and typical experience.

As one goes through rural Saskatchewan there is a generation missing. The generation of young people aren't going because they want to; they're going because they really have no opportunities for employment in this province.

In the face of that, what does this government do? This government does virtually nothing. Mr. Speaker, yesterday the whole question of jobs — perhaps this province's number one problem, its most serious shortcoming — the whole question of jobs was almost entirely absent from the speech. There was scarcely lip service paid to the creation of jobs.

(1445)

Mr. Speaker, in Canada, over a lengthy period of time until conservative governments took office federally and provincially, jobs and job creation was an integral part of what the public expected governments to do. It was an integral part of our government's responsibility to create jobs.

That, Mr. Speaker, has been cast aside for no reason that is apparent to anyone, except simple neglect and perhaps a single-minded, right-wing approach to government which suggests that there's no role for the government in the economy unless it's helping the truly needy — Cargill, Weyerhaeuser, these truly needy, these truly needy institutions. When one gets past the multinationals, it appears this government feels no responsibility, Mr. Speaker, to provide any sort of relief for anyone.

Mr. Speaker, one of the things that's going to change after the election, when this government finally either screws up the courage to call an election or runs out of time, one of the things that will most assuredly change is that young people will once again be a priority of government. We will see to it, Mr. Speaker, that the government plays its role in job creation, and its role can be very, very significant.

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

**Mr. Shillington:** — Young people, Mr. Speaker, are angry — angry at society, angry with this government, and they have every reason to be, every reason to be.

Mr. Speaker, I was on a hot-line show with the Minister of Finance between 1 p.m. and 1:40 p.m. One person called up and in his own words described how this government had betrayed its mandate. He didn't use that term, but that in effect was what he was saying. Nowhere, Mr. Speaker, is that more true than with respect to young people.

I remember in 1982 when this government was elected, the percentage of the population voting for this government seemed to be in reverse proportion to the age of the population. Young people supported this

government overwhelmingly. What did this government do with that mandate? Well the best I can say is that they took them for granted. The best I can say is that they suffered from benign neglect, and sometimes I think the neglect has not been all that benign.

What has happened to young people? This government has done nothing, absolutely nothing for nine years with respect to creation of jobs. It is true, Mr. Speaker, they've squandered money in an endless number of hare-brained schemes, and they are truly hare-brained. How else could you describe GigaText? How else could you describe Joytec? For that matter, Mr. Speaker, how else could you describe the process of funding a fertilizer plant for Cargill?

Let's just look at some of the raw statistics, Mr. Speaker. Cargill's gross revenue is larger than the province of Saskatchewan's. Its credit rating is better. If anything, Cargill ought to be guaranteeing our debt and not vice versa.

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

**Mr. Shillington:** — Their financial position is much better, and that is probably because over the years they've had some semblance of good management. Mr. Speaker, no private concern would survive any length of time if it suffered from the kind of management that this . . .

Some members say that Cargill has also profited from something else, as indeed it has. It has profited from gullible, nay, I say childlike governments who have approached privatization as a licence to give away public assets to their friends. And first in the line-up has been companies like Cargill.

Mr. Speaker, it's going to be interesting to see what kind of political donations Cargill makes in this province in this upcoming election. It is going to be very interesting to see who they feel best serves the interests of the Cargill grain company. I suspect those decisions aren't going to be hard to make for Cargill. I suspect the only difficulty will be concealing the volume of money which, in one fashion or another, finds its way through to the Conservative Party and the Conservative candidates. And I suspect that's the only question, is how do you conceal the volume of it.

Mr. Speaker, I want to spend a moment on this government's promise — if one can call it that — its promise to balance the budget in three years. It really is a misuse of the word promise to describe it as a promise. Presumably promises are made with some semblance of belief that the goal is attainable. One might be unrealistic, but surely the word promise suggests that someone believes it can be done. Does anyone over in the government benches really believe that what was presented here is a workable plan to balance the budget in three years? Does anyone truly believe that?

Just for openers, the budget is based on wildly unrealistic revenue projections. The minister attempted today to justify the taking of \$250 million from the Crown corporations. This, Mr. Speaker, after he has sold the Crown corporations which make money, after they sold

the Potash Corporation which made money continuously from its inception in 1975 to 1982. After the . . . (inaudible interjection) . . . Well the member from Kinistino says that's not accurate; that is accurate. It is time government members opposite began to live in the real world and began to deal with the facts as they are. Members opposite are not going to devise a recovery plan either for themselves or their province by living in some sort of a fantasy world.

Mr. Speaker, they sold the Potash Corporation of Saskatchewan which made a lot of money. They sold the Prince Albert pulp mill which didn't make as much money but gave us an excellent return on our investment. They sold SaskEnergy which gave us an excellent return on our investment. And the list goes on and on. They've sold the companies which make money and sometimes tended to keep the ones which didn't.

Then they claimed, Mr. Speaker, that they can extract from the Crown corporations a quarter of a billion dollars a year. That is just nonsense, Mr. Speaker. No one believes it. Indeed it is an accurate statement that even the Provincial Auditor took exception to their treatment of so-called dividends last year, and suggests that a dividend which is larger than the total profits of the corporation is not in fact a dividend at all and should be described as a withdrawal of capital, which is exactly what it was.

Mr. Speaker, leaving aside the unrealistic revenue projections, their deficit reduction program won't work. It won't work because they're starting on a false premise. Mr. Speaker, they are no different than anyone else who is living beyond their means. We all know such people, whether they be friends, whether they be members of our family, or sometimes ourselves. The person who lives beyond their means, Mr. Speaker, thinks that it will just take another 5 per cent more income and they could live quite comfortably — just a little more. Everyone else but them knows that isn't true. That will be wasted just the same as everything else.

The same, Mr. Speaker, is true of increasing taxes. Until you begin to control expenditures, you cannot control your deficit. Control of the deficit must begin with a rigid control on expenditures.

Mr. Speaker, this government has spent in a lavish fashion. And what is even more alarming, Mr. Speaker, it has usually declined, refused to justify that spending. Give you an example, Mr. Speaker, of a problem that's going to return for estimates.

The year after this government established Saskatchewan Property Management Corporation, the spending on plant and supplies and equipment went out of sight. It increased by 34 per cent in one year. When we attempted to find out why that was the case, we ran into an absolute stone wall. We got no information about Saskatchewan Property Management Corporation.

This year, Mr. Speaker, I notice in reviewing these estimates that the spending on Saskatchewan Property Management Corporation, the plant and equipment has gone up enormously. Individual departments are paying 30, 40, an average would be 20, per cent more.



Mr. Speaker, it's almost a foregone conclusion that when we try to find out from this government why spending on Saskatchewan Property Management Corporation has gone up as dramatically as it has, it's almost a foregone conclusion, Mr. Speaker, that this government won't give us a single, solitary explanation. That has been a pattern in the past, and that will be the pattern again.

Mr. Speaker, control of the deficit must begin with control of expenditures, and that must begin by being accountable. If a new government is elected after this government calls the election, the one thing, Mr. Speaker, you can be sure of is that a new government is going to return to this Assembly, a proper control and scrutiny of expenditures, something that hasn't taken place for the last nine years.

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

**Mr. Shillington:** — I do not, Mr. Speaker, know why this government has chosen to behave in the way it has. I do not know why they have been so contemptuous of the role of this legislature, but they have been contemptuous.

This government's whole effort, as it approaches a session, is not to present an acceptable picture. This government, all its energy, all its efforts are concentrated on a single goal and that is concealing from the opposition the facts. And that's what this legislative session has become.

This legislative session, Mr. Speaker, is no longer a debate about issues, about whose approach is right and whose approach is wrong. The overwhelming majority of this time of this legislature is spent in a tug of war over us trying to get information which parliaments and legislatures have since time immemorial supplied to opposition members. That's what we're spending our time on.

The one thing you can be certain of, Mr. Speaker, is that if an NDP government is elected, we are going to return proper scrutiny to this legislature and we're going to give this legislature the tools they need to control public expenditures.

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

**Mr. Shillington:** — No longer, Mr. Speaker, will government members be left with no role except apparently to heckle opposition members when they're on their feet. And no longer will opposition members spend their entire session struggling to get some fairly basic facts out of the government. This charade, Mr. Speaker, is going to come to an end.

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

**Mr. Shillington:** — One cannot expect to control public expenditures unless the government is accountable. Power corrupts, and absolute power corrupts absolutely. And this government has been corrupted by its years in office.

Mr. Speaker, I want to deal for a moment with the whole

question of economic development. No single area of this government's endeavour has brought it as much ridicule as its effort at economic development. Somehow or other this government believed that economic development is a process of paying others to come and do the job for you. Well they don't come and do the job for you; they generally come and do a job on you. And that's what they've done. That's what one multinational after another has done.

Mr. Speaker, I can name any number of examples. I will name but one — Weyerhaeuser. Weyerhaeuser came, got a good pulp mill for nothing, was given a guarantee, put in very little money of its own — some would say none.

The members opposite dispute that. Members opposite might like to give us the facts and the documents surrounding this. We have, Mr. Speaker, and this will illustrate my earlier point, we have for five years — this is going on the fifth year — we have asked for the full disclosure of the deal which Weyerhaeuser got and we can't get it. That, Mr. Speaker, illustrates the problem.

(1500)

We got one sheet of paper, a single sheet of paper which came from the member from Meadow Lake because the lawyer sitting with him gave it to the page by mistake. And that's why we got it and that's all we got. That's all we ever got.

The members opposite want some illustrations of non-disclosure. Well let me give you one, Mr. Speaker, which involved a lot less money but was a lot more galling. It was the Gainers plant in North Battleford. This to someone who had run for the leadership of the Conservative Party, then came and got a grant and a loan to build a plant in North Battleford, and to this day we haven't got so much as a blank envelope on that deal. We haven't been told a thing, not a thing.

Who on earth do members opposite . . . One of the questions which one of the callers today asked the Minister of Finance, who do you think you're kidding? Well I ask members opposite, who do you think you're kidding when you give grants to an unsuccessful contender for the leadership of the national party and won't give this legislature any details. Who do you think you're kidding? You can't conceal the smell. The smell gets out. The only people, Mr. Speaker, who are fooled by such behaviour are the members opposite, and they're virtually the only ones who are fooled.

