

The Assembly met at 2 p.m.

Prayers

## ROUTINE PROCEEDINGS

### ORAL QUESTIONS

#### University Tuition Fee Increases

**Mr. Rolfes:** — Mr. Speaker, my question is to the Minister of Education. Mr. Minister, because of the unfairness of your budget there has been a public outrage, as you are well aware, from the students at the University of Saskatchewan and their parents. The 47 per cent increase in tuition fees in some of the colleges is simply unacceptable to the students and, sir, it should be unacceptable to you as Minister of Education.

And yet, Mr. Minister, in many of the speeches that you have made, you seem to take a very cavalier and shallow approach to the 47 per cent increase. I want to also remind the minister that there was no relief from the provincial GST (goods and services tax), as you had led students to believe, in this budget.

I ask you, Mr. Minister, when are you going to take your head out of the sand? When are you, as Minister of Education, going to stand up for the university students of this province; and when, Mr. Minister, can the students expect some support from you as minister?

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

**Hon. Mr. Meiklejohn:** — Well, Mr. Speaker, I've certainly indicated on several occasions, and I think the member opposite is well aware of the fact, that education is a very high priority of this government. I have also indicated that increases in tuition fees are something that are happening all across this country. We saw last week the University of Manitoba upped its tuition rates by some 20 per cent. We know that the University of Regina upped its tuition fees by some 17 per cent.

And I would point out that with regard to the University of Saskatchewan tuition fees, that there were two colleges, Dentistry and Medicine, where the increase was some 47 per cent. The member opposite doesn't make any mention of the fact that there are some of the tuition fees that are only going up 5 per cent. The fact is that some of the others are going up a little bit more.

But I think, Mr. Speaker, we have to keep in mind it's the board of governors and the administration at the university that set tuition fees; it is not the Department of Education. They have to look at their operating costs and they have to find the money wherever they can. And I think that the understanding is that the students have to pay their fair share. And to me, Mr. Speaker, that the students who are paying somewhere in the neighbourhood of 16 to 20 per cent of the total cost of their education is still reasonable, Mr. Speaker.

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

**Mr. Rolfes:** — Mr. Speaker, a new question to the

minister. It is very obvious from the remarks that you make, Mr. Minister, that you think that a 24 per cent increase in Arts and Science and Commerce and Agriculture, Education at the U of S (University of Saskatchewan) is quite acceptable by your standards. Well it isn't to the university students and it isn't to their parents, Mr. Minister, and I ask you to accept your responsibility as minister and come to their defence.

A new question. Mr. Minister, the university president, George Ivany, had said that the Premier made a commitment to fund the operations of the new College of Agriculture building, and by not living up to that commitment, the 3.5 per cent increase actually works out to a 1.3 per cent increase for the university. I quote from Andrew Thomson, the outgoing president of the students' union at the university, and he says the funding problems are a direct result of government underfunding, Mr. Minister.

Mr. Minister, my question to you is this: does the word of the Premier of this province mean nothing at all? Or are you going to provide the U of S with the \$2.5 million in increased operating funds for the U of S? Are you going to provide that, Mr. Minister?

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

**Hon. Mr. Meiklejohn:** — Well, Mr. Speaker, let me point out to the member opposite that the College of Agriculture building will be opening. It will be opening. This is a facility that was in dire need at the University of Saskatchewan and the people there have been asking for it for some 25 years. The NDP (New Democratic Party) government, when they were in power, did absolutely nothing about funding the new College of Agriculture building.

With regard to the funding at the University of Saskatchewan, they are getting in the neighbourhood of some \$3.9 million this year, Mr. Speaker, additional funds. And the College of Agriculture building will require additional funds for the operation, I think some \$1.5 million this year, Mr. Speaker — 1.5 this year.

Discussions are going on between the university officials, Finance officials, and the Department of Education officials, and I can assure you, Mr. Speaker, that we will do everything that we can to ensure that the University of Saskatchewan is treated fairly, in the same way as the University of Regina.

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

**Mr. Rolfes:** — I have a new question to the minister. Mr. Minister, if you think that a 1.3 per cent increase to the operating funds of the U of S is fair, then let me ask you if you think it is fair . . . and you didn't seem to have any problems at all supporting a hundred per cent increase in salary to the chairman of the Liquor Board — up from 60,000 to 120,000. You had no problems in supporting that, Mr. Minister.

