

EVENING SITTING

SPECIAL ORDER

ADJOURNED DEBATES

MOTION FOR COMMITTEE OF FINANCE
(BUDGET DEBATE)

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Hepworth that the Assembly resolve itself into the Committee of Finance, and the amendment thereto moved by Ms. Smart.

Hon. Mr. Devine: — Thank you, Mr. Speaker. I had a few more remarks, Mr. Speaker, to make on the budget debate. I took the opportunity over the supper hour to watch a little bit of the television, a little bit of the news, Mr. Speaker. And as you know I was talking about the very, very large embarrassing deficit that the NDP (New Democratic Party) have brought down in Ontario today.

And the media were looking for a response from the NDP in Saskatchewan. And, Mr. Speaker, they were hiding; the NDP were hiding. They were hiding in the legislature, they were hiding in the PC (Progressive Conservative) halls, they were hiding in their offices, Mr. Speaker, and there was no response. Even the member from Moose Jaw North was not available for comment. The members from Regina were not available for comment. They were hiding.

Now the NDP know, Mr. Speaker, that if you come forward with no plan and you're going to have to do something so that you can live up to some of the expectations that the people have of you, and then you come up with a \$9.7 billion deficit, it's a little bit difficult for them to respond, Mr. Speaker. An NDP is an NDP is an NDP.

And I have gone through prior to the 5 o'clock, Mr. Speaker, examining the whole position of the NDP here in Saskatchewan. I went through the fact that there was no agriculture plan. I talked about the CBC (Canadian Broadcasting Corporation) interview with the leader and he admitted that he doesn't have a plan; it's evolving as he goes along. Then when I said, well if you don't have a diversification plan or an agriculture plan or even a deficit management plan, you might end up like you do in Ontario today, where they call it the mother of all deficits. We're played and laid before the people of this country in the industrial heartland by the NDP who had no plan.

Well, Mr. Speaker, they hid from the news media tonight. Imagine. They were so proud of the NDP Premier, Bob Rae, being elected in Ontario. And when they were asked about his first budget, the first NDP budget in history in Ontario, the NDP over there put their tail between their legs and they hid in the hallways of the legislature, Mr. Speaker. They couldn't be found . . . (inaudible) . . .

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — What's that tell you, Mr. Speaker? What's that tell you about the honesty and the integrity

and the strategy and the plan of the NDP in this province? They hid from the legislature. When their NDP colleagues bring down a budget and a huge deficit in Ontario, the NDP — and I want the people of Saskatchewan to know this — the NDP in this province hid. They hid from the media and nobody would respond. They say well the man from Regina Centre, who's their critic, wasn't available. And then they said and the leader wasn't around, and the rest of them weren't ready.

Mr. Speaker, I don't know if you watched the news, but a lot of other Saskatchewan people must have. And the NDP are sitting there with their tails between their legs hiding out in the legislature, Mr. Speaker. And now listen to the false bravado. Listen to the false bravado. They're trying to chirp it up; they're trying to applaud themselves. But if you asked the media to go find any one of them to stick up for the NDP budget and the deficit of Ontario, you won't find them, Mr. Speaker.

Now, they not only hid there, Mr. Speaker, but I want to talk about them hiding again — hiding again. I want to talk about, Mr. Speaker, the fact that when they were thrown out of office in 1982 — we talked a lot about that time — about the big deficits that the NDP were hiding in Saskatchewan. And they hid those deficits, Mr. Speaker, just like they hid tonight. When they came through and forward and looked at that big NDP deficit in Ontario, they couldn't be found to talk about it. And, Mr. Speaker, they hid millions and literally billions of dollars from the public in 1982, Mr. Speaker.

In fact in today's numbers, Mr. Speaker, the NDP hid between 7 and \$8 billion, and that does not count, Mr. Speaker, that does not count, Mr. Speaker, the fact that they lost opportunity. And the loss to the people of Saskatchewan was billions more as a result of what they did in 1974 to 1980, Mr. Speaker.

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — I want to talk about those deficits, Mr. Speaker. The hidden deficits, the deceit — and that's why they lost, Mr. Speaker, that's why they lost. And I'm going to go through where they hid it and how they hid it, Mr. Speaker, and how they abused the public's trust and why they were knocked out of office and why they weren't returned again in 1986, Mr. Speaker, and I say with respect, why they will not be returned to power in 1991, because of their deceit and their hiding of the deficit.

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Mr. Speaker, the hidden debt in Crown corporations, Mr. Speaker, totalled over \$3 billion which is over \$5 billion in 1990 numbers. If you take what happened in 1982 in the Crown corporations, the Saskatchewan family of Crown corporations, you just bring it forward to 1990 numbers. That's \$5 billion that they were hiding in the Saskatchewan family of Crown corporations.

Mr. Speaker, I want the public of this province to know that while that group over there hides today, when the

real NDP come forward and bring forward their \$9.7 billion in 1991 figures, Mr. Speaker, in 1982 when they brought in the deficit, there was at least \$5 billion hidden in today's numbers in their Saskatchewan family of Crown corporations, Mr. Speaker. And they knew it and they covered it up, Mr. Speaker.

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

Hon. Mr. Devine: — Thank you, Mr. Speaker. I just mention this to the public of Saskatchewan as they are on the eve of deciding whether the NDP deficit and its budget in Ontario is a reflection of the kind of strategy and the kind of plan that the NDP would administer here in Saskatchewan, where the Japanese people and the American people and others say, I'm not investing one more dime in Ontario while the NDP are there. And that's what they said today. And I quoted that before dinner.

And the NDP on that side of the House have said they don't want any part of it. They hid over the supper hour so nobody could talk to them about the budget. And all they'll do is come in the House now, Mr. Speaker, and you hear those little nervous giggles. You know, Mr. Speaker, that they have been faced with one of the most serious political . . . political science history lessons that you've seen in this country came down today, Mr. Speaker.

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — They hid, Mr. Speaker. And I want to talk about the hidden deficit, the hidden deficit that the NDP had in 1982, because the public's going to know again. I haven't talked much about it since 1981-82 when I was campaigning against them, when they lost every seat but eight.

And what people recognize was that they did not just have this hidden deficit in the Crowns. They didn't just have a \$1.5 billion deficit in the teachers' pension fund. They didn't just have a \$3.5 billion deficit in the employees' pension fund. They had \$900 million taken from the Heritage Fund and given to the Saskatchewan family of Crown corporations, and they had a deficit of \$208 million in that Heritage Fund, Mr. Speaker.

And the people are going to learn about all of that before they have the opportunity to decide. I wonder if the NDP today in Saskatchewan are just like the NDP in Ontario, where the mother of all deficits was brought down today in the industrial heartland of this country, forecasting near \$50 billion in deficit in the next five years in Ontario. And the national deficit from one year to another is only \$35 billion.

Mr. Speaker, we're talking about no strategy, no plan, anti-business, anti-agriculture, no capacity to lay out before the people what the real facts are. And then if they get lucky enough to win, as they did in Ontario, then the real truth comes out.

Mr. Speaker, I want to go back and say . . . and I'm going to look at this very carefully. There was no surplus in 1982 — no surplus. There was a hidden deficit. The province's cupboard was bare, Mr. Speaker. In fact Allan Blakeney,

the premier of the time himself admitted that the NDP left Saskatchewan in debt after the good times of the 1970s. He admitted that. I'm going to quote here in just a minute in an interview in Moose Jaw.

He said, Mr. Speaker, that there was not a surplus in Saskatchewan after the boom time of the 1970s. He said, Mr. Speaker, that despite the fact that the Alberta Conservatives put \$10 billion in the Heritage Fund, that there was no money in Saskatchewan. I'm going to quote Allan Blakeney, the Moose Jaw *Times-Herald*, 1986: The fundamental reason for the defeat in 1982 was the fact that the public believed that the government was well to do and had lots of money. There was, in fact, not lots of money in Saskatchewan. End of quote, Mr. Speaker, from Allan Blakeney, the premier that lost all those seats, Mr. Speaker, knew the facts and he knew the truth.

Mr. Speaker, when in fact you have the premier of this province for 11 years lose all the seats but eight and then stand in his place and stand in the media and say, you know what, we didn't have a surplus; there was a deficit in Saskatchewan.

And he went on to say that was the reason for their defeat, because the people knew fundamentally that the NDP were hiding — hiding the deficit, hiding it in the Crown corporations; hiding it, Mr. Speaker, because they had borrowed hundreds of millions of dollars from Americans to buy potash that was already here. And isn't that interesting, Mr. Speaker, they hid that.

They said, look at the new developments we're building. The mines were already here and they went and borrowed money, bought the mines, paid too much for them and then never paid the interest. They never paid the principal; they never paid the interest; and they hid all of that boondoggle in the Saskatchewan family of Crown corporations.

They borrowed money to buy land from farmers, Mr. Speaker, and they hid all that. They borrowed money to buy the land that we had right here. The farmers owned it; the people owned it. And the NDP, Mr. Speaker, borrowed money to buy the land. Did they ever tell you the hundreds of millions of dollars they had to borrow to buy that land and how it cost us \$20 million a year, year after year, just to pay the interest on all of that debt?

Mr. Speaker, they have not been honest with the people and like today, today when they hide from an NDP budget, it tells you volumes about their plan, their strategy, their honesty. Frankly, Mr. Speaker, it tells you about their dishonesty.

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Mr. Speaker, I want to go through the rest of the hidden deficit that the NDP had — admitted by Allan Blakeney to be a fact. The NDP government invested \$4.95 million in an Ontario based high-tech computer company. They're talking, Mr. Speaker, as you can hear them.

They talk about Ontario, Mr. Speaker. They talk about Ontario. If they're going to talk about me, they talk about

Ontario Conservatives or they'll talk about the federal government that have a Conservative government. The first time that the NDP win in Ontario, come down with a deficit budget that is the mother of all deficits, they hide.

Now, Mr. Speaker, when they talk about mistakes, what do they talk about? Hey? They don't mention a computer company that we tried to build in Saskatchewan that lost several million dollars, they'll bring up GigaText.

Let me tell you what they hid from the people of Saskatchewan that is the absolute truth, that they put \$4.95 million into an Ontario based high-tech computer company. By 1986, this company, called Nabu, was in receivership. The NDP lost \$4.16 million of the taxpayers' money, which in today's money is \$5.23 million — over \$5 million in Ontario computer company, Mr. Speaker, that the NDP hide from the public. They hide from the public, Mr. Speaker . . .

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

Hon. Mr. Devine: — Mr. Speaker, I'm going to go through, item by item, as the NDP hid from the people the real facts. Now I used to do a lot of this prior to 1982, as you know. Well I'm starting to remind the public, because what reminded me was watching this boondoggle of a budget in Ontario, Mr. Speaker. It's the mother of all deficits. It could run 7 to \$10 billion a year.

(1915)

And again I go back to the fact that they have no plan and they admit it. The CBC today interviewed the Leader of the Opposition — no plan, no strategy, just elect me and I'll do good. I want to tell you, when he was the deputy premier for 11 years, the kinds of things that they hid from the public. I just finished.

The NDP's answer to GigaText which is \$5.3 million — they lost an Ontario company. They didn't even try to move it here. They just spent it in Ontario and left the money. I mean that's like them buying the mines that were already built. They had no plan, no strategy, but they hid that from the public, Mr. Speaker. They hid it.

Let's take a look at the NDP government, Mr. Speaker, in this province when they bought PAPCO (Prince Albert Pulp Company). Now they borrowed money, and under the NDP the Prince Albert paper company cost Saskatchewan taxpayers \$91,000 a day in interest — \$91,000 a day.

And they hid that from the public, Mr. Speaker. You didn't hear that in the 1982 budget, did you? When they talk about all of the things that they were going to do they lost \$91,000 a day and they hid that from the public. They hid over \$5 billion in current dollars, Mr. Speaker, in the Saskatchewan family of Crown corporations and in part was the \$91,000 a day that they were losing in PAPCO. Operating and interest expenses from 1981 to '85 totalled \$204 million in current dollars — \$204 million in that company. And they hid it from the public. They didn't tell us.

Since the sale of Weyerhaeuser, the company has paid

\$65 million to provincial coffers and employs a thousand people. We've turned that around. We've cut off the bleeding of \$91,000 a day, Mr. Speaker, the \$204 million, and that company employs a thousand people. And today, Mr. Speaker, it's paid the province of Saskatchewan \$65 million. They hid all that under the covers, in the Crown corporations, and they didn't tell people about it. Mr. Speaker, they went on to borrow. They went on to invest and lose. They had departments that run amok. They couldn't manage the Crown corporations, Mr. Speaker. They never paid their debts.

Look at this. Look at this. Saskatchewan Government Insurance reinsurance fund. And I remember this, Mr. Speaker; I'm sure you do. By getting SGI (Saskatchewan Government Insurance) into the risky and costly reinsurance business, the NDP lost — now listen to this number — in one move, the NDP lost 38.8 million taxpayers' dollars. That's \$54.4 million in current dollars; \$54 million in today's dollars they lost. And they never let the public know, Mr. Speaker. In addition, operating losses from '72 to '82 total over \$47.6 million, Mr. Speaker, in one Crown corporation. That's \$100 million loss in today's number, in the SGI. Now we heard the reports of the SGI today — profitable, running so it's a balanced budget. And it's profitable with reserves so they could contribute to the public. And the NDP hid 100 million in losses — 50-some-million dollars in reinsurance, \$46 million in operations, Mr. Speaker.

They had luxury bath-tubs. To keep their bureaucrats comfortable, the NDP government spent \$168,000 to install two bath-tubs at the CIC (Crown Investments Corporation of Saskatchewan) building in Saskatoon. Imagine, Mr. Speaker. And they were kicked right out of office when people in Saskatoon found the sunken bath-tub scandal — \$168,000.

There's departments run amok. And listen to this one, Mr. Speaker, this self-righteous NDP Party. The NDP Party spent — nice number — \$14.2 million a year, 1991 dollars, in advertising the Saskatchewan family of Crown corporations. Well could you believe that, Mr. Speaker. No wonder they were hiding tonight. When the news come down about the Ontario budget they couldn't be hid because that's what Ontario NDP are doing. They are spending money like drunken sailors on welfare. You have to make over \$45,000 in income in Ontario or else you'd be better off on welfare now in Ontario.

People are . . . (inaudible) . . . They couldn't believe what they saw. And do you know what it is, Mr. Speaker, it's exactly what we heard about in 1982 and now we can reveal to the public. The NDP hid tonight, the NDP hid the deficit in 1982 — huge deficit — and the NDP are hiding from their policy because they don't have any policy.

And they think, well it's tough times to govern; it's been difficult. So maybe the NDP can just sort of walk in without saying anything. Well, Mr. Speaker, I don't think that's good enough for Saskatchewan people. I don't think they have earned the right to represent rural Saskatchewan. I know they haven't earned the right to represent the business community in economic development and diversification. They haven't earned

the right to defend education or health care. We've spent twice the amount of money on health and education that they did and the population in this province is about the same.

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — We've doubled the health budget. We've doubled the education budget. And what do they do? They hide without a plan or complain that we're not doing it.

Mr. Speaker, they went on to fund everything from losses in Moose Jaw, in real estate . . . And I could just go through the list. Golden Acres in Moose Jaw — I think the former NDP MLA (Member of the Legislative Assembly) was involved in it.