Mr. Speaker, they have given any number of multinationals enormous sums of money. The latest example is Cargill. The latest example is Cargill. If, Mr. Speaker, it was a good deal, if it made economic sense, then surely out of its multibillion dollar budget, Cargill could have found the money to do it itself.

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

**Mr. Shillington:** — The largest privately owned grain company in the world, and one of the largest privately owned companies in the world I should add, this

company didn't want to invest its money in this plant, so the government did it for them, and then gave them 51 per cent of the equity after all our money went in. I say, Mr. Speaker, that's not economic development, that's a give-away. This government has somehow or other confused give-aways with development. The very first . . .

**An Hon. Member:** — What's given away?

**Mr. Shillington:** — What is given away? Well what's given away was \$360 million; that's what was given away. If the member opposite thinks there is any difference, if the member opposite thinks there's any difference between guarantees and direct grants, then you're mistaken. There is no difference. It is our money which is at risk. Oh nonsense, it's our money which is at risk, one way or the other. And there isn't much difference between guaranteeing and giving it to them. It's our money at risk if it doesn't succeed.

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

**Mr. Shillington:** — And the fact that members opposite don't understand that is illustrative of the problem. There is very little difference between a government guaranteeing a debt and a government making a grant. It's our money at risk one way or the other, and the fact that members don't understand that illustrates the problem.

What has been elected, Mr. Speaker, what was elected in 1982 was not a responsible group of public officials, but a bunch of children. And you've behaved like children in office. You have behaved like children in office, Mr. Speaker.

Well I seemed to have hit a rather sensitive spot, did I, with Cargill? Mr. Speaker, if I've upset any of the members opposite, I apologize, not for my comments, which I think are self-evidently true, but one wouldn't want to disturb the members opposite. One wouldn't want to disturb the members opposite with the truth which is what so often disturbs you these days.

Mr. Speaker, I want to . . . (inaudible interjection) . . . well the member from Wilkie is giving us assistance again, as he does with such brilliance.

**The Speaker:** — Order, order. Order, order. Naturally there's some emotion involved with the debate and from time to time hon. members on both sides of the House do make remarks. I'm going to have to ask the hon. members to refrain from identifying members by constituency of running. The rule does state that we're not to refer to the presence or absence of them.

**Mr. Shillington:** — Well I say to all members opposite, that ruling is not a licence to brag like a bunch of jackasses.

**The Speaker:** — Order. Now I don't think that's a reasonable comment, sir. As I said earlier, members on both sides of the House from time to time do make comments, and we should treat each other with respect as long as it's within the dignity and decorum of the House. And if sometimes it isn't, well I don't think we should be accusing each other personally.

**Mr. Shillington:** — Mr. Speaker, I want to mention briefly before I sit down, the whole plight of students. Mr. Speaker, the announcements in February resulted in sharply higher tuition fees. Really, increases in tuition fees which I found astonishing — 15, 20, sometimes as high as 40 per cent increase in tuition fees at our universities.

On top of that, Mr. Speaker, we now have a slashing of the student aid. Mr. Speaker, I can only assume with the higher costs and the decrease in aid, I can only assume there's going to be more students who will find higher education beyond their reach. And that really is an unfortunate comment on this government's priorities.

Surely if we have any responsibilities to young people during a period in their lives when they're often unable to repeat and go back to school, surely we have a responsibility to make available to them the opportunity for as much education as they can use and absorb.

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

**Mr. Shillington:** — I am really waiting with interest to hear the justification of members opposite as they rise on their feet to justify the slashing of student aid. I am really waiting, Mr. Speaker, to hear the justification for that. Mr. Speaker, the question was asked today and there was no answer to it. Now perhaps tomorrow, if somebody will understand something they don't today.

Mr. Speaker, one feature of this budget that deserves comment is its highly political nature. I have never, Mr. Speaker, in hearing 16 budgets, I've never heard the Minister of Finance feel it necessary to take the time out to tell everyone what a grand person the Premier is. I have never seen that done before.

I think generally in the past, Mr. Speaker, ministers of Finance have assumed that the Premier's reputation will stand on its own and not need to be artificially buttressed. That apparently is not the case. It apparently needs to be artificially buttressed, because that is what the minister was doing yesterday.

In a speech which is often much less partisan than many speeches given — that's often true of the budget speech; it is often much less partisan — in a speech which is much less partisan than many others, there is no place in it for gratuitous self-flattery, which is what that comment consisted of. It served no purpose. It was not part of the speech and simply robbed the speech of any credibility which it might otherwise have had.

Mr. Speaker, I want as well briefly to make mention of the question of job creation. The budget opposite said nothing, Mr. Speaker. This province desperately needs a job creation program.

What was interesting about the speech was what was absent. I didn't hear anyone claiming credit for the spring seeding assistance, didn't hear the self-congratulatory comments about the spring seeding assistance. That's because it was woefully inadequate. The truth of the matter is, Mr. Speaker, that the federal government is

bailing out. They're bailing out of support for agriculture. I can't begin to imagine what the justification for that is, but that's what they're doing. They are off-loading.

Other provincial governments, although they are Conservative, Mr. Speaker, are standing up to Ottawa. Manitoba hasn't signed, even Alberta hasn't signed. This province, this province, Mr. Speaker, has signed. This province has never criticized the federal government, not ever.

Mr. Speaker, one of the responsibilities of a provincial government is to speak on behalf of the citizens of this province to the federal government. That is a time-honoured role in Canada. And every provincial government but this one does it.

Mr. Speaker, the federal government has off-loaded in any number of areas. It off-loaded in education, it off-loaded in health, it froze equalization payments, it froze payments under established program funding, social services. Now it is actually decreasing the amount it's spending on agriculture, and it is . . . the amount it's spending on agriculture is going down, Mr. Speaker, and this government never utters a word, never utters a word.

Mr. Speaker, the minister opposite stated that the taxes paid by a family of 40,000 was, I think he said one of the lowest in Canada. Mr. Speaker, his figures are false. I am really going to be interested when the estimates from the Department of Finance come forward, to figure out how he arrived at some of the startling conclusions he did. He puts sales tax down for the average family at a figure which just simply cannot be. It is at variance with the raw facts. The facts are he's going to pick up some 6, \$700 million a year in sales tax, GST tax, and he claims the average taxpayer is paying only \$700. It cannot be. A lot of people in Saskatchewan don't pay tax.

If you do nothing other than multiply sales tax by the number of taxpayers, you get a figure which is a multiple of what he's got in. When you multiply the amount of sales tax which the people in this province pay, you have not one of the lowest-taxed populations in Canada, you have what is by any measurement, the highest.

The people of this province are the highest-taxed in Canada. Mr. Speaker, that isn't going to be something that's going to change overnight with a new administration. That, unfortunately, is a legacy which is going to take any new government a while to deal with. That is going to be a stubborn problem.

But a new administration, Mr. Speaker, will guarantee the public of Saskatchewan that if taxes don't plummet, if they don't go down quickly, they will at least be progressive and fair. We will not, Mr. Speaker, be introducing sales taxes and goods and services taxes, Mr. Speaker, which are regressive and which fall most heavily on those with lowest incomes.

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

(1515)

**Mr. Shillington:** — Mr. Speaker, we're opposed to the

goods and services tax because we think they're starting at the wrong end of the equation. They should first deal with waste and mismanagement. The public of this province have said we're not going to pay any more taxes as long as you waste it the way you do, as long as you rent empty office space in the Renaissance Hotel, as long as you lease empty space in the Renaissance Hotel for office space.

And there's two serious errors of judgement there: one, renting office space which you leave empty for a period of time; and secondly, renting space in a hotel. Hotels are not designed to be cheap office space.

As long as you fritter away money on these hare-brained schemes — GigaText, Joytec, the list goes on and on and on, as long as you continue to build posh retirement homes for Graham Taylor and Bob Andrew, and those trade embassies are little but that . . . Can anyone honestly believe that those trade embassies would have been opened if the government's intention had been to staff them with career public servants, something which should have happened? Of course they wouldn't. This was this government behaving like a private buccaneer with the public funds.

Mr. Speaker, as long as money is spent in that fashion, as long as ministers have far more executive assistants than they need, paid far more than they're worth, far more than the training or the job would demand, the public of Saskatchewan say we aren't going to pay any more taxes. First you clean up the house, and then we'll talk about a more sensible tax structure.

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

**Mr. Shillington:** — And it is that public anger, Mr. Speaker, at this government's approach upon which we found our unyielding opposition to the provincial harmonization of the GST. We also found our opposition to that tax on its very nature. It is regressive. It is unfair, Mr. Speaker. It is a tax upon those who can least afford it.

Mr. Speaker, it is on that basis that we oppose that tax and are going to oppose it very, very vigorously.

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

**Mr. Shillington:** — Mr. Speaker, for reasons which must be apparent, I will be voting against the motion.

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

**Hon. Mr. Swenson:** — Thank you, Mr. Speaker. It's a pleasure for me today to rise in this Assembly and to congratulate my colleague the Minister of Finance, the member from Weyburn, on the fine job that he did last night in presenting this 10th budget of this Progressive Conservative administration.

And, Mr. Speaker, we all know that in the last few years the economic situation in our province has been increasingly difficult, and I congratulate the member from Weyburn on presenting a budget which was tough and yet fair. And I think, Mr. Speaker, that that is always the criteria that the voters of Saskatchewan, indeed the

taxpayers, measure people in political life upon, or that the things that they present are fair to the public at large.

I think it's important that in this day and age, Mr. Speaker, that the fiscal restraint that we all know is necessary in our society be led by government. And certainly the Minister of Finance last night ran over a number of areas where this administration has taken that very important lead in fiscal restraint because people expect leadership to be shown in these areas. And certainly the fact that this government has taken it upon themselves to freeze wages and salaries, to indeed say to the public of Saskatchewan that no one in this legislature will receive a wage increase until we have a balanced budget in this province, I think is putting our best foot forward.