Mr. Minister, Mr. Thomson, in calling this the highest tuition increase in the country, stated at a university

senate meeting this Saturday, the following: there is the unfortunate perception that the university board's spending priorities have been more in the interest of seeing the re-election of the Conservative government than putting the university back on track.

Mr. Minister, he is talking about the determination of the university to open the agricultural building with or without your funding. My question to you is this, Mr. Minister: why do you think that the students of this province should bear most of the costs of the increased cost of the operating funds for the University of Saskatchewan, when the Premier promised and I quote.

My question is this: why does the Premier not . . . why does the Premier renege on his promise? Why does he not keep his promise when he said, sufficient funds will be provided in the grants to the university to properly operate and maintain the facility? Why do you think the students should bear most of the burden when the Premier will not keep his promise?

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

**Hon. Mr. Meiklejohn:** — Well, Mr. Speaker, it's unfortunate really, when the member opposite gets into selective reading because if he would've read a little bit more of the article from which he is quoting, he would've also seen that Dr. Ivany, the president of the university, also made the same comment that the increase in tuition fees has absolutely nothing to do with the opening of the new College of Agriculture building — absolutely nothing to do with it.

And I think also, Mr. Speaker, it's unfortunate. It's unfortunate for the member opposite when he makes comments related to the president of the students' union, when the president of the students' union casts aspersions on the board of governors, many of whom are independent. You've got the chancellor of the university, the senior administrators, members of senate. The president of the students' union . . . maybe if the president of the students' union would spend a little bit more time being creative and looking at some new ways in which they could handle the problem instead of being part of the problem, everybody would be a little bit better off.

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

**Mr. Rolfes:** — Last question, new question to the minister. Mr. Minister, very simply, do you think it is unfair that you will not provide sufficient funds for the operating costs of the agriculture building which the Premier promised very specifically in a letter. The Premier promised this.

And now you are asking the students to bear most of the cost for the increased operating cost of the agriculture building. Do you think, Mr. Minister, that is fair? As Minister of Education, do you believe that is fair?

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

**Hon. Mr. Meiklejohn:** — Well, Mr. Speaker, the truth of the matter is that the College of Agriculture building will be opened. There will be adequate money to open the

new building. Whether or not the Premier had indicated that additional funds would be made available — there's nothing that would indicate that that was the case.

However as I indicated earlier, discussions are going on between the officials of Finance, Education, and at the university to ensure that everything rolls along smoothly, that the college will be opening, and as well that the university in Saskatoon would be treated fairly in the same way as the University of Regina.

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

**Mr. Rolfes:** — Mr. Speaker, I have a new question to the Premier. Mr. Premier, since your Minister of Education refuses to answer on your behalf — and maybe he can't — I ask you very sincerely, Mr. Premier: you made a commitment in a letter that you sent out when they were collecting funds for the new building, you made the commitment. In it you said this: sufficient funds will be provided in the grants to the university to properly operate and maintain this facility.

Mr. Premier, does your word not mean anything at all, or are you going to say — because you are reneging on your promise — it is going to be the students' responsibility now to fund the increased costs for the university College of Agriculture building?

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

**Hon. Mr. Meiklejohn:** — Mr. Speaker, as I indicated earlier — the member over there seems to have a difficult time hearing — we are providing a very substantial amount of money to the University of Saskatchewan for this current year, a very substantial amount of money. In addition to the money that we are providing through the operating grant, we are providing some 28, \$29 million to pay for buildings that this government has built on the campus up there, buildings that were sadly neglected when the NDP were in power in the 1970s — some \$156 million, Mr. Speaker, that were spent in the nine years that this government has been in power. And that's part of the problem. That's part of the problem that we find right now, Mr. Speaker, is that we are living with the legacy that the NDP government left us in the 1970s.

### Electoral Boundaries Commission

**Mr. Tchorzewski:** — Thank you, Mr. Speaker. In the absence of the Minister of Justice, I direct my question to the Premier and remind him that the legacy which that government inherited was a surplus of \$139 million.

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

**Mr. Tchorzewski:** — Now, Mr. Premier, the chairman of the Electoral Boundaries Commission was quoted by the CTV network on Friday as saying that the electoral boundaries are, and I quote: "all but complete". In other words, those boundaries are pretty well ready and could be ready almost every day now.