The NDP approved of a \$435,000 loan in Moose Jaw and the loan was guaranteed by a group headed by none other than the NDP MLA, John Skoberg. I wonder if the NDP in Moose Jaw remember John Skoberg. The motel went into receivership and SEDCO (Saskatchewan Economic Development Corporation) lost 156,000 in current dollars, the loan guarantees paid only \$2,500 each, a settlement authorized by SEDCO, even though the net worth of the Skoberg group was reported to be in excess of \$500,000. And they only paid out 2,500 to people who had put money in it.

I don't hear any giggles from the Moose Jaw North member now, Mr. Speaker. Where's his chirping? Where are the little giggle-giggles? Come on, clap a little. Maybe we get their attention. Maybe the public is listening tonight, Mr. Speaker.

This bunch, these people — who are saying that they represent the poor, they represent the low income, they represent farmers, they represent students, they represent seniors, Mr. Speaker — they let them all down. They hid from them. And when interest rates were 22 per cent, somebody asked the Leader of the Opposition, the deputy premier at that time, what can we do, to the NDP deputy premier. And he says, well I guess you'll just have to do the best you can and pay your mortgages.

These people who think they stick up for the poor, what did they do for Moose Jaw in the 1970s? What did the NDP MLAs do for Moose Jaw in the last four years, Mr. Speaker? With respect, what did the Leader of the Opposition do for Riversdale in the last 20 years, Mr. Speaker? You tell me what he did. He talks. He talks. And what you've got, Mr. Speaker, is you have got people who have not been well represented. I say with respect, they have been let down by their MLAs; they have been let down by the talk that I am there to defend the public.

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Mr. Speaker, I raise these issues tonight because what we got today was the truth about NDP old-time socialist philosophy, and we saw it in Ontario in spades. And all of Ontario is embarrassed, and I'm sure even the NDP in Saskatchewan are embarrassed, Mr. Speaker.

That's why they hid. That's why they hid. And they won't come forward with a policy. If they had one in agriculture people wouldn't agree with it. And you and I know that they are hidebound by their old philosophy; they don't know which way to go.

We've put our policies forward. And they say, well it's criminal; you're helping so much. Then the NDP leader's on the radio this morning and saying, well Devine and his people don't believe in the government supporting agriculture. Well, Mr. Speaker, we support agriculture. He doesn't know whether to not support it, yes support, less support, fast support, slow support, he just needs support, Mr. Speaker. That's why they clap a lot over there when he stands up.

He has no policy. He has NDP candidates admit that he has no policy. They're all over Saskatchewan. The billboards in Saskatoon . . . NDP, no definitive plan. Romanow . . . Oh, I can't say that, sorry, I apologize for that, Mr. Speaker. The billboard says, no to the Leader of the Opposition. That's what it says because there's no plan. Everybody all across the province is saying, no plan. And today what we heard, Mr. Speaker, was the result of a great province waking up, electing an NDP administration with no plan — \$10 billion deficit in six months. Can you believe that?

Now, Mr. Speaker, our member has not let, from Wilkie, has not let them hide, Mr. Speaker, he has been doing some homework. Our member from Wilkie says, you know they run around the province, and they not only complain in P.A. about the fertilizer plant in Moose Jaw, and they not only complain about the paper mill in Moose Jaw — that's in P.A. . . . and they do that; they are not fair to people. They'll say one thing in the country and one thing in the city and one thing up here and one thing back there. They do it all the time and the people are starting to call them on it.

You can't get an NDP MLA in Moose Jaw to say definitively whether they're for or against the fertilizer plant. Now they say it's not an issue. Well do you think they would have built it? Do you think and do you believe and do the people of Moose Jaw believe that the NDP are for business, Mr. Speaker? If you do a survey in this province, what will you find out about the NDP? If you ask the average person in Regina or Moose Jaw, do you think that the NDP supports business? Most people would say, no, they don't. Or put it another way, who do you think supports business more? — the Leader of the PCs or the Leader of the NDP? They'd say the Leader of the PCs.

Now if that's the case, Mr. Speaker, and you go and you ask them: do you think that business is good for Moose Jaw — do you think that business is good for Moose Jaw — The average person would say, yes, I think so. Well if you put those two together, Mr. Speaker, you know why the NDP MLAs from Moose Jaw, or the NDP MLAs in Prince Albert or the NDP MLA in The Battlefords are real quiet when it comes to bacon plants, paper plants, fertilizer plants, when they're in their own community. They don't dare stick their head up because we built them, Mr. Speaker, and they can't take any credit, and they'd like to be against them. When they're talking about something negative they pick another community.

When I'm in P.A. listening to the NDP, do you know what they talk about? They talk about Rafferty or they'll talk about the fertilizer plant. And when I'm in Moose Jaw and if you meet somebody in the NDP they say, oh that paper mill in P.A., isn't that awful? Well then don't you think that the people of Saskatchewan deserve more than that, Mr. Speaker? Well our member from Wilkie started . . .

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Our member, Mr. Speaker, listed a number of NDP promises and gave the cost estimates of each of these. And after allowing the NDP an extra 334 million in spending cuts and 250 million more in oil royalties which is . . . I mean being very generous to say the least, because they're against the oil patch. They want them to move. They're against the gas industry. They're against all business. It's estimated conservatively that the NDP budget which still have an annual deficit of over \$3 billion.

Now I want to go down through some of this because they hide this from the public. They never add it up. They're out here in the country and they offer this. They're going to remove all the food banks and eliminate poverty in one fell swoop. Then they're going to go over here and they're going to diversify with government money, but they haven't taken the time to be straightforward with the public and add it all up.

Now what did we see today, Mr. Speaker? Somebody in Ontario added it up. The mother of all deficits got added up today in Ontario because they'd made all these funny little promises all over Ontario to every group that would ever come out with a picket, drive it in the ground. And they'd say, oh for you, a few million dollars here, and a few million dollars there, and a few million dollars here. And by George, they got elected. And then they had to pay the piper and, Mr. Speaker, \$10 billion later in six months, and they are hiding.

Now our member from Wilkie has added it up. Some of the NDP promises include the following: \$481 million to eliminate poverty; 1.2 billion to eliminate the public debt in 15 years; 4.5 million to hire 150 physiotherapists; 110 million to raise the provincial share of school operating grants to 60 per cent; 67 million for school breakfast and lunch program; 60 million more for the highway program; over 430 million increased funding for Social Services.

We're going to have ourselves a \$3 billion deficit right off the bat, but they hide that. They don't tell the public. Mr. Speaker, I'm going through this because flip-flops and hiding and, frankly, deceit are not good enough for the people of Saskatchewan. They have not come clean; they hid. In 1982, they hid the deficit, Mr. Speaker. They're hiding tonight when we come down with the deficit in Ontario that's awful. When you put together all our province's promises, they hid the total number from the public and they flip-flopped and flip-flopped and flip-flopped.

Mr. Speaker, let me move to one other area that they're hiding from the public, and that's their real position with

respect to Saskatchewan balancing our budget and harmonizing with the GST (goods and services tax). Listen to this, Mr. Speaker. This is the Leader of the New Democratic Party in Saskatchewan on October 30, 1990:

. . . the fairest and most sensible way to proceed (this is in taxation) would be to harmonize the two sales taxes . . .

This is the Leader of the NDP administration . . . the NDP Party in the House here. Leader of the Opposition says, and let me just read it again:

. . . the fairest and most sensible way to proceed (with taxation — and I put the "with taxation" in) would be to harmonize the two sales taxes . . .

Now the leader said this in a news release on October 30. Well what's he hiding from today? October 30, 1990, same individual: "A side-by-side tax is preferable to a tax on tax . . ." So he says harmonize and put them one on top of the other, not tax on tax, so that they're together. You have 7 per cent fed; 7 per cent the province, and they're harmonized. That's what he suggests. And I go on:

He (which is the Leader of the Opposition, then said on October 4, and I quote). He wouldn't say whether the NDP supports harmonization, arguing it isn't the right time for the NDP to say how it would handle the issue.

This is in the *Star-Phoenix* the next day. So he puts out a press release that says we should harmonize and it should be parallel and there shouldn't be tax on tax. And the next he's asked in Saskatoon — and how is this for being right up front, open, not hiding, being careful with the public — he says, "it isn't the right time for the NDP to say how it would handle the issue" in Saskatoon. So he says one thing in Regina, another thing in Saskatoon.

He goes on to say in the *Star-Phoenix* in March 1991, quote, he said, an NDP government would not be bound to a harmonized sales tax, but he refused to say if the change would be reversed.

Well have you figured it out, sir? Do you know what he is about to do? I'm sure the NDP caucus would like to know. I'll bet you they're sitting there saying, if we just don't say anything or if we say a little bit of everything, we can probably, maybe, get elected and then we can do whatever we like just like we did in Ontario today, Mr. Speaker, just like they did in Ontario today.

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — When asked if the NDP would change the system back . . . in the meantime the government passes its harmonization plans . . . Mr. — it says here his name — was not committal. Uncommittal — he wouldn't make his . . . In the past he has refused to offer an opinion on harmonization.

And then March 15, 1991, the NDP Finance critic . . . this is in the *Leader-Post* so I guess I can use his name:

(The) NDP finance critic Ned Shillington stated . . .

(that) his party supported this harmonization of the two taxes, but added they would lower the rate.

. . . it makes much more sense to have one tax rather than two . . .

Well for heaven sakes, here we got the Finance critic saying we should harmonize, we should have one tax, for all of those logical reasons. Harmonization was recommended by the Finance critic who felt it would be simpler to have one tax. An NDP government would harmonize the tax but at a lower rate, the member said.

And then he goes on to say: as far as harmonizing the two taxes, we have said that it would only make sense if the federal government was prepared to make concessions in removing items such as farm inputs.

Well, Mr. Speaker, if he happens to look at the tax system today that we've harmonized, we have removed the farm inputs to a large extent. So the Co-operators, the Saskatchewan Wheat Pool, the chartered accountants' association, the consumers' association said, if you're going to have the GST anyway, then you should harmonize with one tax, protect the farmers and get the benefits of one administration, one tax collection system . And you should do that.

And that was recommended by the NDP Finance critic, and recommended by the NDP leader. When we did it, Mr. Speaker, then they get some heat. And, Mr. Speaker then . . .

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

Ms. Simard: — Mr. Speaker, I would ask leave of the Assembly to introduce some guests who are here tonight.

Leave granted.

INTRODUCTION OF GUESTS

Ms. Simard: — Thank you. Mr. Speaker, I would like to introduce Regina's 63rd unit of Scouts who are visiting the legislature tonight and who are sitting in your gallery. They are accompanied by their leader, Mr. Kirk Hangemann. And I will be meeting with the Scouts in a few minutes to take pictures and have drinks and to try to answer any questions that they have. Thank you.

Hon. Members: Hear, hear!

SPECIAL ORDER

ADJOURNED DEBATES

MOTION FOR COMMITTEE OF FINANCE (BUDGET DEBATE)

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Hepworth that the Assembly resolve itself into the Committee of Finance, and the amendment thereto moved by Ms. Smart.

Hon. Mr. Devine: — Mr. Speaker, I draw to your attention and to the public's attention tonight again, the fact that

the NDP Party and the NDP leader are faced with a serious, serious problem of believability and credibility when it comes to the Saskatchewan public. They hid from the Ontario deficit. They hid the real deficit of 1982, Mr. Speaker. They've hid the promises that they've offered to people all over the province.

And then, Mr. Speaker, they hid their real intentions from the public because they flip-flopped on management, on policy, on harmonization. Mr. Speaker, you can just about find any particular policy or any particular position on any item you want to find from every corner conceivably in your imagination from that group over there.

Mr. Speaker, it would be almost laughable except for what we saw today. The fact is today, Mr. Speaker, the truth came home to North American people and to the world. The Japanese saw it when the NDP administration brought down their budget in Ontario. The whole world found out what they're really like. They don't have a plan in forestry. They don't have a plan in agriculture. They don't have a strategy for business diversification. They don't have it in high technology and information.

We know, Mr. Speaker, that for example they didn't want to trade, Mr. Speaker, with our North American neighbour in the United States because they were too big and too wealthy. You heard that. Too big and too wealthy — can't trade with the United States. And then we turn around, Mr. Speaker, and we do the trade deal. We find out that our exports into the United States in agriculture are up 22 per cent last year and they were up 13 per cent the year before, Mr. Speaker. Then, Mr. Speaker, we find out that we might even be able to have free trade with Mexico. And they say, well I can't trade with Mexico because they're too poor and too small. So you can't trade with the United States because they're too big and too wealthy, and they don't want to trade with Mexico because they're too poor and too small.

Mr. Speaker, they're just against everything. That's why they're perfect in opposition. They're absolutely perfect over there, Mr. Speaker, because all you get is the complaints and nipping and chewing away at the various kinds of things that people might do. But they cannot, Mr. Speaker, come forward with a plan to say how we would do better with the United States, how we would trade with developing countries, how we would have diversification, generate a new farm program, agriculture strategy that really works.

Mr. Speaker, we learned today, the Saskatchewan public really learned today what the modern-day socialist NDP are all about. They've been criticized in Ontario papers; they'll be criticized on the national news. On the supper hour they were severely criticized for hiding. Mr. Speaker, I just want to make the point that this will not be good enough for them to hide, and to maybe giggle a little bit and have a few squawks and a little bit of bravado.

But when it comes time to vote in this province, people are going to say, I wonder who's really on my side, I wonder what leader will really be there to protect my farm, I wonder what leader will really be there to protect me against high interest rates, and I wonder, Mr. Speaker,

those voters are going to sit back and say I wonder who could really build and develop in downtown Regina or downtown Saskatoon.

Who could really build an agricultural college or who could diversify in terms of rural gas? Who could build water projects? Who could build my community? I mean we saw last night, as I mentioned before 5 o'clock, Mr. Speaker, the national *Venture* program covering Kindersley, Saskatchewan and community development bonds.

Our Minister of Diversification and Trade, Mr. Speaker, has been working on community development bonds all over the province, and I think we've got about 50 of them prepared to go and another 50 that are lined up, so we'll have, very soon, over 100 community development bonds, Mr. Speaker. Now that's involved with co-operation with the community; nothing like that from the members opposite, Mr. Speaker, not one single thing like that. Just complain, hide . . . masters of deceit, somebody just said behind me.

Well, Mr. Speaker, I want to touch one more thing with respect to harmonization. It's very important that we have . . . Thank you, Mr. Speaker. It's very important that we recognize what the NDP will not do, Mr. Speaker, when they're hiding — when they're hiding. They haven't told the business community all the facts. Here's the facts, Mr. Speaker.

Harmonization in this province provides a tax break bonanza to the business community of \$260 million a year. Mr. Speaker, I haven't heard the NDP leader or any NDP member talk about the \$260 million tax break to business that comes with harmonization. I wonder, Mr. Speaker, if they're going to go to the chamber of commerce and the boards of trade and to the Saskatchewan Wheat Pool and all the organizations that are looking forward to the harmonization in getting the full refund on the tax; whether they're going to say, we won't do it.

Well, Mr. Speaker, I'm going to call their bluff. I'm going to ask them tonight to stand in their place and tell me that the NDP will not give the business community of Saskatchewan a \$260 million tax break. And you know they won't — they won't. They won't tell you one way or another. They'll be against this, they'll be against that, Mr. Speaker, but by harmonization we get a \$260 million tax break that people in Manitoba won't get the equivalent of, or people in B.C., or people in Ontario. In Quebec they have, with a Liberal administration; in P.E.I. they will, with a Liberal administration. But the NDP says, no, no, they're against business. So the harmonization that would give them 100 per cent rebate, they're against it.