The Finance minister outlined a number of other initiatives, Mr. Speaker, that I'm not going to go into. But I do want to say on behalf of the Finance minister and this government that the budget consultation process, which the member from Weyburn has undertaken over the last couple of years, has clearly shown to the people on the government benches and certainly to people all around this province that this is an open government, that they have the ability to access input on how they want their budget made up. And I was fortunate this year, Mr. Speaker, to be part of that budget consultation process, to travel to three communities in the province, to take meetings on behalf of Mr. Hepworth, and indeed was in Swift Current and Lashburn and Carlyle.

**The Speaker:** — The hon. member did refer to a member by name. And I don't believe he did it intentionally, however, I must draw it to his attention that it's a breach of the rules.

**Hon. Mr. Swenson:** — I appreciate, Mr. Speaker, that you are always quick to remind us of the rules of the legislature, and I certainly would never intend to break those rules.

As I was saying, Mr. Speaker, I was fortunate enough to take part in this budget consultation process in the province this year. And clearly, people in the communities that I had the opportunity of being in said to me, as they did to the member from Weyburn all around this province, that they expected government to lead. They expected the grants and special programs to be cut back.

They said that the business community no longer wanted to be treated as a special case. They talked about the home owner grants. They talked about the special programs that have been around the province for the last number of years. What they said was, it's time that the government got its financial house in order, and by doing that it had to lead by example.

They talked about schools and school boards. They talked about hospitals and hospital boards. They talked about how we govern ourselves and how this province perhaps has too much governance, that our costs, our expenses that are associated with delivering many of our programs, need to be explored.

And certainly with the budget that the member from

Weyburn has presented, Mr. Speaker, to this House last night . . . has many of those details included in it, many of the beginnings that people around this province told us about in those consultations process. They said develop a plan, a plan for the future. Incorporate in that plan balanced budgets. Show us in the 1990s where the province's economy is going to go. They said divide the economy up into sections and show us how each of those sections will work.

So, Mr. Speaker, our government has indeed done that. And as the member from Weyburn said last night, our government has come forward with a plan, a very concise plan to take this province forward in the next three years and indeed through the '90s. That plan is made up of farm safety nets; is made up of decentralization; is made up of economic diversification; and it is made up of harmonization.

And I would like to talk about each of these areas, Mr. Speaker, because I think each one of them will play an integral part in our economy as we move into the 1990s, and also show that differences between the Progressive Conservative government today and the NDP opposition which sits across the way and constantly criticizes, but never has the courage of their convictions to tell the people of this province what their plans will be for the 1990s.

First of all, Mr. Speaker, I'd like to talk about agriculture, because I know it's a topic that is near and dear to yourself as it is with me. It's an area that's near and dear to my constituents and indeed to most of the province of Saskatchewan.

What our government has worked so diligently upon, and which our Premier and Minister of Agriculture has devoted the last two years to, is developing a long-term safety net program which would stabilize agriculture in the province of Saskatchewan and indeed western Canada. And certainly the Premier, the member from Estevan, has taken a leading role all across Canada in developing these particular agriculture programs.

They are known today by a couple of names. The first one is GRIP (gross revenue insurance plan) and NISA (net income stabilization account). And I believe, Mr. Speaker, that these programs are good for agriculture and they are good for farmers. I know they're good for my constituents and they will be good for yours.

And they're good because they preserve the agricultural way of life in a world that has so many things beyond the control of the farm gate.

It's a world, Mr. Speaker, from the time when you and I grew up as kids on the farm that has changed radically. It has seen the evolution of the European Economic Community. It has seen the evolution of countries all around the world growing crops, producing food stuffs that didn't have that ability 15 and 20 years ago. It has seen the transfer of technology world-wide through organizations like the United Nations task force on food that have allowed people to change their trading blocs to indeed enter the market-place. Where before they were simply consumers, they are now producers and sellers of

many of the products that we grow here in our province.

So if my children are to grow up and know the farm life as I did it, they have to have the assurance, as do farm families all across Saskatchewan, that there is some security in their livelihood.

And people in urban Saskatchewan I think also, Mr. Speaker, both large and small, certainly know that with that stability in the farm sector there is stability on Main Street. And I think of my own home town of Moose Jaw, a trading area of some 60,000 people, 35,000 in the city, the rest in the area around. And one only has to look at Main Street, Moose Jaw to know the impacts that agriculture has upon that city.

I must say, Mr. Speaker, I was fortunate in being part of the process in January and February and March where ministers of the Crown had the opportunity to travel around Saskatchewan and talk to farmers, business men, people who were interested in the agricultural community and talk to them about GRIP and NISA. I personally did about 18 meetings around the province and had the opportunity to visit with around 5,000 people. And I must say there was a genuine interest, there was a good level of understanding about the agricultural situation. There aren't many people in Saskatchewan today who don't know what GATT (General Agreement on Tariffs and Trade) means, know the intense pressures that are involved in getting a GATT settlement and what that means for the cash flow of this province.

And I think by and large, Mr. Speaker, those meetings were constructive. Certainly there were criticisms of the program that needed to be voiced. Certainly, Mr. Speaker, that is the way that we build upon new programs is getting the input of people, being consultative, talking to farmers, farm leaders, farm organizations, and developing the process that will carry these two programs well into the future.

There were times though, Mr. Speaker, when I must say certain groups of people, obviously with political motivation, showed up at these meetings and were very disruptive. And I only have to think of the remarks made by some of the members opposite to know that they probably had a hand in that — that instead of being out talking about building programs, consulting with farmers, asking them about the best way to do things, the opposition took the opportunity to be disruptive, to drag everything down to a political level, and in general add nothing to the process.

And of course, Mr. Deputy Speaker, the member from Saskatoon South is typical of what we heard when people were critical. They simply said that it was better to be disruptive, it was better to have no program at all, it was simply better to whine and snivel our way through life rather than working on new programs that would build our province.

And it makes me wonder, Mr. Speaker, as the date gets closer to May 15 when all farmers in this province will make a decision on whether they're going to sign up for GRIP and NISA, if most of those critical people will not look into their souls and decide that this program is better

than anything that they ever saw under an NDP administration and they will sign on the dotted line because they know that GRIP and NISA have the ability to return to them, as farmers, an income level which they could have never achieved any other way.

And it was interesting to see the comments, Mr. Deputy Speaker, of the member from Regina Centre who said that the moneys that the Government of Saskatchewan was contributing to these two programs was a criminal act. Mr. Deputy Speaker, this is so typical of the NDP Party in this province — a total lack of understanding of anything to do with the agricultural sector that has common sense tied to it.

And it was particularly disappointing, Mr. Deputy Speaker, that the member from Regina Centre who grew up in my constituency — matter of fact grew up about two miles down the road from where my wife grew up — farm family, good farm family in the Grayburn district, knows all about farming, still has members of the family there farming — that he would make a statement that said that the Government of Saskatchewan contributing to agricultural programs that will stabilize our economy here was a criminal act. Now, Mr. Deputy Speaker, if that isn't politics, if that isn't hypocrisy, and if that isn't a betrayal of the very agricultural roots that he grew up with, I don't know what is.

But \$133 million, Mr. Deputy Speaker, from the taxpayers of this province to garner \$1.3 billion, \$1.3 billion in the next year for the economy of our province, that that's criminal. I know it's money that would have never come under an NDP administration in this province.

(1530)

Over the years, and I think from 1971 to 1982, when I started farming . . . that this NDP administration that we have in this province totally ignored the agricultural sector, except when election time rolled around. And then there was always some talk. There was the former member who represented, I believe, it was Last Mountain-Touchwood. You know, he went out and he was going to save the Crow in April. And we well know what happened at that particular time in 1982.

That same member, who was the long-term agricultural minister of the NDP administration in the '70s, one day in 1980 came out and said: well boys, I think we should sow this province wall to wall with wheat. We don't want to touch any of those other crops we've been growing because the future's in wheat. So I want you all to quit growing other things and just sow it all down to wheat. Well we all know what that did, Mr. Deputy Speaker. It was probably the worst piece of advice ever given to a farmer in this province. But that is so typical of the understanding of the members opposite.

We all know, Mr. Deputy Speaker, that federal governments — and this is federal governments of all stripes — oftentimes are far removed from agriculture in western Canada. But because of our Premier, our Minister of Agriculture, we in Saskatchewan since 1982, in dealing with federal government and that is both Liberal

and Conservative, have been able to get ten billions of dollars for our farmers here as they went through some of the most difficult times in their history.

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

**Hon. Mr. Swenson:** — And I like to think, Mr. Deputy Speaker, as we go into the 1990s that we do have a federal Minister of Agriculture from the province of Saskatchewan now, the Hon. Bill McKnight, who represents the western side of our province in certainly an area that has known drought and grasshoppers and the economic difficulties that have been part of agriculture in our province; that the province of Saskatchewan has been rewarded in the federal government by having the Agriculture minister here for the first time in a very long time.

And those negotiations will always be difficult, Mr. Deputy Speaker, but I am sure that with Mr. McKnight in the agricultural portfolio, and our Premier representing the province as the agricultural minister, that we will be able to keep building and growing upon the NISA and GRIP initiatives that have been started in this province.

And one only has to contrast that to what we know of NDP agricultural policy. We know very little because they have been very tight-lipped about what they would do with this particular sector. We do know last night that the Leader of the Opposition said that we're going to have a short-term moratorium in this province. We know it won't work, but we're going to have one anyway. We're going to go through the paperwork, and we're going to have our bureaucracy run around, and we're going to do all the legal things that need to be done, and we're going to make sure we dry up the credit in all parts of the province, because we're going to have this short-term moratorium that won't work. And I believe when we have the opportunity to check *Hansard* a little later, Mr. Deputy Speaker, that'll all be confirmed.

Now what he didn't tell us last night, beyond this short-term moratorium that won't work, is if he's going to reinstate the land bank program, that famous piece of work of the '70s where the Government of Saskatchewan went out and bought land and competed with each and every one of us, drove the price of land up, and quite frankly didn't do a darn thing for agriculture in this province.