Now, Mr. Premier, given the importance of this issue and given the importance . . .

**The Speaker:** — Order, order, order. Order. I ask the member to be seated while the Speaker is on his feet. Order.

**Mr. Tchorzewski:** — Thank you, Mr. Speaker, for calling the opposite members to order. Mr. Premier, given the importance of this issue and given the need for the public to know what the ground rules for the next election are going to be, and given the need for parties to know what those ground rules are going to be, can you inform this legislature when those constituency boundaries and the proposals of the new map will be made available to the public and this Legislative Assembly?

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

**Hon. Mr. Schmidt:** — Thank you. Mr. Speaker, if you could quieten down the opposition, I'll answer the question for them.

**The Speaker:** — Order, order. Order, order. Both sides are trying to blame the other for noise in the House. I believe that both sides are guilty. So if you would just get on with the questions and answers and not pay any attention to that aspect, I'd appreciate it.

**Hon. Mr. Schmidt:** — Thank you, Mr. Speaker. There's a double answer to that. First of all, as we speak here today the Supreme Court of Canada is considering the legality of the boundaries in Saskatchewan and Canada-wide, I might say. That decision will have a tremendous implication on not only Saskatchewan but also on every province, the Territories. And I understand that the NDP leader who is in charge of the Territories — they're not called premiers now — is in favour of the kind of legislation we have in Saskatchewan. The variation in the Northwest Territories is even greater than it could be imagined anywhere else.

So the Territories, the provinces, and the Dominion of Canada all have an interest in what the rule should be on boundaries.

Secondly, for the member opposite to ask a question as to when will we have this commission report shows that in his days as a cabinet minister he did not learn much about how you govern. Surely he would not ask that this government interfere with the work of the commission. We don't know when they will report. They will report when they've completed their work, Mr. Speaker.

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

**Mr. Tchorzewski:** — A new question, and I'm going to go to the minister who just answered, Mr. Speaker. Mr. Minister, this is an important question because it is your government who has established the record of gerrymandering constituencies and interfering with this kind of electoral process.

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

**Mr. Tchorzewski:** — Now according to our report, further to the report which I mentioned, in the *Leader-Post* on Saturday, this commission will not be issuing its report until after the Supreme Court rules in this

case. And you're right; the Supreme Court is meeting today. And I suppose that would be fine if the Supreme Court makes an immediate decision. But I ask you, Mr. Minister, what if the Supreme Court reserves its decision? Does this mean that after receiving the report, Mr. Minister, you and the Premier and your government will sit on it and not make it available immediately? You will hold it till June or July or September, or just before the election, Mr. Minister? Or will you respect the right of the people of this province to vote and will you make that report public as soon as it is ready, Mr. Minister?

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

**Hon. Mr. Schmidt:** — Mr. Speaker, let me make it perfectly clear that this government has won two elections on the boundaries drawn up by the NDP.

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

**Hon. Mr. Schmidt:** — Secondly, we have proposed constituencies wherein Regina and Saskatoon get more seats. The NDP are not satisfied. There's never enough for the NDP . . .

**The Speaker:** — Order, order. Order. What about allowing him to answer the question. Let's allow that.

**Hon. Mr. Schmidt:** — The NDP have no objection to northern Saskatchewan being overrepresented and under . . . Saskatchewan as a whole, the rural area, being underrepresented as long as they in their own seats, where they hide in the cities when they are thrown out of office in the country . . . they come and hide in the cities — they want more seats to hide in here. That's their proposal.

What they want us to do now is . . . they are saying, will we hold this report? Those people want to govern and they don't know that we are not reporting; the commission is reporting. We will not interfere with that report. They will do their work and they will report. What more can I say?

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

### Crown Corporation Dividend Payments

**Mr. Solomon:** — Thank you, Mr. Speaker. My question is to the Minister of Finance. Mr. Minister, I note from the 1990 annual report of the Saskatchewan Government Insurance that your government forced this Crown corporation to pay a dividend of \$32.7 million, despite the fact that SGI (Saskatchewan Government Insurance) only made \$11.6 million in profit. In order to make your books look a little better in an election year you have stripped the company of all of its retained earnings and have robbed SGI of its future viability.