If you run a retail store, you run a manufacturing operation, anything that you pay sales tax on in Saskatchewan will be rebated 100 per cent. So if you bought a car, Mr. Speaker, and there's \$1,500, Mr. Speaker, you'd get all of that rebated.

They won't say tonight, Mr. Speaker. They can speak from their seats and they can talk, but they will not tell us tonight whether they would deny the business

community a \$260 million rebate. That allows us diversification and an economic competitive edge, Mr. Speaker, that others will not have, and the NDP hide from that.

I raise it, Mr. Speaker, because our Finance minister lays all that on the table. He put together on budget night a plan to balance the budget — fair to business, fair to farmers. Health and education were priorities, Mr. Speaker. And he even went as far as to say, yes it may be difficult to find the money to balance the budget, but here it is and I'm going to be open and honest and lay it forward to the people, not hide like they did in Ontario, and not to hide like they do over there, Mr. Speaker.

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Mr. Speaker, I want to congratulate our member of the legislature from Maple Creek for a report that she has just helped bring forward to me and to the cabinet, and it's called the *Report of the Northern Economic Development Task Force*. Mr. Speaker, the members of this report, along with the chairman, had the opportunity to talk to hundreds and hundreds of people across northern Saskatchewan about what they want to see. Mr. Speaker, on that committee and that task force that travelled around Saskatchewan was the member of the legislature from Maple Creek and . . . Listen to the following, Mr. Speaker, and I want the member from Cumberland and the member from Athabasca to listen to this and I'm sure they will. Louis Bear was there, Mr. Speaker, and . . .

The Speaker: — Order, order. I have listened patiently and the Premier is being interrupted over and over and I ask the hon. members to refrain from interrupting him constantly. It's very difficult to speak under those circumstances for anybody.

Hon. Mr. Devine: — Thank you, Mr. Speaker. I appreciate that.

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — Mr. Speaker, we've asked people in northern Saskatchewan, when the NDP were in power what kind of economic development did you get? From 1971 to 1981, Mr. Speaker, we asked them. And, Mr. Speaker, they said, not satisfactory. What we looked forward to under the NDP was more welfare. That's what you get in Ontario today — more welfare.

The people in northern Saskatchewan say, look there's a smarter way to spend the money. There's a smarter way to do it, Mr. Speaker, and they gave us a report. And I want to just mention the names of the people on this report. Louis Bear is the mayor of Sandy Bay . . .

The Speaker: — Order, order. Each hon. member has the right to participate in the debate, and I think you'll agree with me that in this particular circumstance the speaker has been interrupted many times. I don't think that's fair and I know you agree with me on that. And I simply ask you to behave in a more parliamentary way and allow the Premier to speak.

Hon. Mr. Devine: — Thank you, Mr. Speaker. I know the hon. members . . . When I mention names, they're a little embarrassed to know that there are more and more PCs in northern Saskatchewan. But fair enough.

Louis Bear, who is the mayor of Sandy Bay . . . and they say he's PC. Jimmy Durocher . . .

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — My point that I want to make on this is, this is a non-partisan committee with non-partisan recommendations. Now the NDP will make fun of it. I will say on this committee are NDPers, Liberals, PCs, mayors, and others. And they see themselves as non-partisan, and they mean that. They take this report very, very seriously, Mr. Speaker.

Now, Jimmy Durocher, president of the Saskatchewan Metis society, and I think that he has been . . . well certainly he hasn't been necessarily a PC candidate; I think he was Liberal. Mel Hegland who is the mayor of La Ronge — credible I would say. Lawrence Yew who is the administrator in Pinehouse, and I think he's been an NDP member of the legislature.

So we have taken people from all political persuasions, put it together in a report. They have talked to people all over northern Saskatchewan, and do you know what they say, Mr. Speaker? They say they want to see more diversification, more economic activity. They want a strategy and plan for mining, for local participation. They want to see local people with control, Mr. Speaker. They don't want to live under the Indian Act or the welfare Act, or any of that. They want to see local economic activity, Mr. Speaker, which is exactly the kinds of things that we have brought into the province of Saskatchewan. And they're excited about that.

(1945)

Mr. Speaker, you go back and you look . . . and I just give you some of the things that they've brought forward. They look at the new mining to develop and it's positive. The member from Saskatoon University today condemned uranium mining. He condemned uranium mining. The people that we talked to all across northern Saskatchewan said, we want just to be involved in mining and take our fair share of mining. We don't want to close the mines. And the member from Cumberland and the member from Athabasca must know that, and they sit in an NDP caucus that will close the mines. Is not that the truth, Mr. Speaker?

Why do they hide from the facts? See. They hide and they duck and they weasel back and forth, so in the South they can say one thing; in the North they can say something else. Well that's not good enough for Northerners, Mr. Speaker; that's not good enough for Southerners.

Some Hon. Members: Hear, hear!

Hon. Mr. Devine: — What kind of an outfit is that? I'll tell you what northern people are going to say: give me the straight goods; I want to meet this committee — and they're from all political persuasions; I am tired of this

kind of politics; I want a plan and a strategy for sound economic development. That's what they want to have.

That's what you've got in this budget. That's what you've got in this budget. And over there — no strategy, no plan, no forestry, no mining. The members in Saskatoon stand up and say, no more uranium mines. Cut them down — \$500 million loss in revenue. If I had to put that into the member from Wilkie's deficit, he'd have run up another billion dollars a year. Mr. Speaker, they are not credible, not credible.

When you look at the changes in mining and forestry and exploration, the hundreds of millions of dollars that have been into northern Saskatchewan from the private sector alone just in economic development and exploration, other industries, things that they want to see happen, and the NDP offer them platitudes. And what do we get? The truth come home to roost today in Ontario.

Mr. Speaker, I just want to wrap this up by saying the following. I'll make it very, very clear. I will say, Mr. Speaker, I will say this: that the members opposite, who I can have a cup of coffee with and we can have fun with and we can visit with, honestly disappoint me — disappoint me and members of the Saskatchewan public when they will not be honest with the people and tell them what they're going to do.

I don't think they know how devious that is. I don't think they know how poorly that is in terms of a party, a once proud party with a CCF (Co-operative Commonwealth Federation) background that now could only say one thing in the North and another thing in the South, one thing to the farmer, something else to the city people, rural against urban, no plan.

Mr. Speaker, what's happened to them? I mean what happened to these people? What we saw, Mr. Speaker, today was exactly what the Saskatchewan people know in their heart of hearts could happen to the province of Saskatchewan if in fact an NDP administration could ever bring down a budget and try to put a plan forward.

I will say once more: our plan is clear and it's laid out. We have tremendous support for agriculture and we've said it. And even though the NDP disagree with it, we believe that the rural crisis deserves our support.

Secondly, Mr. Speaker, if you ask the people all across this province, who most supports new businesses — large businesses, new businesses and more businesses — into this province, they say we do. And if you ask them, is it a good thing to have more businesses in Regina, Saskatoon and Moose Jaw, Prince Albert and The Battlefords, they'll say, yes it is.

Well, Mr. Speaker, the real question before the people then is, if we are supporting more business and supporting agriculture and that's good for rural and urban, then they're going to have to make a choice, Mr. Speaker. Are they going to listen to the rhetoric and the hollow promises and the flip-flops over there? Or are they going to say, these people on this side of the House have a plan that's critical for the 1990s and 21st century. And we have laid it out clearly in health and our record speaks for

itself, Mr. Speaker — doubled the budget. We've laid it out in education with new institutions and doubled the budget there. And, Mr. Speaker, we've been forthright to the people of Saskatchewan and said, here's how we can balance the budget even in difficult economic times.

And we've done that, Mr. Speaker, by co-operating with the federal government in harmonizing a tax system that's recommended by the boards of trade, the chambers of commerce, the consumers' association, passing major benefits on to the business community, and being fair to everybody because it is a user-pay tax. If you spend a lot of money then you pay; if not, you don't.

And that's recommended by Liberals, Mr. Speaker, and frankly when you talk to the NDPers and their critic, they recommended it but now they flip-flop. It makes sense. We've put all of that forward in this budget, Mr. Speaker, and we've yet to see a single, solitary plan from the NDP opposition. But what we got today, Mr. Speaker, was the truth out of Ontario. That truth, Mr. Speaker, speaks volumes about politics and honesty and development and diversification in this province. And it will speak volumes to the public.

Mr. Speaker, I just want to say I am very proud tonight to stand in this legislature and endorse the budget put forward from the Finance critic from this side of the House because it is head and shoulders over anything I have ever heard from the NDP opposition, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Kowalsky: — Thank you very much, Mr. Speaker. As I rise to speak on this budget debate following the Premier, I ask myself the question: what would you or what would any person living resident in the province of Saskatchewan expect to hear from their Premier on the budget? Would they expect the Premier to at least address the budget in any way whatsoever? Would they expect that the Premier should be up here defending the budget? I would think so.

I would think that what this province needs more at this time than it ever needed before was some kind of leadership, showing a direction, a positive direction, for this province when we're at a stage so raptured by their waste and mismanagement.

But what did we get, Mr. Speaker, what did we get? I'll tell you what we got. A series of ranting and raving. Mr. Speaker, it is now 6 minutes to 8 o'clock. Since the time of 7 o'clock when the Premier first got on his feet, after supper, we heard nothing about this budget from that Premier. Nothing. He's afraid to defend this budget, Mr. Speaker. He's afraid to defend . . .

Some Hon. Members: Hear, hear!

Mr. Kowalsky: — Mr. Speaker, when the Premier got on his feet before supper, he spoke for the first 19 minutes about the Government of Ontario and what was happening in Ontario. He spoke for a total of one and a half minutes about the Saskatchewan budget and then he took the next eight and a half minutes, Mr. Speaker, to talk about the Leader of the Opposition. And then the next 55

minutes, 54 minutes, putting the whole thing together again after supper.

So in a total of about two hours that he spoke, he defended his budget for a complete one and a half minutes. This is the person with the 90-second vision, Mr. Speaker. This is the Premier with the 90-second vision for the province of Saskatchewan.

Mr. Speaker, the Premier was up here winging it. He was up here winging it. He was up there winging it in the same fashion that the government has been winging it for the last nine years.

Some Hon. Members: Hear, hear!

Mr. Kowalsky: — He is winging it because this budget that they presented is nothing more than a bill, a great big bill to the taxpayer for nine years of waste and mismanagement.

Some Hon. Members: Hear, hear!

Mr. Kowalsky: — It's interesting, Mr. Speaker, to note that when this government called this session they did not bring forth a throne speech. They did not bring forth a throne speech. A throne speech outlines a plan. Its objective is to outline a plan and put a plan forward before the people of Saskatchewan, that is if you have a plan. Clearly this government has abdicated its role in leadership, its responsibility to the people of Saskatchewan — just like the Premier did this evening-- abdicated his role altogether about setting a direction, and instead they're trying to make themselves the opposition.

And it looks like what they're trying to do is make themselves the opposition to the government in Ontario. Clearly the Premier wishes that he were in opposition. He spoke, Mr. Premier . . . Mr. Speaker, so little about the budget here that . . . and so much about what happened . . . is going on in Ontario, it's clear to see that the Premier will never forgive the people of Ontario for ousting the PC government that they have had there for the last how many years — 20 some years — and putting them far behind in a third place behind a government that showed some vision, and behind a government that did not bring in any PST (provincial sales tax).

Some Hon. Members: Hear, hear!

Mr. Kowalsky: — Mr. Speaker, there's one portion, one part that I want to talk about in a different tone, and that is about the language that was used by the Premier in his speech. And at least five times, Mr. Speaker, I was sad to hear him imitate or use the words coined by Saddam Hussein, referring to the deficit as the mother of all deficits.

Now at least five times I heard the Premier say that. I say it's wrong, Mr. Speaker, to associate, to do . . . play those kinds of association games because it's like, it's very much like associating booze with sports, or alcohol . . . sports with booze or . . . so that young kids are influenced in that fashion. It's a kind of language, a trick in language that we'd like to avoid, and I was rather sad to hear the

Premier connect the word mother with the word deficit in the same fashion — in a negative fashion — as it was used in another context earlier, about a month or two, and the context of war earlier this year. I was rather displeased with that, Mr. Speaker.

On the other hand, Mr. Speaker, it was interesting, very interesting, to hear the Premier refer to the CBC as he built his argument against the NDP or against the NDP in Ontario or against the Leader of the Opposition. It's interesting that he used the CBC, this same CBC that he is now suing, Mr. Speaker — the same Premier,— that he is now suing for making public his own land flip which is costly and not in the least bit . . . quite costly to the public.

(2000)

Mr. Speaker, the Premier did not focus on the PST because he did not want to admit what the PST was doing to the economy of our country and to the economy of our province, because he did not want to deal and did not . . .

The Speaker: — Order, order, order, order, order! Would the member please be seated. There are several members who wish to give a speech. You're truly interrupting and making it very difficult for anybody to hear the member from Prince Albert. And the guilt isn't only on one side of the House, and I think you should all be willing to acknowledge that. This is a situation where many people are making a hollering or whatever you want to call it. Now let's allow the member from Prince Albert to make his remarks.

Mr. Kowalsky: — Thank you, Mr. Speaker. We heard a lot of bravado from the Premier a short time ago, Mr. Speaker. We heard the Premier go back to some of the lines that he was using prior to the '82 election, some of the lines which were made up at that time and have been discredited, long time discredited since then. But the Premier continues to think that he is still master of deception, that he could continue and use some of those lines. It was very interesting that he's trying that technique once again, when at this time, right at this very day in the courts in Ottawa, we're awaiting the news to hear how the courts are dealing with the greatest deception that these people tried within the last year or two and one in which they got caught. And I'm referring to the gerrymandering — got caught on it by the courts. Mr. Speaker, I guess that speaks for itself about how far deception . . . and people are willing to put up with deception in this country. At some stage, the person just has to stand up and be taken to task for it, and that is what's happened to the Premier.

The Premier referred to, in his remarks, referred to once again something that he'd been caught on before, and this was to the PAPCO deal. And once again we heard the Premier refer to the deal and saying that the PAPCO pulp mill of Prince Albert, which I am quite familiar with, was losing \$90,000 a day during the time that they were in government. The people there understand full well that that pulp mill was never in that kind of a losing position. But it's an interesting argument that he makes, nevertheless, because when the NDP were in government that pulp mill was making in the vicinity of \$20 million to \$29 million a year. That's when the NDP

were in government. So when you get that argument when the PCs were in there and now all of a sudden they claim to be losing \$90,000, I'm wondering, Mr. Speaker, if that's an argument for selling the pulp mill or if that's an argument for getting rid of the PCs.

Some Hon. Members: Hear, hear!

Mr. Kowalsky: — Well it turned out, Mr. Speaker, that that was an argument to get rid of the PCs because it was at the time that they were making that argument that the election came and my colleague from Prince Albert-Duck Lake and I were elected in Prince Albert.

Some Hon. Members: Hear, hear!

Mr. Kowalsky: — Based on the stories, the falsehoods that that company was trying to propagate.