And he didn't tell us if he's going to limit the size of farms even though there have been resolutions passed at NDP conventions to do just that. And he didn't tell us last night, but he did hint at it, that he just might tear up the new farm safety net measures. In other words, if the member from Riversdale becomes premier of this province, and all the farmers in the province of Saskatchewan have signed up after May 15 to GRIP and NISA, that this individual is then going to tear up the deal.

I'm not so sure that that's good planning, Mr. Deputy Speaker. I'm not so sure that the farmers of this province, after they've made that decision, would like it torn up.

And I'm really wondering, even though he didn't say it last night, Mr. Deputy Speaker, if we're going back to

inheritance taxes and succession duties.

I wonder how the member from Morse whose family was involved in the last NDP administration . . . with a death in the family, and what that meant to his particular family. I wonder if other farm families around this province are going to be faced with that same old NDP tool of inheritance taxes and succession duties. And are they going to eliminate, are they going to eliminate some of the tax advantages that the agricultural community has had for many years?

The Leader of the Opposition knows full well that through harmonization of federal and provincial sales taxes, that farmers will be able to get tax rebates on farm inputs. He knows that full well and is he going to eliminate those for agriculture?

Mr. Speaker, I had a — Mr. Deputy Speaker, I had an interesting experience a couple of weeks ago where I was exposed to NDP agricultural policy. Went out to one of my local credit unions who asked that all candidates come forward. And they'd asked a number of questions and asked each one of us to comment upon how we viewed the credit union movement and some of the questions that were pertinent to them in 1991.

And it was very interesting because one of the questions, Mr. Deputy Speaker, was how each of the parties viewed the farm land security Act, an Act that was introduced by this particular administration some years ago, sets very stringent rules and conditions on farm foreclosure, allows a process which can take two to three years for farm families to work their way through one of the most difficult things that a farmer can, and that is the foreclosure process, losing part of his land. And it's very onerous legislation and the credit unions have felt that because they are treated somewhat differently than banks, that there should be some changes to that particular Act.

When asked about this particular area, my NDP opponent, Mr. Bishoff, clearly stated, as did the member from Riversdale last night, that yes, we would have a short-term moratorium. And credit union manager said, well what will we do during the course of this moratorium when obviously we won't be able to secure our assets, when we won't be able to lend out money for fear that it won't get repaid? And my NDP opponent said, well there are other ways that we can exempt the credit union movement from this moratorium. This moratorium will only be for bankers and trust companies and machinery companies and these types of people. We didn't intend on having the credit union movement involved in this particular process.

And upon future questioning of the NDP candidate in Thunder Creek, it was asked, how are you going to provide the credit union movement with business if they can't lend out money because you've got a moratorium on? He said, well there are other ways. There are other sources of capital that we can direct in your direction.

And I questioned him naturally, on what those were. And he said, well for instance, when you get crop insurance cheques, who do they come from? I said, well they come

from the Government of Saskatchewan, from the Crop Insurance Corporation. He said, there you go. We'll give it to the credit unions.

And I said to the folks assembled, I said, does this NDP candidate mean that the financial services of the province of Saskatchewan are going to be privatized without going through a tendering process and simply handed to the credit union movement in this province? Did I get an answer from my NDP opponent? No. Because everyone in the crowd was absolutely aghast that this statement would be made.

But you know what, Mr. Deputy Speaker? He did not back down. He did not back down on those statements. And this is a member, a farmer who I know sits on the NDP agricultural caucus. And obviously this member was talking NDP agricultural policy. And I say, Mr. Deputy Speaker, a policy that makes moves such as that is dangerous to the province of Saskatchewan and dangerous to the farm community and dangerous to the credit union movement who he supposedly was going to help.

Mr. Deputy Speaker, an agricultural policy such as this has no place in our province. Never has had.

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

**Hon. Mr. Swenson:** — And finally, Mr. Deputy Speaker, the point was made, the point was made to that NDP candidate: when you go through this debt adjustment process that you talk about, how are you going to do it? Are we going to be like the 1930s where people walked around and said, you're paying your taxes and you're not paying your taxes? Is that the process we're going to repeat? A process that ripped apart families and communities 60 years ago in this province and it is still remembered by many people. Is that the debt settlement process that the NDP propose? And he didn't say no.

Well, Mr. Deputy Speaker, if we can't learn from the past, if we have to do in the '90s what we did in the '30s, I think this province is in deep trouble. And an NDP administration that would do that to this province has no place in government in Saskatchewan.

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

**Hon. Mr. Swenson:** — Mr. Deputy Speaker, I would like to move now to another topic that our Finance minister talked about as part of an integral plan for the '90s in the province of Saskatchewan, and that is decentralization.

Mr. Deputy Speaker, the stabilization of rural Saskatchewan will take many components. One I've talked about in agriculture is GRIP and NISA. Another one is decentralization. Over the years the taxpayers of this province have expended a great deal of money and thought, time, on building an infrastructure in most of our towns and villages and small cities and at the schools and the hospitals and the rinks and the paved streets and the sewer systems that have made all of these places a good place to live.

And I think about communities in my own constituency

like Briercrest and Rouleau and Pense and Central Butte — good small communities — and this infrastructure that has been built by the taxpayer of this province is at risk because agricultural Saskatchewan has had so much difficulty in the last 10 years. People have been under duress, they have had to move out of some of these smaller centres, businesses have closed.

One way that we as Government of Saskatchewan can alleviate this situation is to make sure that government services, the essential services that we all know and enjoy, are spread fairly around this province. Because we don't just pay taxes in Regina or the bigger cities; we pay taxes everywhere.

We know, Mr. Deputy Speaker, that the record of this government is a good one when it comes to decentralization. It has been done at a pace that is reasonable, it has been orderly, it has been efficient. It has meant that the Ag Credit Corporation could move to Swift Current and be credible in that community. It has meant that Crop Insurance has moved to Melville and been credible in that community, and indeed the mayor of Melville is an employee of Crop Insurance. It has meant that the Water Corporation, a creation of this government, has its headquarters in Moose Jaw. Many of its employees now play integral parts in our community. Many of the people in the Kinsmen Club and other organizations in Moose Jaw are Sask Water employees.

It has meant that Sask Water has been able to deliver the services that it was designed for all over our province from a centre other than Regina. It has meant development of irrigation on Lake Diefenbaker. It has meant sewer and water projects all over Saskatchewan in towns and villages.

Because it is in Moose Jaw doesn't mean it is less effective. Because Crop Insurance is in Melville doesn't mean it is less effective. Because the Ag Credit Corporation is in Swift Current, it is not less effective. All of these decentralizations, Mr. Deputy Speaker, have created jobs. They've created opportunities for kids in those areas to go away to school, come back and get a job in their home town.

Mr. Deputy Speaker, when I attended university at the U of S (University of Saskatchewan) in the early 1970s, none of my room-mates were from Regina or Saskatoon. They were young men and women from all over Saskatchewan who went to the U of S to seek an education, to seek opportunities.

And, Mr. Deputy Speaker, anyone that says that the intelligence, the quality, and the capability of the work-force isn't in rural Saskatchewan, let them beware. Let them make those statements out in rural Saskatchewan because that ability is there, Mr. Deputy Speaker, that any job in the public service can be handled in those towns and small cities and villages of the province of Saskatchewan.

Decentralization must be handled carefully. It must be done in a way that is humane, cost-effective, and it must fit a plan for the future, because done in isolation, Mr. Deputy Speaker, it doesn't make sense. It must be part of

an integral plan that will build the infrastructure and save the infrastructure of this province.

It is not against the city of Regina as has been pointed out many times. Forty-six thousand jobs in this fine city are directly tied to servicing southern Saskatchewan. Five hundred trucks a week leave Federated Co-op to indeed deliver products and services to rural Saskatchewan.

And I would think if rural Saskatchewan is not strong, Mr. Deputy Speaker, that those 46,000 jobs in this city will be at risk. They will not have the opportunity to have that job here, if rural Saskatchewan is depopulated, if rural Saskatchewan does not have the income to sustain the things that those 46,000 jobs are tied to.

So, Mr. Deputy Speaker, decentralization is part of the plan. In some areas it may be a small part. In some areas it may be a larger part. But done properly, as has been shown by this administration, it can be part of the plan and it will work.

I want to move to another area, Mr. Deputy Speaker, that was identified by the Minister of Finance last night because it certainly is an area that has been a hallmark of this government ever since 1982. It's an area that clearly separates us from the previous administration of the NDP, and that is in the area of diversification.

Diversification to the New Democrats meant taking yours and my money and buying something that already existed — not creating jobs, not creating new wealth. It meant borrowing money in New York and buying things which we already had here. It was only done because it was a philosophical point that the previous administration always fell back upon any time that industry presented challenges to them.

(1545)

Mr. Deputy Speaker, the approach of this government has not been to buy used holes in the ground. This administration has developed and built new ventures in the province of Saskatchewan. I am fortunate, Mr. Deputy Speaker, to represent a couple of portfolios that play an integral part in that diversification process, and that is the Department of Energy and Mines and also the SEDCO (Saskatchewan Economic Development Corporation) Crown corporation.

I'd like to touch on Energy and Mines first because I think there are a number of areas that play a very significant role in the province of Saskatchewan and clearly point to the differences between this administration and the previous administration of the NDP and certainly, from some of their remarks have been made by members opposite, will clearly point out to the public of Saskatchewan in 1991 that there are differences between this government and the one proposed by the member from Riversdale.

In the area of oil, a topic that seems to make many of the members opposite get angry and irrational, Saskatchewan leads the nation and indeed much of North America in the development, for instance, of heavy oil or of horizontal drilling technology. And the reason that we

do is because we have been able to implement innovative policies. We've been able to adjust our royalty rates. We've been able to work with the industry in bringing on a technology which holds tremendous promise for this province. We have the ability with horizontal drilling to take some of our reservoirs which were considered to be depleted, which didn't have much future and rejuvenate them. One only has to think of what's going on in fields such as the Midale field, the Kindersley fields where the advent of horizontal technology could in fact double the 100 million barrels of oil that have been pumped out of the Midale field already.