On top of this devastation, Mr. Minister, you stripped SaskTel of its entire \$47 million in earnings and you forced SaskPower to pay a dividend of \$291 million despite the fact that it made a profit of only \$118 million. From these three corporations, Mr. Minister, with a combined profit of \$177 million, you stripped away dividends totalling \$371 million, over \$200 million more

than the money that was . . .

**The Speaker:** — Order, order. Order, order. Order, order. The hon. member is providing a great deal of information . . .

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

**The Speaker:** — However he's not getting to the question quickly enough and I ask him to put the question now without any further information. Put the question.

**Mr. Solomon:** — Mr. Minister, my question to you is this: in view of the fact that you've robbed these corporations of these vast sums of money, what kind of poor management is this and why are you practising this kind of scorched earth economic policy?

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

**Hon. Mr. Schmidt:** — Mr. Speaker, the question started with reference to SGI for which I'm minister responsible and I also back up to the . . .

**The Speaker:** — Order, order. Order, order. Order, order. The minister is attempting to answer but he's having a great deal of difficulty, as you could appreciate one would have when they are being interfered with. And therefore I ask you to allow the minister to answer the question.

**Hon. Mr. Schmidt:** — Mr. Speaker, with respect to SGI, the auto fund and SGI Canada, the general insurance company, these corporations have shown a profit. The auto fund has reserves now of \$45 million as compared to bankruptcy when we were elected.

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

**Hon. Mr. Schmidt:** — Through good management in the auto fund there is a reserve there and it will not be necessary to raise rates this year, and probably not next year.

With respect to SGI Canada, the general insurance corporation, it has no debt, Mr. Speaker. It needs to expand. It should not expand on the taxpayers' money; it should expand on investments. It has cash over \$11 million this year and 22 million last year, and I believe that that money should be turned over to the people to be used on health and education rather than sit in the vaults of SGI Canada.

What would you leave that reserve there for, Mr. Speaker? Let the NDP confirm or deny that the Ontario NDP have a deficit this year of \$9.7 billion.

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

**Mr. Solomon:** — Mr. Speaker, I'd like to ask a question. I'd ask the members to please read my lips. A question to the minister responsible for the Crown Investments Corporation and the minister in charge . . .

**The Speaker:** — Order, order, order. Order, order. I'm having a great deal of difficulty hearing the member, quite

frankly, and I would once more ask the hon. members to in this case allow the member for Regina North West to put his question.

**Mr. Solomon:** — Thank you, Mr. Speaker. My question is to the minister responsible for the Crown Investments Corporation, the Minister of Finance. Mr. Minister, you have robbed the province's future to meet your short-term political needs. And I'm not just stating my own opinions here, Mr. Minister. It is widely held that the former president of SaskTel, Mr. Jim Coombs, left his job this winter because he disagreed with your government's practices of stripping that corporation for your political needs.

The current president of SaskPower, Mr. George Hill . . .

**The Speaker:** — Order, order, order. Order, order. The hon. member is in full flight in debate and there's no evidence that he's getting to the question in the near future. And I'd ask him to get to his question. Order. Now the hon. member has had plenty of time. Put the question.

**Mr. Solomon:** — Mr. Speaker, I have a new question for the Minister of Finance, the minister responsible for the Crown Investments Corporation. I know that took 25 seconds, but I'll try and make it short.

**The Speaker:** — Order, order. Now either the member is going to put his question or he will miss his turn. Put the question. We don't want those kinds of remarks by members. The question.

**Mr. Solomon:** — Mr. Speaker, my question to the minister, in view of Mr. Hill agreeing, and I quote: I don't think there's any question that dividends greater than 50 per cent of net income could cause hardship for SaskPower, end of quote; in view of those words by your hand-picked president of SaskPower and your former president of the PC (Progressive Conservative) Party, when the top two executives of these two largest corporations in this province disagree . . .

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

Next question. I have given you ample warning. You have refused to put the question. Next question.

I warn you, sir, that if it's going to be a similar question, I will not recognize you.

**An Hon. Member:** — I have a new question . . .

**The Speaker:** — Well I suggest that it be new.

**Mr. Solomon:** — Mr. Minister, when the top two executives of the two largest corporations in Saskatchewan disagree with your policy, how do you defend it?