Mr. Speaker, the Premier also referred to the northern development . . . to a report that he had published earlier. You may recall, Mr. Speaker, that the reply to the ministerial statement from that report was given by the member from Cumberland, and I want to quote a couple of statements that the member from Cumberland, who knows what the people of the North want and what they need, and what their aspirations are . . . and what he had to say about that. The first thing that the member mentioned was that back in 1985 they had set up a Northern Development Advisory Council. That's recorded right here in **Hansard**. This is from April 24. And the member indicated that:

When you look at the fact that you can subsidize liquor (and when he says you, he means the government over there — when you can subsidize liquor) and you can subsidize whisky, and you'll subsidize wine, but you will not subsidize food for the children of northern Saskatchewan — that is shameful.

Some Hon. Members: Hear, hear!

Mr. Kowalsky: — And the member made the statement that it was back from '82 and '83 to '88 that they've been studied and restudied, but what they need is a little action and he gave them a positive suggestion, and all we're hearing from them is more crowing about that they've released another report.

Mr. Speaker, the Premier said nothing about the budget and particularly as the Minister of Agriculture and the minister in charge of Agriculture, it was interesting to see that he did not defend in the least bit anything about their agricultural policy or the direction that they're going in agriculture in this province.

And there's a couple of things that ought to be mentioned, some things that need to be brought to the record about what this government is doing or did to agriculture in its budget. Let me itemize a couple of things.

First of all the budget speech announced no new programs in agriculture, absolutely no new programs. There was only one place that there was an increase in the agricultural budget, a hefty increase at that, and that is an

increase in communications. Which was what? — is promotions, as my colleague says, promotions, propaganda, and public relations. They increased that portion of the budget by \$184,000 — \$184,000 more to put across television to tell about how little they're doing.

Mr. Speaker, grants to farm organizations were cut substantially by this budget. It says in the budget the grants to farm organizations were cut to \$2.2 million this year from 3.09 million last year. That's one grant that was cut. There was a cut in the CAFF program, the counselling and assistance for farmers program, by \$92,000. That's directly from the budget, Mr. Speaker. They cut the grant to the Prairie Agricultural Machinery Institute, to PAMI in Humboldt. They cut that grant by \$27,000. Know what the people in Humboldt are saying about that? They're saying that they cut the wrong grant.

Some Hon. Members: Hear, hear!

Mr. Kowalsky: --The Department of Highways, which applies to all of Saskatchewan, including a large part of it where . . . includes the rural part of Saskatchewan, was cut by 7 per cent. This was the second year when there had been a cut in the Department of Highways. The Department of Rural Development will lose about \$10 million from last year's spending levels. This is what's happening to the Department of Agriculture in this province. Why is it that the Premier didn't stand up and defend these cuts?

Capital grants to rural municipalities will be down by \$7.6 million from last year, Mr. Speaker, and their non-capital grants were cut by \$25,000. Even grants to the 4-H were frozen at \$271,000.

Mr. Speaker, do you know that in the last year that the NDP were in power, 1982, 4-H had received 322,000? As a result of nine years of waste and mismanagement, where is 4-H now with respect to this government? They are down by \$50,000 — \$271,000 is all the grants they get at this stage.

Community pasture development — that's going to be down by \$100,000. And all of this time while this is happening — while all these grants are being cut because of the waste and mismanagement — in addition to that hardship, farmers and every resident in Saskatchewan will be faced with a provincial sales tax increase, the greatest tax grab in the history of this province.

Mr. Speaker, contrast the cuts to agriculture that I have just mentioned and itemized, taken from the document, taken from the blue book — contrast that with the plan provided by my leader, the Leader of the Opposition, in conjunction with our agriculture critic, the member from Humboldt. Contrast that, Mr. Speaker, with the five-point program which is available to every person in Saskatchewan upon request.

Mr. Speaker, I want to itemize this very briefly. If you ask any farmer what is it that they would like to see most of all to help rural Saskatchewan, there is hardly any argument. Every one of them will say, we need to be paid for our products. Simple as that, we need to be paid for our products. Just give us the value that our dollar is; link it to

the cost of production, they tell you over and over again. Over and over again they say, that's what we deserve. And they're prepared to work for it and they have worked it for it and they do deserve a decent price.

The first thing that we should be doing, the first point of the program is that we should be backing up and the Premier should be out daily asking for a \$550 million price grain deficiency. Not what they came back with — nearly a fifth of that. That will just not suffice. It will not stem the growing tide of farm bankruptcies and farm foreclosures.

We've heard this government talk a lot about GRIP (gross revenue insurance plan) and NISA (net income stabilization account), Mr. Speaker. But farmers are rejecting it around the province; the sign up rate is very, very low — very, very low. As a result, the government had to sweeten the pot somewhat. It's changed it somewhat after a lot of opposition from the farmers, after a lot of opposition from the agriculture critic sitting with me and my colleague, after a lot of opposition by my leader, Mr. Speaker. They've changed it but there are still a lot of shortcomings that need to be eliminated in that GRIP and NISA program. That's item number two.

Item number three, Mr. Speaker, concerns debt restructuring. Many farmers simply are unable to manage their debt. Every year they go deeper and deeper in debt because of the combination of low prices and high interest rates. They need some help with that, Mr. Speaker, and in order to get that help they need a breathing space. They need a temporary breathing space.

An Hon. Member: — A moratorium?

Mr. Kowalsky: — A temporary moratorium — exactly. A moratorium coupled with a debt restructuring program. Why? Because they need hope and you folks are forgetting that. You are forgetting that farmers are losing hope and you need to go back and give them some kind of hope. And fifth, Mr. Speaker, farmers need some relief on input costs. And this government is not providing that, Mr. Speaker. In fact they seem to be deathly silent on that. And we're saying that the federal farm fuel rebate should be reinstated. This would save farmers eight and a half cents per litre on gasoline and seven and a half cents on diesel fuel.

Well, Mr. Speaker, I mention those things because the Premier of this province, who also pretends to double as the Minister of Agriculture, was absolutely silent in his speech. He talked for a full two hours; he said nothing about agriculture. The Premier has abdicated. The Premier so badly wants to be in opposition he might as well toss the keys over and get into opposition.

Some Hon. Members: Hear, hear!

Mr. Kowalsky: — Mr. Speaker, I now want to refer to a few more items on the budget speech. I want to tell you what I think this budget represents. After looking at the budget and noticing that we have once again another deficit, I see that what this budget really is, is a bill, a great big bill for nine years of waste and mismanagement.

We have had nine years of continual preaching from the mountain top. We have had nine years of losses in services. We have had nine years of higher taxes — nine years of higher taxes — including the income tax increases, gas tax increases, flat tax increases, now the PST; property taxes have increased at the same time.

(2015)

We've had nine years of increased deficits. We've had nine years of broken promises with respect to the taxes. We've had nine years at which they tried to stage privatization and are desperately failing; it's a failed program. We've had nine years during which the bond rating has been falling continually. We've had nine years of increasing business bankruptcies, Mr. Speaker. We've had nine years, the last four of which have gone into a population drain and which have ended up in cuts to education and health. We've had over 80,000 people leave the province during this last four years, Mr. Speaker. And of those people, three-quarters of them, Mr. Speaker, are under the age of 35, our brightest and our best.

We've had nine years, Mr. Speaker, of undermining of our health system. We've had nine years of manipulation in education, nine years of loss of farm families, and — worst of all, Mr. Speaker, because of their waste and mismanagement — a loss of hope.

They may want to blame it on luck. There was some bad luck. They want to blame it on bad luck. But you have to look at some of the statistics, Mr. Speaker. Inflation during those nine years increased by 48 per cent. It is interesting that during that time while inflation increased by 48 per cent that the revenue to the province increased by 64 per cent. The revenue was still coming in, Mr. Speaker. There was enough diversification, and there was enough money coming in from resources that it had increased at a greater rate. The revenue to the province of Saskatchewan had increased at a greater rate than the rate of inflation.

So why is the government in trouble? Why is the province bankrupt? Where did all the money go? That's why people are asking that the books be opened, Mr. Speaker, because they want to know where all the money went. At that stage, Mr. Speaker, while the revenue was up 64 per cent, government expenditures were up nearly by 80 per cent, by nearly 80 per cent. It seemed that the more they taxed, the more they wasted. And we want to know exactly where it is that all the money went.

Mr. Speaker, I want to talk about a portion of the budget that has not been talked about much to date, and that is the portion of the budget and how it affects the quality of life in Saskatchewan.

Ask yourself the question: is Saskatchewan a good place to live and was it a good place to live? Is it getting better? Is it getting worse? Ask yourself the question: is Saskatchewan now, after nine years of Tory government, a better place to live than it was in 1982? Well you can take a look at all of the statistics and the statistical evidence to answer that question is quite clear. We have unprecedented debt, we have higher taxes, and we have fewer services. That's a commonly known fact. Everybody knows that, and that's what's resulting in the

record migration out of this province, Mr. Speaker.

The economic indicators of housing starts which are way down, next to nil this year; business activity which is down, away down; bankruptcies, population outflow, taxation, and debt — it's not hard to come to a conclusion. You can come to a very rapid conclusion, looking at the statistics, that something went wrong. People here know that something went wrong.

And what I want to do, Mr. Speaker, is to take a look at some other measures in addition to that — quality of life measures, Mr. Speaker. There was a time about a year ago, Mr. Speaker, when I happened to be in the Melfort area, in the Melfort riding, north-eastern Saskatchewan, talking with some young folks. And there was a son of a farmer who'd advised me that there were some of his neighbours were going broke and he himself wanted to get into farming. And he saw people leaving and he asked me the question, why should I stay and try to save the family farm when it's impossible?

Mr. Speaker, that question weighed very heavily on me because I was trying to make a point, talking with the young folks, that there is a future here. But he had already made up his mind from watching what was happening in Saskatchewan under this regime and what effect it was having on people around him. And the message he was giving me is that he was feeling very little or no hope because conditions had gotten so bad.

This was after only seven years of Tories, Mr. Speaker. Now we're at nine. And I'm sure, Mr. Speaker, that if you asked that same person right now, what is the best thing that could happen to Saskatchewan, is that he would say, the best thing that can happen to Saskatchewan is an election be called right now.

Some Hon. Members: Hear, hear!

Mr. Kowalsky: — Mr. Speaker, I want to talk briefly about the quality of life and quality of life items. There are other measures of what makes Saskatchewan a good place to live. And those measures are how we spend our time after work, how we spend our time with our neighbours and our friends, how we spend our time in sports, culture, and recreation.

And I want to deal briefly with what has happened in the field of sport, culture, and recreation in this province and what has happened to provincial support in the sport, culture, and recreation field. Has it got better or has it got worse? Because I'll tell you, Mr. Speaker, even in this field, in sport, culture, and recreation, things have deteriorated.

And it's not only that people in sport, culture, and recreation feel and know that their support from the government is worse than it was before as a result of nine years of waste and mismanagement, but they feel manipulated. They feel terrible about being manipulated by this government. What's happened is the government has lost their trust. Why? Because this government has betrayed the volunteers and the professionals who work in sport, recreation, and culture in this province.

It all started some time ago, Mr. Speaker, in '87, when they cut the recreation facilities grant temporarily. In fact, it wasn't those grants that were cut; there were five grants that were cut at that time. There was an intermunicipal recreation support grant that was cut. There was a grant which helped the school children's use of non-school facilities that was cut. There was an opportunities program grant, and there was a recreation directors' grant.

There was available, for a long period of time, mostly for rural Saskatchewan . . . That's where most of these grants were used. And they were used as seed money largely, Mr. Speaker. They were used as the 18-cent dollars in many cases. Eighteen cents would produce a dollar's worth of work. That would be about a rough average. There are places where the multiplying effect would be even greater.

These grants, Mr. Speaker, have led in this budget . . . That small cutting of those grants have led in this budget to a complete abdication of much more than just those grants. The multicultural aspect of the budget has been completely eliminated.

It's very interesting now, Mr. Speaker, to take a look at this budget, this budget document, and turn to the title page and search for a department of culture. And you wonder if you might find, Mr. Speaker, if anybody might find in here when you search through whether there is a department of culture in this blue book. The answer is no. My colleague says there is not a Department of Co-ops any longer as well, which also has to do with quality of life.

Two years ago, Mr. Speaker, this government, according to the polling, thought that it was so important to mention multiculturalism in their program that they changed the name of the department to Culture and Multiculturalism from culture, youth and recreation. They did that.

All of a sudden, following the polls, they've absolutely eradicated the name of Culture and Multiculturalism, and they've eliminated the department in total. They've abdicated their responsibility to the people of Saskatchewan in this whole area, Mr. Speaker, absolutely abdicated. There is no mention in this book of the words culture or youth or culture and multiculturalism in a department. Mr. Speaker, in the year previous in the budget estimates there was a Department of Culture and Multiculturalism which had a \$20 million budget. This year it's not in the budget at all. They have abdicated, Mr. Speaker.

Now the minister will claim that if you look under the Family Foundation that they are now handling that portion of the department under the Family Foundation. Mr. Speaker, what's happened is that they're so ashamed of what they've done to this department as a result of their waste and mismanagement . . . I'm certain that nobody would really want to have done this, but because of their waste and mismanagement, they've put this at the bottom rung, took it right out, and wiped it right out, and hidden a small portion under the Family Foundation — a small portion of the Culture budget. It is now down to \$9 million in this year's budget, and that is down from the Family Foundation budget of last year, even. So, Mr.

Speaker, they've had to hide so little of what is left.

I guess, Mr. Speaker, besides it being very frustrating and puzzling to the people who work, the volunteers and professionals who work in these fields . . . And there is not a very small number of them that I might mention, Mr. Speaker. There are some half a million people that are in one way or another affected in sport, culture, and recreation that are been affected by this abdication. And they in no way feel that they had a responsibility or a part in playing the accumulation of the deficit which has resulted in this cut. Small wonder that they are puzzled, Mr. Speaker, by the waste and mismanagement that caused this to happen. And they feel very frustrated by it.

Mr. Speaker, the department has been decimated, but I must say that there's a couple of things that the government was not able to do. I'll tell you that they were not able to kill the spirit of the Saskatchewan volunteer because they're fighting back. I tell you they tried to wrestle that lottery money away from sports, rec, and culture but they failed in that, thank goodness, Mr. Speaker. And there's one other thing they cannot prevent. They cannot prevent the people from voicing their anger in this in the next coming election.

Some Hon. Members: Hear, hear!

(2030)

Mr. Kowalsky: — Mr. Speaker, in arts and culture there are now 10,000 people employed in the industry; \$250 million are injected into the economy from that aspect. And as I mentioned earlier, there's about 500,000 people involved. Now these are the people who developed and administrated the sports program in all corners of the province. These are the people who work in all of our recreation facilities and all the recreation programs. These are the people that work in the museums. These are the people that work in the arts programs and the galleries and the music and dramas. These are the people that work in the multicultural aspect. These are the people that provide a bridge for the immigrants coming to Saskatchewan. They're the people that retain our heritage.

Mr. Speaker, these people feel betrayed by this budget because the government has abdicated. They feel manipulated, Mr. Speaker, because now all they can do is keep responding to study after study.

I'll tell you why they feel manipulated, Mr. Speaker. If you look at the history of what's happened, you see this government going year after year, study after study after study after study. And while they're doing the studying, the government in the meantime grabs the program and abandons the programs all together and takes it away from the budget. The end result of this, Mr. Speaker, can only be one thing, and that is a lowering of the quality of life, a lowering of quality of life. That's why, Mr. Speaker, a load of people, the volunteers and the professionals in all of these fields — in sports, recreation, and culture — although they have not been extremely vocal in this, they are very angry about it. And they feel very disappointed that this happened.