And there was an initiative in the budget, Mr. Deputy Speaker, to enhance this ability, and that was the re-creation of the Oil and Gas Conservation Board, a board which will be funded 50 per cent by industry through a new well levy, who will enable us to avoid some of the problems that have cropped up with horizontal drilling, that will allow us to work with industry in a meaningful way, will allow the taxpayer to get the proper returns from their resources in this province, and will not have the flip-flopping that we see from the NDP so often when we talk about oil and gas royalties.

We believe, as does the industry in this province, that price-sensitive royalties are a fair way to go. And that contrasts so often, Mr. Deputy Speaker, with what we hear from the members opposite where they have this catch-phrase, where they go around to the Sunday forum in Moose Jaw and they talk about the \$2 billion give-away to the oil companies. And many NDP MLA reports have stated that there has to be changes in the royalty structure to make up for this \$2 billion give-away. The member from Nutana was quoted last week. The member from P.A.-Duck a couple of months ago, and certainly the member from Regina North East, the environmental critic who was on a television show a couple of weeks ago.

And this is in total contrast, Mr. Deputy Speaker, to the member from Regina North West, who stated in the *Leader-Post* on Wednesday, October 17, 1990 that:

Things are different (now). (He was talking to the oil industry.) Things are different (now). It's two decades later . . .

The (Saskatchewan) energy and mining sectors of Saskatchewan's economy are . . . engine(s) for economic growth (and they are no longer cash cows).

Said the member from Regina North West in an interview in October.

And as I said, the member from Nutana a few weeks ago said: "An NDP government would tap oil companies for additional royalties in order to boost educational funding."

And I can go on and on, Mr. Deputy Speaker, because there are obvious contradictions across the piece with the members opposite. They don't want to tell one of the major economic engines of our province what they are going to do with the oil and gas industry.



But all of us know full well, Mr. Deputy Speaker, in today's environment of 6 and \$7 heavy oil — and yes, that is where it is today, 6 and \$7 heavy oil — heavy oil is traded on a world market; that any increase in royalties at this time would obviously have devastating effects on that particular industry. Heavy oil in Saskatchewan will be our future in the oil patch.

And I guess it's fair, Mr. Deputy Speaker, when people involved in the oil and gas business . . . and when I talk about that I talk about many small companies in our province, indeed the entire west side from the Primrose weapon range to the Cypress Hills, over to the Manitoba border, and each and every community in between is tied and involved and has people from the oil and gas industry involved in it.

And I think it's absolutely imperative, Mr. Deputy Speaker, that the members opposite come clean with those folks as to what their plans are for this particular industry.

One only has to think of natural gas. Prime example — nine wells drilled in 1982; 960 in 1989. Investment rose from \$2 million in 1982 to 164 million in 1989. We had 75 people, 75 — could almost count each one of them, Mr. Deputy Speaker — today 1,000.

No longer do we go to the province of Alberta for our natural gas. No longer do we pay royalties into the Alberta treasury, into the Alberta heritage fund when they should've been going into the Heritage Fund of Saskatchewan.

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

**Hon. Mr. Swenson:** — We have doubled the reserves nearly every year, Mr. Deputy Speaker. Deregulation brought in by this government has driven the natural gas industry into one of the major industries in our province.

The biggest problem we have today, Mr. Deputy Speaker, is transporting the stuff because the former NDP administration neglected pipelines. They did not want to talk about pipelines. They did not want to talk about rural gasification. They did not want to talk about delivering natural gas to towns and villages and cities around this province so that they would have economic opportunities.

And obviously, Mr. Deputy Speaker, the point hurts with the members opposite because now they dispute the numbers. We know that industries — potash, pulp and paper, fertilizer, manufacturing, value added in the agricultural area — cannot take place unless there are energy sources available to them. This government has taken the natural gas industry, our own gas, developed it, piped it, and transported it to people around this province so that those opportunities are available to them.

And today the biggest problem we have, Mr. Deputy Speaker, is transporting that gas — the hundreds of millions of cubic feet of gas that this administration encouraged to be developed in this province and that administration of the NDP left in the ground and paid

royalties to the Alberta heritage fund.

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

**Hon. Mr. Swenson:** — So what is their plan? We know from the sales that have been made, from the reserves found, that \$200 million will have to be spent in this province, Mr. Deputy Speaker, in the next three years in order to move that gas to its sales point.

And whether that is a hospital in downtown Regina, a fertilizer plant at Belle Plaine, my farm, the core of the Ontario industrial area, or the U.S. midwest in a co-generation plant, that gas will have to be moved and it will take \$200 million to provide the transportation system.

Now yesterday, last night, in this Chamber we heard the member from Riversdale, the Leader of the Opposition, misleading the people of this province by saying that \$2 million was being spent on the tourism budget every month, when in fact, Mr. Deputy Speaker, the entire advertising budget for tourism in this province for a whole year is \$3 million — indeed a very important industry to our province — \$3 million total in a year, Mr. Deputy Speaker.

And yet the member from Riversdale is quoted recently in the press by saying he sees nothing wrong with the taxpayer of this province being asked to pony up \$200 million to build those pipelines in the next three years. He's worried about a \$3 million tourism advertising budget. He thinks nothing of asking each and every one of us in this province to pony up \$200 million.

Now there are people out there who would suggest that they might like to invest in the transportation of natural gas. And one only has to see Bob Rae in the province of Ontario who didn't even consider his own citizens when he sold the transportation of natural gas in his province recently. He decided that British gas made more sense than Canadian's, but that he wasn't going to have the citizens of Ontario paying for the transportation of natural gas in that province, no siree.

And yet these members opposite would think nothing of saying that the taxpayer here in the next three years will shoulder another \$200 million. And they say they are responsible. I say, Mr. Deputy Speaker, they are so hidebound by ideology that they cannot see the forest for the trees.

Another area, Mr. Deputy Speaker, that I have responsibility for which seems to have the members opposite very confused as to the direction they would take our province in . . . recently our Minister of the Environment announced a joint federal-provincial board of inquiry into the development of new uranium mines, I think an excellent process, Mr. Deputy Speaker, given the changing environment out there, the concern that people have with environmental protection and the fact that years ago it was decided in this province that we would mine uranium.

(1600)

In fact the member from Saskatoon Fairview indeed was part of the Key Lake inquiry I believe. And I've heard good comments by the way, Mr. Deputy Speaker, in the role that that member played in that particular inquiry. But it was decided clearly that between the Cluff Lake inquiry and the Key Lake one that we would mine uranium in this province.

So this government has taken that process down the road. We have seen the privatization of SMDC (Saskatchewan Mining Development Corporation) and the formation of Cameco (Canadian Mining & Energy Corporation), the largest uranium mining company in the world. And we know that the opportunities, Mr. Deputy Speaker, in an increasingly environmentally aware world are there for uranium because nuclear generation is viewed by many people around the world as to be clean, safe energy.

In that context, Mr. Deputy Speaker, we have the members opposite, some of whom would close the mines. They would deny the people in northern Saskatchewan employment. It goes totally against the commitment made by Cameco that by the year 1995, that 50 per cent of the work-force in their operations will be natives; that people that haven't had job opportunities before will get the training and the ability to go and work in that particular industry, a very high-tech industry; that uranium, an important garner of royalties and moneys for the province of Saskatchewan . . . and some day, Saskatchewan will be the leading exporter of uranium in the world.

The members opposite would deny that, because they don't clearly enunciate a plan for the people of Saskatchewan. We have divisions amongst the NDP. And I say that uranium must be part of a plan — how we will handle it environmentally, how we will mine it, who will be employed in that industry, and what does it play to the future of this province? The NDP will not tell us.

Mr. Speaker, I would like to move to another area now that has an integral part and job to play in the development and diversification of Saskatchewan. And that is the SEDCO Crown that I've had responsibility for since the fall of 1989. And I think SEDCO has had an excellent job-creation record, an excellent diversification record in the last couple of years.

That has meant that there have been over 2,300 jobs created in this province, Mr. Speaker, in the last two years, over 3,000 maintained. That has meant new wages to the province, of some \$63 million and has preserved 85 million in wages of people that were currently employed. It has meant tax revenues to the province of Saskatchewan of over \$11 million.

The participating division in the small-business loans associations, and at last count there were 212 SBLAs (Small Business Loans Association) in the province, have been able to do significant things in small town Saskatchewan, particularly working with business, working with town councils to save and create new jobs. When one thinks of the total SEDCO numbers, and this with the regular loans division also accounting for over 3,000 jobs, this has meant that 188 millions of dollars has been maintained in wage values in this province up to the

end of 1990.

I think, Mr. Speaker, that we have a good record in job creation and investment. We have a good record because we've been able to work with people like Impact Packaging to bring environmentally sound manufacturing to the province of Saskatchewan.

And one only has to go to the city of Swift Current and look at the various projects that SEDCO has participated in there beyond Impact Packaging to know that the economy of Swift Current has been enhanced by working with SEDCO. One only has to go to Innovation Place in Saskatoon and know that the high-tech industry has worked with SEDCO. One only has to go to each of the towns and villages and RDCs (rural development corporation) in this province where an SBLA is in existence to know that SEDCO has worked with men and women and taxpayers in this province to preserve and diversify the economy of our province.

And I hear the Leader of the Opposition, always critical, say that he will restructure SEDCO. Always critical. But he never tells us how he would do it. He never comes out publicly and says that, my plan for SEDCO in the 1990s is this. He has refused. He says, wait until the election. In other words, those 212 small business loans associations in this province are going to have to wait for the member from Riversdale to screw up his courage in the middle of an election campaign and tell them how he is going to rejig SEDCO.

Well, Mr. Speaker, I don't think the people of Saskatchewan want that kind of leadership. I don't think the people in those small business loans associations want that kind of uncertainty. They want to work with a government and a party that believes in diversification, that believes in enterprise, that believes that people out in the towns and villages of this province can make a difference, that we don't have to have big government, that we don't have to have a family of Crown corporations simply because we have a philosophical bent, that we don't have to buy existing industries with the taxpayers' money but that we should be out creating new ones.