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

**Hon. Mr. Hepworth:** — Mr. Speaker, our dividend policy has varied from Crown to Crown. In some instances, Mr. Speaker, nothing has been paid over and some other instances 50 per cent, Mr. Speaker, and in some other

instances even higher than that.

I think it's worth noting, Mr. Speaker, that in the last three years the dividend projection from CIC (Crown Investments Corporation) to the Consolidated Fund was \$200 million three years ago, Mr. Speaker. It came in at 275. Last year it was 310. It has come in at 310. This year we have \$250 million estimated, Mr. Speaker, and I expect that that will be the number at the end of the day.

The point as to why we can expect those kinds of dividends, Mr. Speaker, is that the Crowns are profitable; they do show retained earnings. There is no, there is no . . . For the hon. member to suggest a scorched . . .

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

**Mr. Solomon:** — Mr. Speaker, a new question to the same minister. Mr. Minister, you have taken \$200 million more out of the Crowns than they earned in the last year. What you are doing is running up a massive deficit in the Crown corporations to try and cover up your mismanagement of the Consolidated Fund. And, Mr. Minister, you've stripped the corporations of all of their earnings while increasing taxes, increasing the debt, and decreasing services. My question to you is — what the people of Saskatchewan are demanding to know is: where did all the money go?

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

**Hon. Mr. Hepworth:** — Mr. Speaker, the other point I would make relative to the dividends paid over is that there is more than enough retained earnings to make those dividends and as well, we've a healthy cash flow, Mr. Speaker.

Part of last year's \$310 million and how we got that dividend, Mr. Speaker, was from the very successful sale of part of the holdings of Saskoil, an example of how business can be managed in this province for the taxpayers at large and a very good business deal for the Saskatchewan people — more people working in that privatized corporation and a good business deal for the people of Saskatchewan, Mr. Speaker.

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

**The Speaker:** — Now I'm just going to make this comment again. Now I realize members get to their feet and they want to provide a great deal of information leading up to a question, and I realize that ministers rise and they have a great deal of information to provide. I'm just asking you to co-operate and try to keep these things within reason. It's better for question period and better for all members.

## ORDERS OF THE DAY

### SPECIAL ORDER

### ADJOURNED DEBATES

### MOTION FOR COMMITTEE OF FINANCE (BUDGET DEBATE)

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

**Mr. Goulet:** — Mr. Speaker, it's very important at this stage in history to get involved in the debate on the budget. I wanted to cover some items, one relating to the revenue and expenditure size in regards to the budget, as well as the whole issue of Indian and Metis people, and also the North. And at that time, then I will make some concluding remarks.

I guess first of all, on the most general level, I think when we look at the history of Saskatchewan and we look at this stage in Saskatchewan history, we would look at a very sad era of this great province. What we are seeing is a government who has gone through nine consecutive years of deficits. There are deficits, of course, incurred and debt incurred not only by governments, but by private corporations as well. But I don't think anything matches what has occurred here in the province of Saskatchewan.

We now have a deficit, a provincial deficit, which is getting close to \$5 billion. And we now have on our operational expenditure side, approximately \$500 million worth of interest payments. That's \$500 million that we cannot spend in education. That's \$500 million that we can't spend in economic development for growth and diversification in this province. That's \$500 million that we can't spend in health. That's \$500 million that we can't spend to help our youth, our families, our seniors in the province of Saskatchewan.

And when you look at this history, a lot of people ask why has this happened.

In 1982 when this government came to power they said that everything was open for business and they would run government like a good business. That's what they said in 1982. When we look at past history, I think they made a bad name for business because this is the worst operation. Any business that went nine years straight forward going in a hole would have been gone a long time ago. But this government remains on basically because it has raised all kinds of taxes through this past year, these past few years.

When we look at the reason why therefore, the first reason is of course the history of mismanagement. We know the tremendous amounts that are spent in regards to glossy advertising, whether in the TV or in the glossy pamphlets that we get at our homes throughout the province. We see that on a very regular basis from this government.

But there is also different aspects like spending a lot of money historically on, even five million, on a translation system the other year on GigaText. And I could name quite a few more projects of course, where this tremendous sense of mismanagement has hit this government and blinded them to a complete lack of any type of management system. So that is the first reason why there is a tremendous deficit.