I have a few other things I want to say, Mr. Speaker, but I think there may be other people who want to enter this debate, so I will close with but a few remarks. And I want to mention, Mr. Speaker, the effect of the abdication of the government.

After abandoning the government role in supporting sport, culture, and recreation, the end result has been that Sask Sport, that corporation, has to do about \$35 million worth of work with \$30 million. This represents a 15 per cent cut to people in that area. And at the same time the government is still looking for a 2 per cent, or over 2 per cent, for their lottery licence. That's 2 per cent that they're stealing from that area, a 2 per cent of a \$100 million lottery revenue which just brings it to light again, Mr. Speaker, and reminds us of how the government once tried but failed to get at that lottery money from the volunteer sector, from the children of Saskatchewan, by imposing the lottery tax.

Mr. Speaker, I say that this thing will not be forgotten. This scorched earth policy that the government has embarked on, and the government has foisted on the people of Saskatchewan, will not be forgotten. It will be remembered, Mr. Speaker. It will be remembered especially come election time.

Some Hon. Members: Hear, hear!

Hon. Mr. Martin: — Thank you, Mr. Speaker. I won't get into any detail on the Ontario budget. I think the Premier covered that extremely well, Mr. Speaker, and I think we're still wondering where some of the members of the NDP are hiding. It was rather revealing, I thought, Mr. Speaker, that when the members of the media went searching for responses from the NDP on the Ontario budget, how they vanished into the woodwork somewhere, behind closed doors, no doubt. But that's not surprising. They too must have been embarrassed by the performance of the NDP in Ontario. But it's a good reminder for the people of this province to bear in mind as what's ahead of them if, heaven forbid, these people ever get a chance to be in office again. Because what you saw there in Ontario today would be the strategy that these people would use if they ever got in power, Mr. Speaker. At any rate, I think there's going to be so much said about that in the future that I don't need to talk about it.

I would like to first of all congratulate the Finance minister, the minister from Weyburn, for presenting the people of Saskatchewan with a realistic budget. It was a difficult process. We took a hard look at absolutely everything and as you can well imagine, Mr. Deputy Speaker, he had people pulling at him from all directions. Yet the plan that he produced was balanced and it was fair. It set realistic timetables, it protected farmers, seniors, health care, and education. Mr. Speaker, it protected Saskatchewan. It was tough where it needed to be tough, but fair throughout. It was realistic, it was responsible, and it was visionary. It sets a course for the next three years and beyond. No give-aways, Mr. Deputy Speaker, just plain common sense, a stable direction.

The people of Saskatchewan know what to expect from this government. We've held nothing back, we laid it all on the table. I do not believe the people of Saskatchewan

could expect the same from the party on the opposite benches. From the rhetoric I've been hearing from their leader and their Finance critic it is obvious they offer no clear plan, they have no vision, and clearly they have no alternatives.

I listened to the CBC radio the other morning, Mr. Deputy Speaker, and I was amused by an exchange about the budget between the NDP Finance critic, the member from Regina Centre, and the CBC reporter. The reporter was having trouble getting straight answers from him, but then that wasn't surprising considering that the NDP have no real answers when it comes to finances of this province. They can't tell us their plan because they don't have one. They can't share their vision because they don't have one. We have no idea how they would attack the deficit, except, Mr. Speaker, when we see what the NDP budget in Ontario declared the massive budget today at 9.7 billion. We know the local NDP would take this province down the very same road.

While the reporter was trying to get something concrete from the would-be Finance minister from the opposition benches — the member from Regina Centre — and she started out by asking: if elected, would your government take away the provincial tax, the provincial sales tax? And the would-be Finance minister says, that approach we have suggested is that we need to take stock of where we stand; we need to look at our tax structure. It may be that it isn't, it is, or that it isn't sufficient. So that will be our approach.

What he was saying is that he and his party stand clearly on both sides of the fence. Mr. Deputy Speaker, they make it up as they go along. They say one thing in northern Saskatchewan about southern Saskatchewan. They say one thing in the urban ridings and say another thing in the rural ridings, Mr. Speaker. They have no vision.

So the reporter says, no implementation of the GST then — that is the goods and services tax. And the would-be Finance minister says, the increased level of taxes was brought about by a Bill which is now going through the legislature and will be a fact, but harmonization will not be in effect, and yet his leader says, they will, and then, of course, then he says, they won't. Translation, Mr. Speaker, means that very much will change.

He says that there will be no harmonization.

October 3, NDP leader Roy Romanow confirmed that if he forms the government (this is a quote, Mr. Speaker), he will apply the provincial sales tax to all products and services that would be subject to the (federal) GST.

That's from the *Shellbrook Chronicle* of October 9, 1990. So the reporter says, well I'm just still not hearing where the NDP can find all the money to pay off the deficit. Does that mean you don't think the 3 per cent increases in health and education are enough? Would you give them more, the reporter asked. Of course his party has been complaining that there's not enough money in the budget for health and for education and non-government organizations and whoever else wants grants. And

according to the member from Saskatoon University, we should be spending another \$60 million to feed every child in every school in every community in this province.

So the hand-picked Finance minister says, well first you have to deal with the runaway spending, and only then can you tackle the problem of the deficit itself. It sounds a great deal like the NDP in Ontario. So the reporter, persisting, then says, would you agree then, that the civil service is too large and the government is headed in the right direction in eliminating those 600 jobs? And the would-be Finance minister says, well there is a problem with management, which is far too large, and the work force, which in many areas is too small.

So the reporter then says: Well all right, give me a yes or no on this: is a 4 per cent, 2 per cent, 2 per cent cap on civil services wages fair? And the would-be Finance minister says: The public servants have a right to bargain for their wages. And let's not forget who legislated nurses back to work when they wouldn't bargain in 1982.

Just let me add here, Mr. Speaker, that Dale Botting, the Federation of Independent Business, the night before had said that from the business perspective, and I quote: I can tell you that a 2 per cent or a 4 per cent cap looks pretty good compared to what I know is happening out there. Business chooses to hold the line on everyone so we can all have a better prosperity together.

But back to our hand-picked Finance minister — our would-be Finance minister — he would enlarge the public service, give them raises, and balance the budget; he would eliminate management positions and expect programs to operate efficiently. In his words, three years is a short time frame. We set ourselves a goal of eliminating a deficit within the first four years, Mr. Deputy Speaker. With his answers so far, it would in their case, never happen.

So, Mr. Speaker, at least this government has a clearly articulated plan to balance the budget. We have stated how we will get there and how long it will take. Our Finance minister has already set the course. There is a plan, Mr. Deputy Speaker.

The hand-picked Finance minister across the floor says he will do it in one extra year by increasing spending and lowering taxes. If that's his plan, I think he'd better get back on his calculator and start over before the election is called. But then, Mr. Speaker, you have to realize that he gets his marching orders from the Saskatchewan Federation of Labour and from the SGEU (Saskatchewan Government Employees' Union).

Those two complained about down-sizing the civil service and they want pay increases of 10 per cent or more. But they expect to have all that and a balanced budget too. Those two complained about government advertising, but they spend their members' hard-earned union wages — or rather union dues — on expensive anti-government advertising. Talk about biting the hand that feeds them.

Where is their credibility? Where is the fiscal credibility of

the ND (New Democratic) Party that dances to their tune? They accuse our government but they offer no alternatives, no ideas, and certainly no vision.

Mr. Deputy Speaker, it's extremely easy to oppose, to be part of the problem. It is more difficult to be part of the solution. And I hear no solutions coming from across the floor. We are produced a budget that states our priorities clearly. From my point of view as minister responsible for Seniors, this budget and this government continues to look after our elderly. I've worked hard to maintain a level of support we give our seniors through the heritage program for low and middle income seniors, and through the Saskatchewan Income Plan. Benefits to seniors through the Saskatchewan Income Plan have increased by 200 per cent since we took office. And I was pleased that we were able to offer our low income seniors the same level of benefits again this year.

Our senior population is well cared for, Mr. Deputy Speaker. For those who need it, we give solid, continuous support that they can count on. Not only that, we've managed to reduce the budget of the Seniors' Secretariat about 10 per cent while maintaining our current level of services. This is good management, not waste, Mr. Speaker.

Let me just talk for a moment about the seniors' plans. Let's look for instance at income security. Increased maximum Saskatchewan Income Plan, that's the SIP (Saskatchewan Income Plan) plan, benefits since 1982 from \$25 under the NDP to \$80 a month for singles — that's a 220 per cent increase. And from \$45 a month to \$135 a month for couples — that's a 200 per cent increase. This compares favourably with the rate of inflation which increased by 44 per cent from 1982 to 1991.

We introduced a senior citizens' tax reduction and increased it to \$200 for the 1987 tax year; established a Saskatchewan pension plan in 1986 which now has over 52,000 people subscribing; established a senior citizens' heritage program in 1986 providing an annual grant of about . . . about 70,000 low and middle income seniors' households each year. Since 1986, \$186.6 million in grants have been provided to Saskatchewan seniors. An additional 36 million is available for 1991.

In health care for seniors, we have approved over 2,500 new and replacement special-care home beds; expanded adult respite and day programs in special-care homes; increased funding for home care by 142.1 per cent — that's 113.3 million in 1981-1982, to 32.2 million in 1991-1992; expanded physiotherapy and occupational therapy throughout the province; introduced a senior citizens' ambulance assistance program in 1986 which limits the cost to seniors to a maximum of \$150 per road trip on an ambulance trip; implemented the computerized health card making access to the prescription drug plan less cumbersome for seniors and for others — and on and on, Mr. Speaker — introduced the innovative housing program for seniors in 1987; ensuring representation by at least one senior on the boards of the Saskatchewan Housing Corporation in each of the 283 local housing authorities. They have an opportunity to say something, to be part of solving their

own problems.

(2045)

And, Mr. Speaker, just a couple of others: expanded and restructured the Senior Citizens' Provincial Council to improve regional and cultural representation; consolidated targeted seniors' programs in the Department of Human Resources, Labour and Employment; and this last, in October of '89 created a seniors' secretariat as a stand alone agency reporting directly to the minister responsible for Seniors.

Mr. Speaker, the opposition accuses us of waste in management. I challenge them to look at my department.

Some Hon. Members: Hear, hear!

Hon. Mr. Martin: — We will prove them wrong. Mr. Speaker, we are not unique in government. The Family Foundation has done excellent work over its one and a half year history. We have made a difference to the people of Saskatchewan.

In last year's budget we gave some \$140,000 to feed hungry children in Saskatchewan. And, Mr. Speaker, I'm glad to report that money has been allocated not only for last year, but for the next two years as well. We act on this, Mr. Speaker. We just don't talk like some of the other organizations. And we make good use of those funds, Mr. Deputy Speaker, and the people of Saskatchewan are satisfied with the partnerships we built in the service of our underprivileged children and to our families.

Just let me talk for a moment about some of those accomplishments. We went to the communities, Mr. Deputy Speaker, and asked them what should be done about child hunger. We went to the communities and asked them what should be done. We let the communities determine how best to meet the needs. And this included the community taking responsibility for action. We have funded these feeding programs across the province that were designed and developed at the community level.

We talked to school boards. We talked to community associations. We talked to parents. We talked to teachers. We talked to principals. We talked to all the people involved in what could be termed as the hunger problem.

And we have done more to respond to child hunger. We increased the minimum wage from \$4.50 an hour to \$5 an hour effective July 1, 1990; increased the social assistance rates by \$10 a child, that was June 1 of 1990; and established school-based family centres in five urban schools — two in Regina and three in Saskatoon.

I want to specifically mention where this money went, Mr. Speaker. Seven hundred and forty thousand dollars was addressed to child hunger in Saskatchewan, and as I said, we went to the communities and asked them how we should respond to child hunger. We let the communities decide how best to meet these needs. And this is what they told us. As a result of what they told us, we gave \$351,000 to the community schools nutrition program involving 18 schools. These are community

schools, Mr. Deputy Speaker, community schools located in areas usually in the core of the city where there is most need. Ninety-seven thousand, four hundred went to the Saskatoon child and hunger education program, 93,000 went to the Regina education and action on child hunger. These are community organizations, Mr. Deputy Speaker.

Sixty thousand went to the Battlefords' outreach program, 60,000 went to the Prince Albert community hunger program, and in those two cities — North Battleford and Prince Albert — they said, we don't have a problem with hunger, Mr. Deputy Speaker. They said, we have a problem with kids roaming the streets; we have a problem with street gangs. This is what we need to address, not the hunger situation. So we gave them the money that they needed to hire what they asked for. That was two street workers — two in Prince Albert and two in North Battleford — and each of these four people were well paid for their time and I understand are doing an excellent job.

We gave \$15,000 to the Prince Albert share a meal program; 11,000 to the inner-city pre-school program in Saskatoon; 10,000 to the Moose Jaw Native Friendship Centre, that was 10,600; 9,100 to the Regina native awareness, that's Chili for Children; 7,500 to the Central Regina Early Learning Centre; 5,600 to the Circle Project in Regina; 4,750 to the Pleasant Day Central School feeding program; and 4,000 to the Rainbow Youth Centre in Regina; 3,800 to North Battleford School Division; and \$280 to the White Fox student council lunch program.

We got a letter one day from the students at the White Fox school — or the student council — and they said, we need \$280 for a lunch program for some children who they felt weren't getting sufficient amount of food at home, and could you give us some money? We said, how much you want? They said, well \$280 would be just what we need. So we sent them a cheque for \$280 and they sent a letter back saying, thanks very much, it's what we needed. And now the problem is well taken care of.

When the Department of Culture, Multiculturalism, and Recreation and the consumer education side of Consumer Affairs was rolled into our Family Foundation, we thought at first it would change our mandate and our philosophy of working with and through our other government and non-government agencies. But that has not proven to be the case. In fact, by amalgamating these departments, we've been able to achieve significant savings to the taxpayer while at the same time delivering the same services through our other vehicles where, Mr. Deputy Speaker, the people of Saskatchewan tell us that they rightly belong. And just before I go on to talk about the lottery trust then, Mr. Deputy Speaker, I'd like to talk for a moment about the family forums.

One of the things that we recognized when we first established a family forum, Mr. Deputy Speaker, was that we needed to get out into the communities of Saskatchewan and talk to the people about the problems they were having regarding their families.

In other words, when we went into a small community in Saskatchewan, we would meet with a group of people,

like 15 or 20 people representing the area. There would be a teacher there; there'd be probably a minister or a priest; there'd be nurses there and doctors and school teachers and people from the community involved in social programs. And then we would ask them what kind of problems were you having in your community.

And of course they would say, well the usual problems like drug and alcohol abuse, lack of communication between parents and children, how to deal with elderly parents, all those sorts of problems that if we think about it, the problems that we all have in the 90 per cent of the population who are not dealing with . . . who are not involved with social services, just the day-to-day problems that parents have with their children and with other parts of the family.

So we said to them, we'll give you some money to help to organize your own community to have a family forum. You decide the kind of subjects that you want to talk about, that you think should be talked about in your community, and you pick the speakers that you want to come in to give the workshops.