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

**Hon. Mr. Swenson:** — And finally, Mr. Speaker, I think that it's important that we talk about the area of harmonization because the member from Riversdale went on at great length last evening about how his party would fight the harmonization issue to the bitter end. He went on at great lengths to tell us how awful it was that business in this province would have a \$260 million benefit with harmonization.

And yes, Mr. Speaker, I think it was absolutely essential — it was prudent; it was good financial management — that if we were going to have a GST in this country, that we as a provincial government should look at harmonization with the GST.

It was a difficult decision to make, but when one is fighting deficits, when one is projecting a plan for the taxpayers of this province to bring those deficits under control and indeed balance a budget, one has to make

those hard and sometimes unpopular decisions. And certainly tackling our deficit in this province meant that harmonization, Mr. Speaker, was a necessity because it gives us a more predictable tax system. And this is why the minister from Finance, the member from Weyburn, can offer to the taxpayer of this province that there will be no more tax increases in the next three years.

And, Mr. Speaker, the part that is so bothersome, as one made notes, in the comments the member from Riversdale last night as he talked about harmonization . . . he knows full well the benefits that accrue to industry in this province. We are an exporting province, Mr. Speaker. We export nearly everything we do here. A million people cannot possibly consume the oil and the gas and the potash and many of our manufactured products because we don't have the population. We sell them in the world.

We are hundred of miles from tide water, and the member from Riversdale knows full well, Mr. Speaker, knows full well that harmonization can mean 2, 3, 4, \$5 a tonne on potash. Well, Mr. Speaker, when one gets to the Pacific Rim and has an advantage of 3, 4, \$5 a tonne, that means millions of dollars, hundreds of thousands of tonnes.

And the member for Riversdale knows full well that harmonization will help the potash industry, as it will many other industries in this province who manufacture and export for a living. And indeed even the grain and oilseed industry will be a major benefactor because those costs associated with producing those products can now be passed on through this system. And indeed, Mr. Speaker, many of those people that those costs are passed on to are not Saskatchewan people.

Mr. Speaker, it is absolutely irresponsible for the member from Riversdale to make the comments that he did last night about harmonization harming the major industries in this province. And it's been well documented, Mr. Speaker, well documented that at different times harmonization has been endorsed by members opposite.

The member from Regina Centre, as our Finance critic has stood in this legislature in the last two years several times and said, if we are going to have a GST then we should be harmonized, we should have one tax, we should simplify it, one set of tax collectors.

The business community should not be forced to be dealing with two sets of books, and that has been clearly stated time and time again by members opposite. The Canadian Federation of Independent Business have said it, the Saskatchewan Wheat Pool have said it, the chamber of commerce, the consumers' association. And individuals at pre-budget meetings all over this province have told this government, have told the member from Weyburn that if you are to have a GST then harmonization makes sense.

And it does make sense, Mr. Speaker, because it does give us advantages when one is up against Alberta, when one is up against Manitoba, who are running side by side. People in Saskatchewan will have that advantage through harmonization and the ability to flow those investment tax credits through.

Harmonization, Mr. Speaker, is part of the plan. And it can be small in some areas and it can be large in others, but it is part of a plan. It works in rural Saskatchewan; it works in urban Saskatchewan. Mr. Speaker, it does not discriminate; it is part of a plan.

We have a plan, Mr. Speaker. This party has a plan, this government has a plan for the future of this province. Rural Saskatchewan is going to get help through GRIP and NISA.

Urban stability in our smaller towns and villages and cities is going to be helped with decentralization. And, Mr. Speaker, we are working very hard to see that decentralization from the federal government also occurs to the province of Saskatchewan. And it will, because it makes sense to have departments of the federal government in our province in western Canada close to the people that they are serving.

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

**Hon. Mr. Swenson:** — Mr. Speaker, economic diversification will work in Saskatchewan. It means things like community bonds and SBLAs are out there working to develop the rural areas of our province; that energy and chemicals and transportation and other industries will benefit from these initiatives.

And it is a realistic plan that in the next three years we will have a balanced budget in this province because of these initiatives.

It was interesting to note, Mr. Speaker, last night in the remarks of the member from Riversdale that he laid out a six-point plan by the NDP. This was to be the world's window on the NDP's economic plans for the province of Saskatchewan. So in copying down a few notes last night, Mr. Speaker, I thought of a few things that might fit the NDP's economic plans for the province of Saskatchewan.

The six points as outlined by the member from Riversdale: point number one, he said new investment in local manufacturing. And you know what, Mr. Speaker, I thought of Great Western Brewing, employee owned. I thought about Flexi-Coil who now provides farm machinery all over the world. I thought about Leon-Ram corporation and the things that they're doing marketing products all over North America. I thought about Innovative Equipment.

Well, Mr. Speaker, obviously on point one, new investment in local manufacturing, was simply copied from the initiatives of the government on this side.

Number two, aid to trade to help local businesses find trade markets — that terrible trade word that the NDP don't like to talk about. You know, the first thing that comes to mind, Mr. Speaker, is trade offices, trade offices to market Saskatchewan products, maybe trade offices in places like Hong Kong or Minneapolis, trade offices that would help our businesses, the ones mentioned in part 1 to sell our products around the world. Maybe it means the trade division of ED and T (Department of Economic Diversification and Trade). But one thing is for sure, Mr.

Speaker, one thing is for sure, it has to be something different than what we knew in the 1970s.

(1615)

When the members opposite were in government, they simply sat on their hands and said, let the world come to me because we're so smart. Well, Mr. Speaker, it doesn't work that way. In today's economy you have to go out and market and sell your products if you're going to sell them successfully in the world today.

And point number three was value added policies, value added policies. Well I think of things such as Saferco where we take natural gas and we make fertilizer. That is value added. And things like Prairie Malt which now has the Saskatchewan Wheat Pool and a private company manufacturing malt from barley and shipping it around the world.

Point four . . . (inaudible interjection) . . . The member from Yorkton says, Gainers bacon plant. Another good example. Point four, programs to train and retrain our people. Well that sounds like some of the programs instituted by this government — upgrading for trades people, regional colleges, the northern training program, and the list goes on and on. The list goes on and on.

Number five, emphasis on technologies and information systems. This one is a real tough pill for the members opposite to swallow. This is high tech. This is innovative. This is moving into the 21st century. This is SED Systems; this is SCN (Saskatchewan Communications Network Corporation); this is SRC (Saskatchewan Research Council). This is the joint high-tech research program done through ED and T.

And number six, Mr. Speaker, number six, to concentrate — listen carefully, listen carefully — to concentrate on those industries and resources where we here in Saskatchewan can have a real impact on the world.

Well, what do you know? A real impact on the world. That sounds to me like processed natural gas made into fertilizer exported around the world. That sounds to me like Impact Packaging in Swift Current that's using paper, waste paper, old phone books. The things that we used to think of as our garbage are now going to be made into meat trays and exported all over North America. That sounds like a new, innovative area.

And how about the upgrading of heavy oil? Saskatchewan's got some of the largest reserves of heavy oil in the world. Was there ever an upgrader made in this province before 1982? Never. But today there is one in this very city, manufacturing heavy oil into diversified products for sale all over North America. And there will be another one shortly in Lloydminster. And they were done under this administration.

And finally, we have Weyerhaeuser, that terrible, dirty word from Prince Albert that now manufactures fine quality paper. It says concentrate on those industries and resources where we in Saskatchewan have an impact on the world. Well, taking poplar and aspen and making fine paper in this province seems to me like it would have an

impact on the world, and it certainly was never done when the member from Riversdale sat on this side as the deputy premier of this province.

Well, Mr. Speaker, do they have an economic plan? I say, Mr. Speaker, from the evidence that has been presented here today, both from the member from Regina Centre and the arguments that I have put forward, that they do not. They've been able to copy, and I give them credit for recognizing good programs when they see them. But other than that, it's so much hot air.

Mr. Speaker, I want to live in a province that looks to the future. I want to raise my family in this province knowing full well that there will be opportunities for them to grow into. Saskatchewan is a place that I like to live in.

But in order for those things to happen, Mr. Speaker, in order for those future things to occur, Saskatchewan must have a government that has a plan for the future. And, Mr. Speaker, we have a plan. Some of it will be difficult. Difficult choices will have to be made.

But the people, the taxpayers of this province can be assured that this administration, led by the member from Estevan, will not shirk from their duties and responsibilities in taking that direction and leading us through the 1990s. And I say to you, Mr. Speaker, I support the member from Weyburn and his budget address fully.

And, Mr. Speaker, the member from Riversdale did a terrible disservice to this province last evening when that charade was carried on for over an hour in this House as he pretended to tell the people of this province that the NDP had an economic platform. And I say they do not.

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

**Ms. Simard:** — Mr. Speaker, I rise to speak on the budget that was brought forward last night, and I understand there were about six people missing from the government benches. They didn't even have the courage or respect for this particular budget to be present when it was being presented last night. That's probably unprecedented in this province.

I also want to comment, Mr. Speaker, on some of the fiction that we have just heard in the last 45 minutes or an hour from the member from Thunder Creek, who was going on about the wonderful way in which they've managed to manage the resources of this province.

And I just want to point out the fact that with respect to Saskatchewan resource revenue, the provincial resource revenue as a per cent of the total value of resource sales from 1981 to 1989, for example, dropped from 34 per cent to 12 per cent, Mr. Speaker. Even though the value of the sales went up, Mr. Speaker, the revenue the province received went down, Mr. Speaker. And that is how they mismanaged the resources of this province in the last nine years.

And I want to quote from the *Sask Trends Monitor* which is an independent periodical, Mr. Speaker, that said in April of 1990, and the quote is as follows:

Even with declining prices, had the royalty and taxation levels remained at their earlier levels, the current provincial debt of \$4 billion would simply not exist.

Now, Mr. Speaker, I know that the members opposite will argue there need to be incentives for resource development, for example, but I say what we need is incentives as opposed to massive give-aways and mismanagement of our resources as we witnessed in the last nine years from the PC government.