When you look at the other issue, the issue of fair

taxation, one has to look at the fact that at the federal level we have the GST and at the provincial level of course we have the provincial GST or the PST (provincial sales tax). And that takes away of course a tremendous amount of buying power from everybody, whether it's buying clothes for our children or buying books for them — they get a good education — or whether it's to be able to raise a bit of money to get a job and so on. It puts a lot of strain on families throughout the provinces, the province of Saskatchewan.

So when you look at the whole issue therefore, people are saying, why is the province taxing us? How come there is such a big tax history in this province in just nine years?

This is the same government who has said there would be no gas tax but today we have a high gas tax. This is a government who has said they would probably do away with the provincial sales tax, the E&H (education and health) tax, when they come into office. But what we have seen is that instead of doing away with it, they increased it to 7 per cent, and now it's being tacked on as part of the federal GST.

And I think this particular type of exercise has caused one of my constituents at a meeting in Denare Beach . . . And somebody was a little bit angry and he was calling it the grab and steal tax in the province's history. And many of the people were saying similar sorts of things. They had all kinds of names, you know, for the federal GST and now the provincial GST. A lot of the people were expressing concern that the taxation system is hitting out at the poor. It's hitting out at the middle income people.

But a lot of the same people are saying, what about our mining companies in northern Saskatchewan? I remember last year when I raised the issue — three years in a row I raised this issue with the municipal authorities — and I said, well why not just raise 1 per cent in the area of mining to cover some of the costs on municipal expenditures and economic development ventures in northern Saskatchewan?

And I said 1 per cent at that time, three years ago, would have netted us \$7 million for economic development, etc., and also for sewer and water systems in the North. But a lot of the municipalities were saying, we do not . . . With the high unemployment rate, with the 60 to 80 per cent unemployment rates in our communities, we can't raise the taxes at that level. We're already raised our taxes and those few people that are capable of paying are saying, heh, we have the highest costs in the whole province of Saskatchewan. We pay a lot more for our clothing; we pay a lot more for our groceries; we pay a lot more for everything. Why is it that we're getting saddled with extra taxation?

And at that time, therefore, approximately 7 million would've been available from just a 1 per cent rise in the taxation for the big companies in northern Saskatchewan. And that was only restricted to the area of mining. This year when I looked at the record, I found out that the privatized company and the privatization strategy of this government was not really getting us that much money in regards to the revenue. I found that privatization, although there's been tremendous privatization in this

province, we're going deeper and deeper in debt. And everybody is asking: where has all the money gone with this privatization that has taken place?

They said they would make great changes and pay for the deficit, but none of that has happened. All they have done is transfer moneys to private corporations, especially those that they have helped out in the privatization process. You take the case of Cameco (Canadian Mining & Energy Corporation). A lot of that money was spent to pay for the debt now we criticize, in regards to amalgamating with Eldorado Nuclear at that time.

So I think it's very important to recognize therefore that the fair taxation doesn't appear to have included the big corporations of northern Saskatchewan. Instead it's being saddled on the poor and the children and the families of northern Saskatchewan and throughout this province.

So when I look at the issue . . . I was at the SUMA (Saskatchewan Urban Municipalities Association) meeting with northern representatives the other day, on Saturday, and I mentioned this. I said, what about the privatized company Cameco; how much did they make last year? And the record is this, that they made over a billion dollars worth of production. If there was a 1 per cent tax on it, I said, that would net approximately \$10 million for the people of northern Saskatchewan. I said, how much do you think they made clear money on last year? Well Cameco, the privatized company, made \$90 million clear — 90 million.

If that had been . . . part of that money, even if I said that 1 per cent, they would have known, that very well-run company. The member doesn't even know the history of Saskatchewan Mining Development Corporation. Saskatchewan Mining Development Corporation made \$60 million that same year that you privatized it in 1988, but at least it came to the province and the money stayed in the province and was reinvested in the province. That 90 million, we will not know exactly where it will go.

So I think that when you look at the record, Mr. Speaker, even though they made \$90 million, according to that member over there, the numbers of people that were employed has become less ever since the NDP government was there in 1982. We used to hire 50 to 60 per cent of the people in the mines. Later on when this government did away with the monitoring board . . . with the monitoring committee, that number of people hired went down to about 12, 15 per cent, and that was a record. Although they make a lot of money today, the number that were hired was less.