Well that was just over a year ago, Mr. Deputy Speaker. We had the first one a year ago last March, and over this last year we had 150 . . . well now we're over 150, but let's say 150 forums in this province, and something in the neighbourhood of, something in the neighbourhood, Mr. Speaker, something in the neighbourhood of 38,000 people, 38,000 people have attended these family forums around the province.

Now, Mr. Speaker, as a result of the successes of the family forums and the fact that they were so well received, we decided that perhaps we should now spend . . . concentrate a little bit more on the youth because when I went out and I was talking to adults I'd also at the same time be meeting with some of the youths, so we set up some council . . . some opportunities to go out and speak to youth at various parts of the province.

So we picked about seven or eight centres around the province. We were in La Ronge and Montmartre; we were in Yorkton; we were in Swift Current; we were in Morse, and Melfort, and a variety of other places; in Regina and Saskatoon as well, and also North Battleford. And we asked the youth, what kinds of problems are you having; what do you need to hear? What kind of messages, what kind of support do you need? An interesting thing was that they said to me, the biggest single problem that the youth of the province were having was communicating with their parents.

One young lady told me, she said, you know when I was eight and nine and ten, they never asked my opinion about anything around the house; they didn't ask me what kind of a car we should buy or what colour we should paint the kitchen or any of those day-to-day things that we have in our household. And then I was 12 and 13 and they still didn't ask my opinion about anything. When I was 16, 17 they still didn't ask my opinion on anything, and now I'm 18, they want to know what I think. Well, Mr. Speaker, she said, it's too late, it's too late. She said, what we need in this province is some kind of a system whereby students can get workshops with

their parents, where they can talk about communication and those things on day-to-day living within the household.

And so as a result of that, we then set up a series of youth consultations and youth workshops and now we are in the process of having these workshops. I've attended at least six of them, Mr. Speaker. The last one was in Yorkton last weekend. And you go there and there'll be 150 youth or 50 youth whatever . . . I was in Swift Current one day when they had over 300 youth from all over the province that were there for this youth conference.

And then they break up into workshops throughout the day and they bring in speakers, speakers who are good at talking about communicating with parents; talk about all those problems that teenagers have — how to say no to drugs, how to say no to alcohol, how to deal with sexual pressures, how to deal with the peer-group pressures that they have in schools these days.

I'm finding that the youth are responding extremely well to the opportunity to have a workshop and bring people in and talk to them. And what it does, Mr. Deputy Speaker, is these young people attend this conference and then they feel better about themselves and they go out into their community and then they talk to their friends about some of the things that they heard at this particular workshop.

Mr. Speaker, it's working extremely well. The youth have responded and the adults have responded around the province. So I'd like to thank . . . I'd like to, on this opportunity, to thank the people of my department who have worked so hard to make these conferences work, not only the family forums but also the youth consultations.

Mr. Speaker, we amalgamated the departments of Culture, Multiculturalism and Recreation and the consumer education side of Consumer Affairs was rolled into the Family Foundation. We thought at first that it would change our mandate and our philosophy of working with and through other government and non-government agencies but, Mr. Speaker, as I said before, that has not been the case. In fact by amalgamating all these departments, we have been able to achieve significant savings to the taxpayer and I think the people of Saskatchewan are being well treated by our department.

For example, by transferring the funding responsibilities for sport, culture, and recreation of the lottery trust fund partners we have put the decision making back where it belongs, the exact type of action recommended by Consensus Saskatchewan, Mr. Deputy Speaker.

For several years the volunteer sector has always been asking government to do this. The volunteers have said, we want to make the decisions concerning funding about our organization. And in fact, Mr. Chairman, if you go back over the last 20 years and think about the maturity that has occurred in the sports, culture, recreation areas around our province, you'll understand why they are ready to take on the responsibility of funding and making their own decisions.

So we got together with the Sask Sport people, the Saskatchewan Council of Cultural Organizations, and the Saskatchewan Parks and Recreation. In our discussion it came up that there probably are in the neighbourhood of 126 organizations with professional staff. And many of these professional staff, by the way, are graduates from the University of Regina training program and they are now working out in the community.

In addition to that, Mr. Deputy Speaker, there are 1,200 organizations — sport, culture, recreation organizations around the province — who have been developing and maturing over the last 20 years. And that involves something in the neighbourhood of 600 to 700,000 people. When you talk about lottery funding you're talking about everything from Brownies to old timers hockey and everything in between, all the seniors organizations and everything else. And they felt that it was time that they wanted to make the decisions about where the funding would go.

Our department, of course, we decided to hang in there and our mandate really is policy, as well as consultation, and of course being a watch-dog. And as a result of the changes we have been able to maintain consultants in all the zones around the province so they can work with the individual organizations.

Mr. Speaker, by giving the responsibility for programming back to the volunteers in the field, organizations which already have a paid professional staff, they do much of the work that our department people were doing. We have the opportunity to focus on our priorities.

So now the Family Foundation can return to do what it does best, and that is be a policy-orientated agency of government that works with and through other agencies and advises on policies and program which affect all aspects of family life.

We have some of the finest staff and leadership you'll find anywhere in government, Mr. Deputy Speaker. And although our mandate has grown broader, we are glad to have made the opportunity for ourselves to do what we do best. This budget, with this requirement of frozen or reduced funding to . . . (inaudible) . . . organizations in reducing staffing components has given us the opportunity to streamline and refocus in an area that we really need to revisit. I thank the Minister of Finance for allowing us to be able to do this. It has been a difficult operation, but I believe a successful one.

Mr. Speaker, not only do I support the kinds of down-sizing initiatives that have been outlined in this budget, but I believe this government should be looking creatively at each and every department over the next few years to see if there is a way to reorganize that would make it more responsive to the people of Saskatchewan. I believe we would achieve significant savings to the treasury as well.

There's another point I'd like to add to this budget comment, and that is in respect to advertising. As a media person, I know the value of it. Obviously the party opposite doesn't. The members opposite complained

about government advertising. They called it wasteful spending and see no value to it. In fact they suggest that to cut advertising would balance the budget.

What they don't realize is that the impact that government advertising has on newspapers, radio and TV stations in communities right across the province. Without the stabilizing factor of government, a lot of small-town, community weekly newspapers would die. Not only would people in our smaller communities be without this vital link, there would be a lot of folks out of work as well.

The news media is part of the life-blood of this province. We cannot afford to withdraw the advertising dollars that keep it alive. The economic impact of the small-town media is significant and it is important from the business standpoint that government support it through its advertising pages and not only through its editorial pages.

Mr. Speaker, the opposition should know that without advertising comment there is no editorial comment. It is as simple as that. And the same holds true for the Regina *Leader-Post*, the Saskatoon *Star-Phoenix*, the Yorkton *Enterprise*, the *Four-Town Journal*, or the *Eston Press*. The tirade by the members opposite about government advertising dollars being misdirected is as transparent as glass.

They say cut the advertising. Well which one would you cut, the Everyone Wins, the health promotion, taking personal responsibility for our own health and for our own well-being? Would you cut the Lights on for Life? Would you cut the one on family violence? Or would you cut the one on breast cancer screening? Or would you cut the one on alcohol and drug abuse? Which of those would they cut?

When they say, cut out government advertising, would they cut one of those? Government advertising supports a vital part of the small-business sector, while at the same time it gets important information into the hands of Saskatchewan people. There is nothing wasteful or frivolous about it.

(2100)

Mr. Speaker, I would like to talk for a moment about Fair Share Saskatchewan and decentralization. The members opposite have found it very difficult to bring their minds around to the need to decentralization. They can't . . . I guess the part that really bothers me, and I think mystifies me, is particularly the members from Regina who can't seem to understand that decentralization in Regina . . . if you don't strengthen rural Saskatchewan, then Saskatchewan . . . Regina will be the big loser.

If you lose towns like Weyburn, like Estevan, like Pangman, and all the communities around this province, you're going to lose . . . Regina might as well shut down it's . . .

The Speaker: — Order, please. I'd ask the member from Regina North to . . . Is it Regina North? Yes, from Regina North . . . to allow the minister to continue his comments. He's been interrupting him several times throughout the

evening. I'd ask him just to contain himself and let the minister continue.

Hon. Mr. Martin: — Thank you, Mr. Speaker. The member from Regina North finds it very difficult to face the truth when he knows as well as anyone in this House that if we lose rural Saskatchewan, 50 per cent of the jobs in this city will not exist any more. Unfortunately, Mr. Speaker, he hasn't figured it out yet. The member from Regina North hasn't figured it out yet that Regina is a service centre for southern Saskatchewan. He hasn't figured out yet that his union members, the people that he worked for, for a long, long time, will be without work. The truck drivers, the people that work in the warehouses, they'll be without a work. Because if Regina doesn't have a strong service-centre orientation, we won't need Regina servicing southern Saskatchewan.

Let me give you an example here.

Some Hon. Members: Hear, hear!

Hon. Mr. Martin: — Let me give you an example. And I think the member from Regina North should listen very clearly to this. Let's take the federated . . .

The Speaker: — Order, order. Order. Order, order, order. Order, order. I'd like to ask the hon. member not to refer to the other members in the House. At the same time, other members in the House should pay the courtesy of allowing the member to give the House his remarks without loud interruptions. And I believe the member knows who I'm talking about especially.

Hon. Mr. Martin: — Thank you. Let's talk about the Federative Co-operatives in Regina. They have a head office in Saskatoon, but the distribution and warehouse centre for Saskatchewan is Regina. Regina region services 101 retail outlets in south-central Saskatchewan. There are 340 Co-ops in western Canada, and there's a Co-op store, of course, in Cupar and all these other areas around there.

Based on a figure of 4.5 full-time jobs for million dollars in sales in 1989, the Co-op employed the equivalent of 1,800 full-time employees in the Regina region. The actual number of jobs would be higher because the ratio was one-third full time, two-third part time. The actual number of people employed at the Regina distribution centre was 215. In 1989, Federated Co-ops was the second largest business in Saskatchewan. The largest was the Wheat Pool, the 78th largest business in Canada. So the Federated Co-ops is a big business.

The Speaker: — Order, order, order, order. Member for Regina North. I think you've more than had your opportunity to loudly interrupt the member, and I'm asking you to please refrain. Perhaps you'll have an opportunity to speak next; I don't know who will speak after the member, but allow the minister to speak at this time. And the Minister of Finance, I'd like to ask him to co-operate as well.

Hon. Mr. Martin: — Mr. Speaker, Federated Co-operatives service 101 retail outlets in southern Saskatchewan. There are something in the

neighbourhood of 87,000 jobs in this city at any one time, all right; 50 per cent of those jobs are directly related to servicing southern Saskatchewan. You're talking about truck drivers; just imagine how many trucks leave this city every day going out to service southern Saskatchewan. If we don't strengthen rural Saskatchewan, if we don't somehow or other get a solid ground base, a solid base in those communities in southern Saskatchewan, then Regina will not become the distribution centre . . . that it will not remain the distribution centre that it is today.

So I think all those people who are members of the Federated Co-operatives and all those other truck drivers and people that work in warehouses, all those people who related somehow to servicing southern Saskatchewan should think very clearly about the motives of the NDP when it comes time to talk about such things as strengthening rural Saskatchewan. Here's a comment from Mrs. Lucy Thompson, a citizen of Carnduff, and this appeared in the *Oxbow Herald*. It says:

People in the oilfield, police, teachers and now third and fourth generation young farmers have to move to find employment. Are government employees a sacred cow that don't have to move? The media is what is causing the urban/rural split.

Back in 1973 the member from Regina Eastview said . . .

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

Hon. Mr. Martin: — Mr. Speaker, the other side of decentralization, that is moving people from Regina out into areas in southern Saskatchewan, the other side of that of course is moving people from other areas of government, like Ottawa, into Regina.

Saskatchewan of course does not enjoy its share of federal employees, or expenditures on a per capita basis. Between 1984 and 1989 Saskatchewan ranked last in the number of federal employees per 1,000 population. In the last three years our share of federal employees actually declined from 2.96 per cent to 2.88 per cent, while our percentage of the population is at 3.84 per cent.

So compared to Manitoba or Nova Scotia, Saskatchewan has less than half the amount of federal employees per capita that those provinces have. We also enjoy less than half of the expenditures on goods and services — Saskatchewan's 699 million compared to Manitoba and Nova Scotia, substantially more. So decentralization from Ottawa is equally important, Mr. Speaker.

It's important that a couple of points be made at this time. That is: while all the statistics clearly point out that Saskatchewan does not receive its share of federal employment expenditures, and while federal transfer payment reductions have taken place regularly in recent years, we have chosen not to sit by and blame the federal government for our economic situation.

And it was certainly good news recently, Mr. Speaker, when the Prime Minister named his new cabinet and had the three Westerners in prominent positions. Mr. Mazankowski is the Minister of Finance, Mr. McKnight is

the Minister of Agriculture, and Mr. Clark is Intergovernmental Affairs, and so you can be sure, Mr. Speaker, that the federal government is looking very closely at western Canada for those appointments.

And while we make the case that Saskatchewan fully deserves its share of federal employment and spending, we must admit that the same holds true relatively to provincial employment and spending, with respect to the other communities within the province. So that's why we have to think about it as a two-way street, from the East, Mr. Speaker, to Regina, and from Regina out to other parts of Saskatchewan. And I think, Mr. Speaker, it's important that we recognize the contribution made by the Regina economic development corporation . . . the Regina Economic Development Authority, rather, which is its proper name, headed by Gordie Staseson. It's important that we develop a partnership with this organization, with the mayor of the city, and all members of the city council, as well as the Economic Development Authority, so we can do these things for Regina; we can make a good, strong case in Ottawa for our own province, Mr. Speaker.

I know that the member for Regina South and myself have been involved in the Fair Share . . . a special task force that was formed for the purpose of providing a strong, consistent and proactive focus towards creation of employment opportunities in Regina, and we will do that with Regina Economic Development Authority.

We have the following terms of reference: to plan and negotiate for major decentralization of federal government activities and jobs from Ottawa to Regina; to fast-track significant potential economic development projects for Regina and area; to make recommendations regarding additional measures that should be taken to assist Regina in accelerating economic development; liaise with Fair Share Saskatchewan respecting timing and other details of moves by provincial departments and agencies to reduce negative impacts on Regina; and provide information and receive recommendations from interested groups within Regina respecting economic development enhancement and job creative initiatives.

Participating in the task force, in addition to Gordie Staseson, are Darlene Hincks, who is representing our development authority, and our representatives of the Association of Regina Realtors, Regina Construction Association, and the Regina home builders. We've been working hard towards the advancement of these measures over the last two years.

As your representatives to the task force can attest — that is, the Regina authority — we have completed substantial studies that provide the base case to support our position with the federal government. It's clear that a substantial increase in federal employment and spending within Saskatchewan is warranted. We have undertaken a study that clearly illustrates that there will be a net-cost saving to the provincial government from moving federal departments and agencies from Ottawa to Saskatchewan. We've completed a great deal of that work. We've undertaken ongoing negotiations with the federal government at a senior level over an extended period of time that has resulted in their indication of a willingness to work with us to address the issue that we're talking

about today.

Mr. Speaker, there is good plans in place to move people from Ottawa, government agencies from Ottawa, into Saskatchewan, and I think that's only important. This province, Mr. Speaker, has unlimited potential, it always has had. 1935, Mr. Speaker, there were a million people in this province, today there are a million people. People ask the question: where'd they all go? Well they went to Alberta, they went to B.C., they went all over North America. Some went to Europe. Why did they not stay in Saskatchewan through all those years? They stayed here because there weren't the jobs here, Mr. Speaker.