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

**Ms. Simard:** — And that brings us to the issue of choices, Mr. Speaker. The Minister of Finance talks in his budget about choices. Well let's talk about choices and the wrong choices that have been made consistently by the PC government over the last nine years. What we have seen, for example, is tax breaks, as I've just indicated, to big out-of-province corporations and resource corporations, but a choice made by the PC government to tax children's clothing in this budget.

We see the choice for cabinet ministers in unprecedented numbers and legislative secretaries. I think just about everyone on the other side of the government is either a cabinet minister or a Legislative Secretary, Mr. Speaker. And although they look after themselves very well and they make sure that they have good salaries, Mr. Speaker, they are cutting nurses' jobs today, and that's a choice of the PC government.

We see incompetence and mismanagement, choices like GigaText, millions of dollars to Cargill, posh trade offices in Hong Kong and Minneapolis, \$2 million a month in self-serving government advertising. And today we see hospital beds being closed. We see health care professionals being put on the unemployment lines. That's the choices of the PC government.

They are choosing to pay Chuck Childers some \$675,000 salary, Mr. Speaker. That's their choice. But meanwhile they're cutting jobs to people in the public service, jobs to our health care professionals throughout rural and urban Saskatchewan.

And let's look at another choice that this government has made, and that was the choice to silently go along with Brian Mulroney when he cut back on transfer payments, Mr. Speaker, to the province. They condoned it. The PC (Progressive Conservative) government condoned it. And now we see as a result of the failure of the Premier to fight for Saskatchewan when it comes to transfer payments, we see the need for closures in schools, closure of hospital beds, cut jobs. Those are the choices of the PC government, Mr. Speaker.

We've had nine years of the PCs choosing to waste taxpayers' dollars, and now they choose to deliver the 10th straight deficit budget. And we're looking at a \$5 billion deficit after nine years of PC wrong choices, Mr. Speaker — a \$5 billion deficit.

The annual interest to pay off this deficit alone is some \$500 million. That's almost \$1.4 million per day. Can you

imagine that, Mr. Speaker? That's the record, Mr. Speaker, of the PC choices that have been made over the last nine years. That \$5 billion deficit, those jobs that are being cut today, those schools that are being closed, those hospital beds that are being closed, that's the record of nine years of PC choices. And now on their deathbed they attempt to say they are going to balance the budget.

**An Hon. Member:** — That's laughable.

**Ms. Simard:** — Well yes, it's laughable, and we've heard it before. In 1986, the member from Qu'Appelle-Lumsden promised a balanced budget within five years. His deficit forecast was out by some \$800 million — 217 per cent, Mr. Speaker. And the situation is worse now. They promised to balance the budget, Mr. Speaker, within five years, back in 1986.

And the situation is worse now. We're facing a \$5 billion deficit. This government's claim to balance the budget is phoney, and they have no credibility and the people of Saskatchewan simply do not believe them.

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

**Ms. Simard:** — In 1983 the Premier said, Mr. Speaker, Saskatchewan has so much going for it that you can afford to mismanagement it and still break even.

And then what we saw were 10 straight deficit budgets, 10 straight deficit budgets, and now we're facing a cumulative deficit of \$5 billion. Well, Mr. Speaker, he mismanaged it all right. He mismanaged it. Perhaps that's the only promise he's ever kept, and that is the record of his choices, his wrong choices, Mr. Speaker.

And now Saskatchewan people have to pay the price for this government's mismanagement and incompetence, for this government's wrong priorities and wrong choices. We are facing a provincial goods and services tax, Mr. Speaker, that is the biggest and most unfair tax increase in Saskatchewan's history. The new provincial sales tax is supposed to bring in 167 million in new revenue, Mr. Speaker. And it's going to be collected from families and small-business people, from farmers, from people living in towns and communities right across this province.

(1630)

But there is a \$20 million decrease in combined revenue from resources. And then we hear the PCs say they're going to impose a new tax on oil wells, but this new tax, Mr. Speaker, will generate only one-third as much new revenue as the new provincial GST will generate on children's clothing, and that's the PC choice. And when they talk about choices in their budget, those are the choices they've made, Mr. Speaker.

I should say at this point that a constituent of mine wrote me a letter the other day and went at some length about his opposition with respect to the goods and services tax, Mr. Speaker. And he referred to the out-migration in the province and the heavy taxation forcing people out of this province. And he made the point, Mr. Speaker, that this new goods and services tax is going to be the straw that breaks the camel's back. And there will be even more

people forced to leave this province, more small businesses forced to wrap up and shut down as a result of the PC government's choice to tax the people in this manner as opposed to cleaning up their waste and mismanagement and generating revenues in another form.

And let's just — to continue talking on taxes — let's talk a bit about this government's record with respect to taxes, Mr. Speaker.

In 1982 this government had promised to cut income tax by 10 per cent. They promised to eliminate the provincial sales tax and they promised to eliminate the gas tax. And what do we see today? We see this government posing the heaviest and the most unfair tax in the history of this province, Mr. Speaker.

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

**Ms. Simard:** — They have been so inconsistent on the issue of taxes over the last nine years that they have absolutely no credibility when it comes to taxes or any other thing, as a matter of fact, Mr. Speaker, that they choose to speak on.

In 1985 they introduced the PC flat tax and they've increased it fourfold since then. In 1985 they eliminated the property improvement grant. In 1985 they tried to impose their car tax. And in 1987 they increased the sales tax by 40 per cent — from 5 per cent to 7 per cent. And in 1987 they began the process of reinstating the gas tax and then they increased it.

And they tried to impose a lottery tax. And in late 1990 they tried . . . threatened to impose, I should say, a PC food tax. And now, Mr. Speaker, they are imposing the biggest tax increase in Saskatchewan history — the goods and services tax, the provincial goods and services tax. And we say, Mr. Speaker, that this tax is a bad tax. It's regressive, unfair, unjustifiable, and unnecessary.

And this government stands condemned on its nine-year record on taxes because its taxes have been unfair, because it has not spent taxpayers' dollars wisely, because it has failed to account openly and honestly for its spending, and because it has failed to answer the question. And it failed to answer that question last night, Mr. Speaker: where has all the money gone?

And let's take a look at its record in jobs. Let's take a look at the PC record with respect to jobs, Mr. Speaker. In 1985 there were 448,000 people employed in this province and in 1990, 449,000. In other words in five years they only managed to create 1,000 new jobs. And in the last few weeks almost a half of those jobs have been lost by cuts to health care professionals and lost jobs in the health care sector. And all the numbers are still not in, Mr. Speaker. And people in the health care area are predicting even more cuts to jobs in the health care sector.

All the jobs that they've created in the last five years they are throwing away, Mr. Speaker, as a result of their choice to make the people of Saskatchewan pay for their waste and incompetence and mismanagement over the last

nine years. As a result of a series of bad choices, one bad choice after another, they have foisted this unprecedented, unfair, and immoral deficit on the backs of the people of Saskatchewan.

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

**Ms. Simard:** — And now we're being asked to pay the price. And this budget has no new job-creation program, no new job-creation program. Instead they cut funding for existing job programs. And I say that's a bad choice, Mr. Speaker. They've cut jobs in the health care field and in the civil service, and these are jobs, Mr. Speaker, in cities, towns, villages, rural and urban communities throughout this province.

And I ask them, why should Saskatchewan people believe them, believe their promise to move thousands of jobs to rural Saskatchewan when they're cutting jobs that already exist there?

And what is the spin-off of this lack of vision, this lack of plan on the part of the PC government? What is the spin-off? Out-migration, Mr. Speaker, in numbers that this province has never seen in the past. Our youngest and our brightest leaving this province, Mr. Speaker, in search of opportunities elsewhere. Our youngest and our brightest leaving.

What we are experiencing in Saskatchewan right now is a brain drain, and that is occurring because this government has failed to create jobs and opportunities for our young people here in Saskatchewan, because instead they have chosen to look after their friends and to look after big out-of-province corporations, Mr. Speaker, as opposed to looking after the people in the province of Saskatchewan.

Let's take a look at Chuck Childers. What is his salary, Mr. Speaker? Some \$675,000 — isn't that his salary, Mr. Speaker? — \$675,000 for Chuck Childers but no new job-creation program in this budget. That's the PC choice. Those are PC choices.

And let's take a look at agriculture and rural development. Aside from the provincial portion of the costs of GRIP and NISA, the total Department of Agriculture budget has been cut by some 40 million, Mr. Speaker. The communications branch of the Department of Agriculture has an increase of 184,000. And there's an \$8 million cut in capital grants for rural development. There's also a cut of more than 8 million in the budget for the rural highways capital project. Those are PC choices, Mr. Speaker.

I want to take a little time to deal with the area of health since I am the opposition Health critic, and talk about some of the choices that this government has made in the health care area.

This government has recently chosen to levy cuts. They talk about a 3 per cent increase or a 3.5 per cent increase to hospitals and institutions, and everyone in the health care area knows it's not an increase. It results in a decrease when you take into consideration all the increased costs that hospitals and nursing homes are

facing. It's not an increase.

In fact the health care budget is not a 6 per cent increase, it's really a .8 per cent decrease. When one takes into consideration supplementary estimates, Mr. Speaker, and the rate of inflation, there is no increase to the health care budget. There's actually a cut, Mr. Speaker. And that is occurring because of this government's choice to run up a \$5 billion deficit and now to try and make the sick and the elderly and health care workers pay the price for nine years of Tory waste and mismanagement.

Some 400 or more jobs are going to be lost in the health care area. Well we know of 400 already. There are more to come, Mr. Speaker. We don't know how many it will be at this time, but the health care professionals are predicting further job loss.

And yet this government continues to maintain trade offices in Hong Kong and Minneapolis. They choose to pay millions to Cargill; \$675,000 to Chuck Childers; \$2 million a month on self-serving advertising.

The health care budget itself last year had several hundred thousand dollars for an image corporation to prop up the minister's image in health care. In fact I believe — and we asked questions about this in the House — the document said that they had to make the minister appear as though he cared about health care, not to actually care about health care, not to do something that's caring, but to make the minister appear as though he cares about health care. And that has been their choice, Mr. Speaker.

Their choice is to make health care a public relations exercise as opposed to putting those advertising dollars into the delivery of health care services. Their choice is to spend thousands and tens of thousands of dollars on health care advertising to make the minister look good and to cut 400 jobs in the health care area. That's the PC choice.

And of course we can look back at the dental workers that were fired, some 400 dental workers out of rural Saskatchewan, Mr. Speaker, 400 of them. They lost their jobs as a result of a PC choice. And I tell you, Mr. Speaker, today I'm still hearing from people in rural Saskatchewan about the fact they would like to see a dental plan, one like the one they used to enjoy back in rural Saskatchewan.

They know the PC government took those jobs away from their rural communities and took those services away from their people. They know that, Mr. Speaker, and yet we hear phoney talk about decentralization, decentralization by this government. The principle of decentralization is not bad in itself, Mr. Speaker, but we know that when it comes from the PC government, that it is phoney talk, it's insincere, and it's a pre-election gimmick, Mr. Speaker.

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

**Ms. Simard:** — The people simply cannot believe these Tories. And let's listen to what some of the concerns are expressed by people in the health care area.

The nurses have talked about this government's inability to co-ordinate and integrate health care services throughout this province. We see with respect to the bed closures in Saskatoon, Dr. Murray saying: "What bothers me is it appears to be an unstructured closing of beds," . . . "There doesn't appear to be any plan."

And that's the point in the health care area, Mr. Speaker. There's been no plan by this government, none whatsoever. On the one hand, they are pouring millions into buildings. They close hospital beds and they fire staff. Now where is the sense in this, Mr. Speaker? To build buildings and not come up with the operating costs to operate these facilities properly — where is the sense in this? There's no plan, Mr. Speaker, no plan at all in the health care area.

(1645)

And we see that capital expenditures are up some 23.3 per cent this year in the health care budget from 1989-90, and yet we see program cuts and staff cuts, Mr. Speaker. We see lost jobs in the health care area and I am afraid that this is going to result in long hospital waiting lists.

And this concern has been expressed by others as well. Dr. Kuling, the new president of the SMA (Saskatchewan Medical Association) noted that there is uncertainty with respect to the availability of services for people with heart pains, women with lumps on their breasts, or elderly stroke victims who can't be treated at home. For these people, he says, "I'm not sure what lies ahead." And I say that's a sad commentary on the PC government's ability to deliver health care in this province.

And so the nurses have asked for an inquiry, Mr. Speaker, but this government has refused to give them an inquiry.

And Mr. Hewitt Helmsing and the president of the nurses' association said that they are concerned that this budget is going to mean even more bed closures.

Mona Kines says, Mr. Speaker, the president of the nurses' association, that there's no doubt that 3 per cent is going to mean more cut-backs.

Mr. Hewitt Helmsing said he's also concerned that the 2 per cent per year wage increase guide-lines announced by Mr. Hepworth, slated to start this October, could add to the problems of recruiting and keeping health professionals. And he says:

My biggest concern is that we start to lose the professionals of the province: medical staff, nursing staff. And once we lose them, it's hard to get them back.

Now we've raised in this legislature repeatedly the problems that we have with respect to recruiting specialists in this province such as occupational therapists and physiotherapists, such as specialists in the medical area — the situation, for example, that occurred at the Plains Hospital just a few weeks ago. And yet this government is proposing a 2 per cent wage increase guide-lines on health care professionals. And the fear

that's being expressed is that it will make it more difficult to recruit health care professionals.

Now home care in the budget has received a 6 per cent increase. Well, Mr. Speaker, I say it's impossible for a \$40 million shortfall in institutions, in hospitals and nursing homes as a result of the PC choice to cut back — that it's impossible that a \$1.8 million in home care will be able to pick up the slack. Now I know and I agree that we need to have more support for home care. But the 6 per cent increase is inadequate when this government expects home care to pick up the \$40 million shortfall in institutions and nursing homes.

And I also say, Mr. Speaker, I also say that although it's important for the health care system to move its emphasis towards health promotion and disease prevention, towards the home care and community care model, although that's important and we have been urging this government to do that over a number of years, they should not do it on the backs of the institutions, on the backs of the nursing homes, and on the backs of nurses and health care professionals working in those institutions.

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

**Ms. Simard:** — As I said earlier, Mr. Speaker, we are actually looking at a .8 per cent decrease in health care funding this year. If we take the supplementary payments off the increase, it leaves us with an increase of 63.6 million which is only a 4.1 per cent increase. And if we take inflation off that at the rate of 4.9 per cent, it leaves a .8 per cent decrease in health care funding.

And that's what health care professionals are talking about. They know it, hospital boards across this country know it, nurses know it, doctors know it. People in all aspects of the health care profession know that this budget actually translates into substantial cuts to the health care profession.

And I want to say to the doctors and the nurses out there, and to the hospital administrators and to the boards, that the NDP opposition is very concerned about these proposals and these cuts and these choices being made by the PC government, that we have been criticizing them, and that we will continue to criticize these wrong choices in this legislature and outside the legislature.

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

**Ms. Simard:** — Now the fact that the *Star-Phoenix* has on its front page on Saturday, "Hospitals hit hard", and the fact that the Leader of the Opposition is not quoted in that article on the front page does not mean he didn't have a press conference in Saskatoon to state our concerns, Mr. Speaker. And I wish to make that point.

With respect to mental health, we know that the Murray report said that there was a real need for improvement and more funding in the mental health area. And if we look at what has actually happened in this budget, and once again take into consideration supplementary expenditures from last year, mental health has received only a 4.2 per cent increase, Mr. Speaker, which doesn't

even take inflation into consideration.

We see that grants to third parties for mental health services received a zero per cent increase, which once again doesn't even take into consideration inflation. And if we take that into consideration, it's actually a decrease in funding, a cut-back, Mr. Speaker. And that's this government's choice and this government's commitment to the mental health area.

Notwithstanding, Mr. Speaker, that they had a \$1.8 million study done by Dr. Bob Murray from Saskatoon which said that more priority had to be given to the area of mental health. Notwithstanding their own study pointed that out, we are looking at cuts to grants to third parties for mental health services, and we are looking at a 4.2 per cent increase only to the area of mental health, which doesn't even take the inflation aspect into consideration, which gets me to the subject of government studies in the health care area, Mr. Speaker.

The Murray Commission reported about a year ago now — perhaps not quite; maybe a month short of that, but it was about a year ago. And where is this report today, Mr. Speaker? Well it's on the shelves gathering dust because this government has even refused . . . It has not had the courage, it has not had the gumption to stand up and say what it's going to do about the main proposal and thrust of the Murray Commission report which was regionalization into 15 regions in this province. And the Minister of Health has not had the guts to stand up and tell people what he's going to do in that regard.

But we know, Mr. Speaker, that the Minister of Finance, who appears to be pulling the strings, has said that the Murray Commission will form the blueprint for health care in the province of Saskatchewan. But on the other hand, the Minister of Health says oh no, we're consulting; I don't know what we're going to do. Complete inconsistency. No plan, no vision.

Dr. Murray says there doesn't appear to be any plan. They've had a \$1.8 million study, and they've got no plan, Mr. Speaker — \$1.8 million study. They're still consulting. They send the Murray Commission report off to Consensus Saskatchewan. And after Consensus Saskatchewan they're still consulting with people to see what they're going to do and what their plan in health care is going to be.

Well it's all smoke and mirrors, Mr. Speaker. They are stalling because they don't have the courage or the gumption to come forward with their position with respect to Dr. Murray's regionalization. And we've stated our position on numerous times. The member from Regina Wascana says, what's your position? Well I wonder where he's been for the last year. I wonder where he's been for the last year. We've only said it in this House on numerous occasions. He must have been asleep at his desk, Mr. Speaker.

We opposed the 15 regions set out by Dr. Murray a year ago, and we oppose it today, Mr. Speaker.

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



**Ms. Simard:** — And the SHA (Saskatchewan Health-Care Association) opposes it, and many of the other health care professionals in the area oppose it, Mr. Speaker. But what's their position? They don't have a position. They don't have a plan — no vision, no plan, no position. Our position is we oppose the 15 regions . . . (inaudible interjection) . . . He says he's glad to hear it. Well I hope he doesn't forget it tomorrow, Mr. Speaker, because he's only heard it a dozen times in here before.

But what we see this government doing throughout the province in the area of health care is one study after the next. As I travelled throughout the province and talked to hospital boards and nursing home boards, they tell me about how this government is stalling and delaying making decisions by undertaking study after study in small community after small community. And sometimes when they have a study that's under way with several communities involved, they come out with a promise to one community before the study's even completed. I mean, that's the inconsistency. There's no plan. It's pure politics, Mr. Speaker.

Health care to the PC Party is pure politics, pure politics. They have no vision and no plan and no commitment to medicare. And yet they have the gall, they have the unmitigated gall to accuse the doctors at the Plains hospital of trying to play politics when what these doctors were doing were raising a very major concern about patients' health care being jeopardized, and the Minister of Health said they were playing politics.

Well let me tell you, Mr. Speaker, the health care of patients at the Plains hospital in the cardiac unit was being jeopardized as a result of this government's lack of commitment to medicare. And when I say health care was being jeopardized and patients' safety was being jeopardized, the minister knows what I'm talking about. And yet he had the unmitigated gall to accuse these doctors of playing politics.

But that's very typical. I expect that from the PCs because any time, any time they're criticized with respect to their bad choices in health care, they scream and holler somebody's playing politics or medicare. You can't enter any sort of an analysis of their incompetence and lack of plan in the health care area without them screaming and hollering somebody's playing politics.

While I tell you, Mr. Speaker, it's the PCs that play politics with health care. In the midst of the negotiations with the nurses union, they're cutting jobs. They're cutting nurses' jobs in the midst of negotiations. I say that's playing politics, Mr. Speaker.

They promise hospitals and nursing homes throughout this province and yet they don't have the money to even keep the present hospitals and nursing homes operating. We see bed closures and staff cuts, Mr. Speaker. And yet they're promising hospitals and nursing homes throughout this province. That's . . .

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

The Assembly recessed until 7 p.m.