It's interesting when I hear people talking today about the kids leaving the province and they are leaving the province. They have left the province, they always will leave the province, unless we can provide them jobs. Everybody I grew up with in the '50s, when the NDP were in power — everybody I grew up with left this province because the NDP couldn't provide the kind of jobs that they wanted. And they wanted technical-type jobs, they wanted engineering jobs, and there weren't any of those kinds of jobs here. The NDP did nothing to develop any kind of infrastructure in this province. There was no diversification. All my friends left here in the '50s.

Interesting enough, a little later on my two brothers-in-law also left the province because they're not the kind of jobs that they wanted here — none whatsoever. And as a matter of fact, Mr. Speaker, if you had a farm and you had four sons on the farm and only one that's going to stay to work the farm, the other three had to leave. They just didn't leave the farm, they left the province for the most part, Mr. Speaker, because the kind of jobs that they wanted were not going to be in Saskatchewan.

The only way that we ever have any hope of keeping the kids in this province is to diversify, and that's what we've been doing, Mr. Speaker. And I won't go into that in a great deal because it's been talked about a great deal over the last few years — about diversification, about the upgrader here in Regina and about Weyerhaeuser and about the Saferco plant that's going to be built . . . that is being built now between Regina, Moose Jaw. It is going to have a thousand jobs this summer and full-time employment; will bring in economic development of something in the neighbourhood of . . . I think economic activity in the neighbourhood of 350, \$400 million a year, Mr. Chairman, into this province alone.

Unfortunately, the members of the opposition find it necessary to oppose all of those things. But that's not surprising because when they were in power, when they had the opportunity to diversify, when they had the opportunity to create an infrastructure in this province, they didn't do it. And, Mr. Speaker, not only that, but they never will do it because they don't know how to do it. They don't know how to build.

So, Mr. Speaker, our Finance Minister, the member from Weyburn, has developed, with his budget and with the help of his colleagues on this side of the House, a plan that will work for this government for well into the '90s and into the 21st century, Mr. Speaker. And I am pleased

to support his budget, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Van Mulligen: — Thank you, Mr. Speaker. I understand that according to the rules I have about four minutes left to me to participate in this budget debate. I especially want to thank the very verbose member . . .

An Hon. Member: — Fifteen minutes.

Mr. Van Mulligen: — Fifteen minutes, thank you very much. I want to thank the verbose member for Regina Wascana plains for reading his speech and running out the clock the way he has. But nevertheless, Mr. Speaker, I rise to talk about the Saskatchewan budget! This may come as a complete surprise to the members opposite who only want to talk about the Ontario budget. I want to talk about the Saskatchewan budget because this is Saskatchewan, Mr. Speaker, not Ontario.

Some Hon. Members: Hear, hear!

Mr. Van Mulligen: — And I know this comes as a surprise to them because they want to talk about anything but the Saskatchewan budget, anything but. They've talked about everything else in Saskatchewan, everything else outside of Saskatchewan, but they haven't talked about the Saskatchewan budget, Mr. Speaker. And that's what I want to talk about.

I just might say, I just might say, Mr. Speaker, that I am quite prepared, quite prepared to defend, to defend the Ontario budget sight unseen, sight unseen, if they are prepared to defend 10 budgets here in Saskatchewan — 10 successive deficits — if they're prepared to defend the highest income tax in the country, if they're prepared to defend among the highest property taxes in the country, if they're prepared to defend the flat tax, Mr. Speaker, if they're prepared to defend the GST and now the harmonized PST, Mr. Speaker, if they are prepared to defend cuts to the prescription drug plan, if they are prepared to defend cuts to the children's dental program, if they are prepared to defend hospital closures, Mr. Speaker, if they are prepared to defend millions to Allan Gregg and Nancy McLean, if they are prepared to defend the corruption at STC (Saskatchewan Transportation Company), Mr. Speaker, if they are prepared to defend the millions to GigaText, and on and on and on, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Van Mulligen: — Yes I'm prepared to defend the Ontario budget if they're prepared to stand up and defend their record here in Saskatchewan, Mr. Speaker. That's all the people of Saskatchewan ask of them. Why won't they do that? Why haven't they done that? Why haven't they done that in the four or five days of this debate, Mr. Speaker? I say to the Premier, defend your record. I say to the Premier, stand up and account for your record here these last nine, ten years.

Some Hon. Members: Hear, hear!

Mr. Van Mulligen: — Mr. Speaker, I wanted to talk about

one of the central parts of the PC budget before us, and that is the minister's plan to balance the budget, as he says, in three years. Now this is something that has been talked about by the Leader of the Opposition but I'd like to go into just a little bit more detail.

The minister says that sound financial management means that deficit financing cannot and must not continue. He says that a financial plan to balance the books so that we can pay down the debt. This is welcome news for the people of Saskatchewan. They're very excited and very happy about that because we now have an accumulated deficit of some \$4.6 billion — that's according to the government's accounting and I'll get into that in a minute, Mr. Speaker. This year alone we are spending \$500 million, half a billion dollars to service the public debt. The third highest expenditure in Saskatchewan — after expenditures on health, education — is servicing the public debt; an expenditure item that we never had eight or nine years ago, Mr. Speaker. We have it now.

It's very necessary for future programs and the future health of this province that we find a way to get rid of the deficit, to balance the budget. And if for no other reason we must do it because the time is coming again when the credit-rating agencies of North America will look at Saskatchewan and say: how is your fiscal health? How should we rate you? We are in danger of sliding again to a level that is only matched by Newfoundland in Canada, only matched by Newfoundland. We are in danger, Mr. Speaker, the next time we want to borrow money of having to go to Household Finance. That's how bad it is, Mr. Speaker, so it's very important that we find a way to balance the budget, to erase that deficit.

Now the minister has a projection. The minister's financial plan is to establish realistic and achievable objectives which guide decisions and planning, and he lays out a three year timetable. He says this year's deficit will be 265 million, next year's deficit will be under 150 million, and then the following year the deficit will be eliminated. Then he says we will have a balanced budget in 1983-84. The question is, Mr. Speaker, how realistic is the government's plan? How credible is the government's plan? Does he have an effective plan or is it just more posturing, Mr. Speaker? Are we getting the real goods or is he just saying things again, Mr. Speaker? How can we tell? For example . . .

(2115)

The Speaker: — Order, order, order. Order, order. We're all interested in hearing the member for Regina Victoria. In order to do that we must give him the opportunity, so I ask your co-operation.

Mr. Van Mulligen: — Mr. Speaker, I want to ask you: does this government have some previous experience in balancing the budget? No! No, Mr. Speaker, there is no direct, demonstrable experience in the past that we can point to, the people of Saskatchewan can point to and say, there they did it; there — they balanced the budget there. We can't do that. They've never done it. Well how can we tell, then, that in fact they will balance the budget? How can the government convince you that they'll

balance the budget, having never done it before? Having no experience, how can they do that?

Maybe we can look at history, Mr. Speaker. What is the history of the PC government's budgets? Even though they've never balanced a budget, is the history of previous budgets such that we can point to their record and say they knew what they were doing? Can we do that? Can their record convince us?

Mr. Speaker, let's review the record. Let's review the facts. Let's strip away the rhetoric, and let's look at the record, Mr. Speaker. And first of all, it's important to understand the PC government's records compared to previous governments. Is the PC government's record, compared to previous governments, such that it encourages us to think: no doubt about it, they'll balance the budget in the future.

No, Mr. Speaker. In fact from 1947 to 1982, a period of 35 years, we had CCF governments, Liberal governments, NDP governments. We had two minor deficits in 1961 and '62. These deficits were minor, and we did not see another deficit for 20 years. Thirty-five years of virtually no deficits until the PCs were elected in 1982, and we have had a deficit every year — 10 successive deficits from this government, Mr. Speaker. Now does that convince you that they will somehow balance the budget? No, Mr. Speaker, no.

Let's turn to that very first budget, the very first budget that came on November 24 which was brought down by the minister of Finance at the time, Bob Andrew.

An Hon. Member: — Where is he now?

Mr. Van Mulligen: — The member asks, where is he now? He's gone on to Minneapolis, Mr. Speaker, to be our trade representative. And after I've finished discussing some of his contributions to budget history in Saskatchewan, more than a few people will be raising their eyebrows about the logic of that appointment. We might have been better to let him go for cause, Mr. Speaker.

Anyway Mr. Andrew says that, in his very first budget, he's going to have a combined deficit of \$220 million. He says this is a minimized and manageable deficit. Let me underline that word, manageable deficit, Mr. Speaker. And he goes on to say:

We intend to see that the finances of the province are managed in the same careful, value-conscious manner that farmers, businessmen and individuals have to exercise in arranging their own affairs.

Isn't that wonderful, Mr. Speaker, that he would say that?

Well was Mr. Andrew on the mark? Has the deficit proven to be manageable? Has the government managed the finances in the province? And I use his words — in the same careful, value-conscious manner that farmers, business men and individuals exercise in arranging their own affairs. Not a chance, Mr. Speaker.

And you have to wonder at this point, like, why did the Premier let him? Why did the Premier — after 35 years of

virtually no deficits here in Saskatchewan, and his first finance minister bringing down a deficit — why didn't the Premier take him out behind the legislature building and sit him down and said, now look Bob, you can't do that? We've never done that before. You shouldn't run deficits at a time that the economy is going good and the oil prices are the highest in history. You shouldn't do it. But the Premier didn't and we paid for it ever since.

But does their first budget inspire you to confidence in their claim that they will somehow balance the budget? No. No, Mr. Speaker. And so it goes for their second budget where Mr. Andrew had to say that. And I quote him: the combined deficit will be 317 million. "We have chosen what we consider to be a reasonable solution . . . we anticipate a manageable increase in our combined deficit."

Is that what we have now? A manageable deficit? No, Mr. Speaker. We have deficit two on top of deficit one. Was this a reasonable solution? No, Mr. Speaker. Are people now inspired to believe the Minister of Finance in his claim to a balanced budget? No, Mr. Speaker, no.

And the next budget of fiscal '84-85 where Mr. Andrew predicts, or he says:

We also took the decision to allow the deficit to rise for a second year in succession. This was a necessary short-term measure to counteract the effects of the recession. But two years of increasing deficits are enough.

Well we wished that he would have followed through on that. But he says, he goes on to say that:

I am pleased to announce that the 1984-85 budget deficit will be \$267 million . . .

(And he says) This is a responsible step. The deficit has been turned around . . .

Well I'm still trying to figure out what Bob Andrew was saying that day. The people of Saskatchewan are still trying to figure out how he could say, I've got another deficit, but I've turned things around. Maybe he meant, because the deficit wasn't going to be projected quite as much as it was the previous year, that therefore he's turning it around. In actual fact, it wasn't 267 million; it turned out to be 380 million — a slight miscalculation in the lexicon of the Tories record keeping, but a major, major mistake as far as the people of Saskatchewan was concerned, Mr. Speaker.

And the question is: are you convinced that the PCs know enough about fiscal management that we can believe them when they say they will balance the budget in three years? No, Mr. Speaker.

And then there was 1985, their fourth budget, which will be remembered for the flat tax and the tax on used cars and cut out the property tax rebates, and where he said, this is the most intelligent budget in Saskatchewan history. And the people said, no, it's the dumbest budget in Saskatchewan history. And there the minister of Finance said:

Overall, I am pleased to announce that the deficit has been cut . . .

Looking ahead, this government remains committed to achieving a balanced budget.

Well this is wonderful news, but was this evidence of a government committed to achieving a balanced budget, Mr. Speaker? No. Are you inspired to believe the Minister of Finance now when he talks about balancing the budget? No, Mr. Speaker.

And in 1986 . . . and I don't want to dwell on 1986. I have a special footnote here. Many members have talked about the 1986 budget. It was noteworthy because we had a new Finance minister; the old one got canned, thank you very much — one good decision that the Premier made. However, he replaced him with someone who knew even less about what was going on. It was the first pre-election budget. That was the budget, of course, where he projected a deficit of 389 million; it came in at 1.2 billion, Mr. Speaker.

The Speaker: — I wish to bring to the attention . . .

Some Hon. Members: Hear, hear!

The Speaker: — I wish to bring to the attention of the hon. members, rule 14(3) which reads as follows:

On the fifth of the said days, at 30 minutes before the ordinary time of daily adjournment, unless the debate be previously concluded, the Speaker shall interrupt the proceedings and, after having allowed 20 minutes for the mover of the Budget motion to exercise his right to close the debate, shall forthwith put every question necessary to dispose of the main motion.

I have now interrupted the budget debate and recognize the Minister of Finance.

Some Hon. Members: Hear, hear!

(2130)

Hon. Mr. Hepworth: — Thank you, Mr. Speaker. Over the last few days I've had a chance to review the opposition members' comments with a view to looking for legitimate criticisms, some points that they may have raised that were worthy of responding to, Mr. Speaker, but when I look through the remarks and review the remarks, I find, quite frankly, there is nothing there, Mr. Speaker.

They are all over the place. There is no focus to the remarks. For example, the Finance critic, Mr. Speaker, when I reviewed his remarks, did he detail on behalf of his party their financial plan for the future, Mr. Speaker? Did he detail how they would balance the budget, Mr. Speaker. No? In fact, I found that particularly surprising because we've heard a lot from the NDP over the last several months about the 10-year, or 15-year, or 20-year plan, or about some plan anyways, Mr. Speaker, that was supposed to balance the budget, Mr. Speaker. But did we

hear one word about this so-called 15-year plan, Mr. Speaker? And the answer is we did not.

The Health critic, when you examine the NDP opposition Health critic's remarks, did they reveal their health-care policy for the '90s? No, Mr. Speaker. The forestry critic, the same thing — no plan there. Education, did we get a sense of the NDP plan for education for our young people in the future, Mr. Speaker, and how they will compete with the world out there, Mr. Speaker? Not one word from the Education critic. And the story goes on and on, Mr. Speaker. No plan, no vision, no strategy in any of the areas, Mr. Speaker.

And that brings me to the opposition leader, the NDP leader's remarks on budget night — no financial plan here either, Mr. Speaker. In fact he talked for some 10 minutes longer than I did and yet even on the eve of an election, Mr. Speaker, that we all know will be coming, he did not lay out his party's plans for economic diversification or health or education or how he would stabilize and revitalize rural Saskatchewan, or about how he would balance the books, Mr. Speaker.

I think everyone was waiting and listening for what he would have to say about agriculture and rural Saskatchewan because it's a well-known fact, Mr. Speaker, that of all the areas that the NDP are weak in, they are particularly weak in the area of agriculture and rural policy, Mr. Speaker.

And so when he got into that part of his speech that talked about agriculture and rural development, I think all of us sat up and listened. Well finally maybe we are going to hear what the NDP policy is on agriculture and rural Saskatchewan and how his party would stabilize and revitalize rural Saskatchewan.

Well, Mr. Speaker, we were all sadly disappointed in agriculture. And maybe it shouldn't surprise us, Mr. Speaker, because when you think about it, in the debate that's been going on for some several months about the second line of defence, and how silent the NDP were on what the second line of defence should be, that safety net, the new safety net, should be for agriculture. There were no ideas from the NDP, Mr. Speaker.

And when the debate went on about the third line of defence, the NDP even fell more silent. They were silent here in Saskatchewan. They were silent in Ottawa. The NDP were silent across the country. And finally, Mr. Speaker, I figured out why it is the NDP were so silent on the second and third lines of defence, Mr. Speaker. I realized finally that they thought that that was another military operation in the Gulf War, Mr. Speaker. That's what they thought the third line of defence was.

Some Hon. Members: Hear, hear!

Hon. Mr. Hepworth: — Well anyways, Mr. Speaker, we all sat up when he started to get into his remarks on agriculture in the budget. It disappointed everyone because the key plank in his election platform was the debt moratorium and which he quickly wrote off as saying it wouldn't work anyway. So there was his first and foremost plank, and he quickly wrote it off, Mr. Speaker.

Well I want to pick up on one of the points that the Leader of the Opposition made in his remarks about this budget. He said it was a budget that did not contain, I think to use his words, a credible plan. He used, to quote him again, it was a "phony budget". He's tried to suggest, Mr. Speaker, that it was not believable and not credible. And I want to pick up this point, and I want to talk about why the six-point financial plan — that we've put before the people of Saskatchewan in this budget — I want to talk about why it is credible and realistic and achievable and responsible and fair and reasonable, Mr. Speaker. And I want to end up talking about credibility and commitment and leadership as it relates to the NDP, Mr. Speaker.

Well first of all, why is our six-point plan to balance the budget in three years, why is that a realistic and achievable and responsible and reasonable plan, Mr. Speaker? And it's a legitimate enough question, Mr. Speaker, because there have been other plans — there have been other plans to balance the budget, Mr. Speaker. Obviously if they had worked we would not be presenting this one to the legislature, Mr. Speaker. So it's a reasonable enough question. There have been, as I said, five- and ten-year plans before. Well why is it, Mr. Speaker, that this one indeed will lead to a balanced budget?

Well first of all, our underlying assumptions are sound and they're valid and I would argue, Mr. Speaker, they're on the conservative side if you like. On interest rates we've taken a very conservative approach in our estimates here. We have not forecasted the interest rates as low as the federal government has in their budget — they've been known to be off the mark before — so we are forecasting here ten per cent on the short term and ten and three-quarters on the longer term, Mr. Speaker. Very realistic interest rate predictions.

What about our predictions for oil prices and other commodities, Mr. Speaker? Well once again we've been very conservative and we've erred, Mr. Speaker, we've erred on the conservative side, so we won't get caught off-guard with our predictions if in fact prices do not come in as high as we would have expected. Unlike Alberta — they predicted in the case of oil, \$23.50 a barrel, Mr. Speaker; the federal government, I think, was around \$23. We've put in this budget a very conservative \$20.85 as it relates to our economic forecast, Mr. Speaker. We're not predicating this budget on somehow that there'll be a bumper crop and that the price of wheat's going to go to \$8. No, Mr. Speaker, we haven't predicated on anything like that — an average kind of crop, Mr. Speaker.

So the first point I would make is that this is a credible and achievable budget target because the assumptions underlying it are reasonable, solid, valid, and conservative, Mr. Speaker.

Secondly, Mr. Speaker, why I say that this plan indeed will lead to a balanced budget in three years and where other plans maybe failed is that we have laid it out in detail. We've laid out the specifics as how you get to a balanced budget in three years. Anybody can say, I'll balance the books in 5 years or 10 years or 15 years, Mr. Speaker. The trick is you've got to say how, and this

budget details how we're going to do that.

Where other plans failed, Mr. Speaker, is that they did not lay out the how. We have talked here about how we're going to control the biggest cost in government — wages and salaries. And we're going to do it in a fair and reasonable way with the guide-lines, Mr. Speaker.

We've talked about how we're going to control one of the other big costs in government; that's the cheque that we send to municipalities and universities and schools and hospitals — our partners, Mr. Speaker. Once again, reasonable guide-lines for the next three years.

And we've talked on this budget, and part of the plan, Mr. Speaker, is about how we're going to cut our spending, starting right at the top with MLAs and cars and their salaries and grants and the number of departments and the size of government, decreasing the size of government by 600 people.

Another element as to why this is a very achievable plan, Mr. Speaker, is it speaks to the fact that part of the plan has to be a new fiscal federalism with the federal government, a new deal on transfers and equalization.

A fifth point, Mr. Speaker, as to why this plan will lead to a balanced budget is this . . . And if there's one element I think that threw previous plans off the rails, it was the fact that along would come a drought or trade wars or some other catastrophe would beset agriculture. It would necessitate *ad hoc*, emergency, one-time pay-outs of 100 or 300 or 500 or \$700 million or billion dollar loan programs, Mr. Speaker, and away would go the budget estimates.

With this new generation of farm programs that our Premier has negotiated, there will be no need for those emergency, one-time programs; hence, the budget will not get thrown off the rails, Mr. Speaker, and hence, we will have a balanced budget in three years, Mr. Speaker.

Some Hon. Members: Hear, hear!

Hon. Mr. Hepworth: — Now not all of these measures are easy. Certainly lay-offs are never easy, Mr. Speaker, for the individuals involved. But the final element of this budget plan, which is the one I want to speak a bit about tonight in the ten minutes remaining me, maybe is the most difficult of all and that has to do with taxes and harmonization, Mr. Speaker.

We have spelled out precisely where we are coming from on taxation. We have harmonized and left the rate at 7 per cent. We didn't try to kid the people, Mr. Speaker, and bring in a budget and drop the rate to 5 per cent and somehow with a debt of 4 or \$5 billion, try to convince the people that we could somehow . . . there was manna coming from heaven, that we could somehow balance the books by dropping the taxes, Mr. Speaker.

We knew that and we knew we couldn't pay for \$125 million in farm programs and still drop the rate and not have the debt and the deficit go up. Mr. Speaker, this budget, these changes, difficult as they are on the taxation side, are all part of a plan based on solid assumptions. The

details are spelled out, Mr. Speaker. It's a very credible plan and there's nothing phoney about it, Mr. Speaker.

Now I ask you to contrast that, and I ask all hon. members to contrast that, with the NDP Party and the leader of the NDP. Talk about phoney, Mr. Speaker, talk about incredible statements, talk about conflicting statements and contradictions. My seat mate in his speech, Mr. Speaker, detailed 13 or 14 major policy flip-flops by the NDP leader and his party, Mr. Speaker.

And I want to go into this area of harmonization a little more fully, Mr. Speaker, and point out the NDP policy on harmonization and the NDP position. Let's go back to June of 1989, Mr. Speaker, at that time the Finance critic, in this legislature, Mr. Speaker, said:

If we must have a federal sales tax then we should have one sales tax in this country and not two.

Later the same day he said and I quote again from *Hansard*:

But if we must have two taxes, if we must have a federal sales tax then we should have one sales tax in the country not two.

So here we have, Mr. Speaker, the position of the NDP on harmonization, the position of the NDP Party — not in the heat of an election — in rational debate in this legislature about two years ago, when we weren't all on the eve of an election. And no mistake, he said it twice in one day — if there is going to be a federal GST, and there is, Mr. Speaker, then it makes sense to have one tax, Mr. Speaker. Well that's position number one of the NDP, Mr. Speaker.

Position number two: harmonize, yes, but we should lower the rate. On October he said . . . the Leader of the Opposition put out a news release when the GST Advisory Committee reported. He said, adopt the committee's recommendation, which was to harmonize and lower the rate. So one day we had a position of let's harmonize, and then when the committee came out he said, well harmonize, but lower the rate. And that view was later confirmed in an interview with the *Leader-Post*.

But, Mr. Speaker, all the time we're getting closer and closer to an election. And so the NDP leader was getting colder and colder feet. And that led us to position number three, as quoted in the *Star-Phoenix* of March . . . sorry, the *Leader-Post*, March 15, 1991:

Asked whether that means harmonization has no future under an NDP government, he replied: (the he being the Leader of the Opposition) "I don't know what other conclusion one can be led to."

But when asked if that means the NDP would change the system back if, in the meantime, the government passes its harmonization plans in the legislature . . . (the Leader of the Opposition, whose name I cannot say) was noncommittal (Mr. Speaker).

So position number three: I am avoiding it, I am evading

it. I'm not saying we don't have one — a position that is, Mr. Speaker.

Well position number four, if you follow up on what they've said, and it was in that same article. You know, if you're not going to have harmonization and you need revenues, what did he say there?

Well quoting again from that same article in the *Leader-Post*:

"We will follow other sources of raising revenue", he explained. (Mr. Speaker, the he being the Leader of the Opposition).

Well what does that mean? There's going to be new taxes, or he's going to increase the income tax, put in place a payroll tax, up the gas tax, death tax, succession duties? Is that what he's got in mind, Mr. Speaker?

Position number four, Mr. Speaker: other new taxes is what he's saying, or raise existing taxes, Mr. Speaker.

Position number 5, he wants to stick his head in the sand, Mr. Speaker. And when asked, when the legislature does pass the E&H (education and health) Bill in this legislature, would he repeal it? Well we get position number 6, Mr. Speaker, and he says, maybe I'll repeal it, maybe I won't. He's non-committal, Mr. Speaker.

(2145)

Well I raise these, Mr. Speaker, because this party . . . this leader and the NDP has more positions on harmonization with the GST than a contortionist at the fair, Mr. Speaker. First of all they say harmonize, and then they say harmonize but lower the rate. And as we get closer to an election he says, I'm evading it or I don't have a position or I have a position but I'm not going to say. Or no, we're not going to do any of those things, we're going to raise other taxes, Mr. Speaker. And finally he says, well maybe I'll repeal it, maybe I won't, Mr. Speaker.

And I say to you, Mr. Speaker, I say to the members of this legislature, I say this kind of double-talk simply won't do. You can't say one thing one day and another the next day when it comes to harmonization, Mr. Speaker, just because an election is coming. You can't say one thing in Harris, Saskatchewan to the farmers and another thing to the Union Hall in Regina, Mr. Speaker. And you can't say one thing at the Weyerhaeuser plant, Mr. Speaker, and another thing at the upgrader. And you can't say one thing to the oil-patch executives one day and another thing on royalties the next day at a news conference, Mr. Speaker.

I say to the Leader of the Opposition, the NDP Leader of the Opposition, I say, come clean with the public, Mr. Speaker. I say, this is not the way to build the trust and respect of the people. Tell them where you stand, Mr. Speaker. I say to the NDP leader of the present day, this is not the party of principle of Tommy Douglas, Mr. Speaker. This is not the party of Tommy Douglas and the principles he stood for. Why is it that he is so desperate, Mr. Speaker, to win that he'll say anything, do anything for the vote, Mr. Speaker? What does he take the public for, Mr. Speaker? I say to you, Mr. Speaker, the public will

not be duped by these flip-flops, these insincerities, these contradictions, and this merely saying whatever it takes to get the vote, Mr. Speaker.

These are not the hallmarks of a leader, Mr. Speaker. There is no vision there, Mr. Speaker. There is no plan. But, Mr. Speaker, their stand on harmonization is remarkable in another way — an even more important way than what I've just outlined.

The NDP leader said at a business persons' convention here in Regina, Mr. Speaker: that we have changed; that we know that wealth creation has to be part of the plan; that we have to put in place a climate conducive to business development. He openly admitted that the NDP have been good on wealth distribution but have always been lacking in policy as it relates to wealth creation.

Mr. Speaker, their position on harmonization sets them back right in their old ways, Mr. Speaker. Because here was the most significant . . . and here is the most significant tax change that can make business more competitive in this province than we've seen for several decades — not necessarily popular, Mr. Speaker — but a fundamental change to the way business is done in this province, lowers their input costs, and makes them more competitive than they've ever been in their lives, Mr. Speaker.

And when it came down to putting politics — crass politics — up against principle, Mr. Speaker, crass NDP politics won again. They've abandoned any thoughts of making business more competitive, of creating wealth in this province, Mr. Speaker, and once again politics ruled, Mr. Speaker.

They flirted with the right decision — right because it's simpler, right because it makes our businesses more competitive — but in the end they came back to their old ways. If it's good for business, it's bad for the NDP. No change here, Mr. Speaker. No policy for the '90s. No forward thinking here, Mr. Speaker. The same old ways.

It doesn't surprise us, Mr. Speaker, because the reality is you can't change the spots on a leopard, Mr. Speaker.

Some Hon. Members: Hear, hear!

Hon. Mr. Hepworth: — The NDP leader put his narrow political interests, his narrow party interest ahead of the economic interest and well-being of this province, Mr. Speaker. And he wants to be premier, Mr. Speaker? I say the public will not be duped.

Mr. Speaker, this budget is about revitalizing rural Saskatchewan, stabilizing our economy. It's about balancing the books, Mr. Speaker. It's about preserving those things we've always considered important and special in Saskatchewan, Mr. Speaker, and so I urge all members to vote for the main motion and to reject the amendment, Mr. Speaker.

Some Hon. Members: Hear, hear!

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

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

Amendment negated on the following recorded division.

Yeas — 25

Romanow	Atkinson
Prebble	Anguish
Rolfes	Goulet
Shillington	Hagel
Lingenfelter	Pringle
Tchorzewski	Lyons
Thompson	Calvert
Brockelbank	Lautermilch
Mitchell	Trew
Upshall	Smart
Simard	Van Mulligen
Kowalsky	Koenker
Solomon	

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

Nays — 31

Devine	Neudorf
Muller	Gerich
Schmidt	Swenson
Klein	Britton
Hodgins	Pickering
McLeod	Sauder
Lane	Toth
Hepworth	Duncan
Meiklejohn	Gleim
Hardy	McLaren
Kopelchuk	Baker
Petersen	Swan
Wolfe	Muirhead
Martens	Johnson
Hopfner	Gardner
Martin	

The Speaker: — Order, order. I'm going to ask the hon. members before the vote starts not to continuously interrupt. I'd like to ask them for that courtesy. It's difficult to conduct the vote if we have interjections. It's difficult for the Clerk to hear, and it isn't the way we want to conduct the vote.

Motion agreed to on the following recorded division.

Yeas — 31

Devine	Neudorf
Muller	Gerich
Schmidt	Swenson
Klein	Britton
Hodgins	Pickering
McLeod	Sauder
Lane	Toth
Hepworth	Duncan
Meiklejohn	Gleim
Hardy	McLaren

Kopelchuk	Baker
Petersen	Swan
Wolfe	Muirhead
Martens	Johnson
Hopfner	Gardner
Martin	

The Speaker: — Order. I'm going to interrupt once more. I'm going to specifically refer to the Member for Regina Elphinstone and ask for his co-operation especially, along with his colleagues and anybody else that may be contributing to the interruptions. Especially that gentleman. I depend on him for his co-operation in this matter. The Clerk may continue.

Nays — 25

The Speaker: — I'm going to now interrupt at this point and I'm going to ask the hon. members to pay the same courtesy to the opposition.

Romanow	Atkinson
Prebble	Anguish
Rolfes	Goulet
Shillington	Hagel
Lingenfelter	Pringle
Tchorzewski	Lyons
Thompson	Calvert
Brockelbank	Lautermilch
Mitchell	Trew
Upshall	Smart
Simard	Van Mulligen
Kowalsky	Koenker
Solomon	

COMMITTEE OF FINANCE

Consolidated Fund Expenditure Agriculture and Food Ordinary Expenditure — Vote 1

The committee reported progress.

The Assembly adjourned at 10:06 p.m.