And that's for the minister's information — the Minister of Finance's information. He does not know the official stats in regards to people who are employed in the North because all he's got is vague numbers to work with. And we well know how the financial record in this province have been run, basically because there's been \$800 million errors and errors we will probably see next year after we get better details from the Finance minister's records.

So, Mr. Speaker, when we look at that, when people are asking me about fair taxation and where there is a certain

amount of revenue, there is a certain amount in regards to my area where there is the resource development taking place. Over a billion dollars are taken out from the North in mining alone, and also in the area of forestry, there is approximately, you know, 200 to \$300 million depending on how . . . depending on prices and everything.

So as we look at those two areas of forestry and mining, we well know the sweetheart deal in regards to Weyerhaeuser and the 12 million acres of the best forest that they have in northern Saskatchewan, and also the new deal on Millar Western. But a lot of the people, a lot of the small contractors, have said they've got less jobs and less contracts ever since this government has come in.

So when we look at the whole history of this government and their privatization record, yes, they're up in benefits, benefits to big companies, but definitely not to the people of northern Saskatchewan.

Just for the record as well, I was speaking with the people and they were asking me about another example, and we had the privatization debate on potash as well. And just for a quick statement there for the historical record, the amount of revenues that were taken in the last six years during Liberal rule, from the year '66 to '71, the amount of money on taxation and royalties from the potash companies totalled approximately \$14 million, Mr. Speaker.

During the time the NDP was in power, the total amount taken from royalties and taxes in the potash corporations totalled \$986 million. There was \$986 million for the public purse, Mr. Speaker.

What do you think happened when this government came into power? In the first six years they were in power and their history of mismanagement — not only mismanaging government-run operations but also Crown corporations they mismanaged — we lost over \$700 million, \$712 million to be exact, Mr. Speaker, in just six years. Revenue dropped during the NDP years from a total of \$986 million in a six-year period to \$274 million when the PCs arrived to manage this province.

That's the reason why the taxation increased. That's why we went to a gas tax which they said would never be there. That's why they even went to tax bingos and everything like that in this province. That's why they had to tax children's clothes.

And now in the history, when there's a world explosion and there's a great need for knowledge . . . One of the greatest essences of history has been the quest for knowledge — knowledge in regards to knowing something about politics or economic development. You need knowledge. You need knowledge to get into education and so on. And when you look at that now, this province, this particular government is against not only the people of Saskatchewan but against knowledge. And that's a sad case in the history of Saskatchewan.

(1445)

When we look at therefore the whole issue, I thought that we would see some type of action, because not only is there a need in regards to economic development and the whole issue of balancing budgets . . . that we would get into better management. You know, although there was no talk about a better management system except the same old story from the Minister of Finance, we thought at least they would come up with a fair taxation system. But they haven't proposed any except add the greatest and biggest tax in the history of Saskatchewan.

And the other thing is that there was nothing in there in regards to economic development and business development. Any assistance to small business was slashed. It's been slashed in the past few years and that was even worse too. So there was zero now for tax assistance to small businesses and also any type of the grant structures in there.

But we do have money for Cargill — \$370 million, 65 million up-front dollars. And we have money for the big corporations but we don't have money for the small businesses of the province. And that's a shameful thing in the history of Saskatchewan.

So when we look at the overall thing, I think in the historical terms from economic development on balancing budgets, this will be indeed a sad phase in the history of Saskatchewan.

The other aspect that's very important to consider on a government is that many people and many political leaders have always stated that a test for any government is what it does to the people in need in every situation, and those people that are trying hard to make a living, those people that are forced into a poverty situation. And we well know in this province of course the issue of child hunger and that one out of every four children are now hungry in the province of Saskatchewan.

But the other issue I want to talk about is the issue of Indian and Metis people, Mr. Speaker. And when I looked at the budget, I was very disappointed to learn that, just in the Indian-Metis Secretariat, the budget had been cut back for training. A hundred and thirty three thousand dollars was cut back.

What I sense from that, Mr. Speaker, is this: whatever Mr. Mulroney does in the federal level, whatever the Prime Minister does, the Premier does the same thing. The Prime Minister cut back education for treaty Indians in Canada. They went against the treaty rights. Although they said they respect and honour treaty rights, they went against them by cutting back.

And at a time in history when a lot of Indian people who are starting to get a little bit of a base in education . . . It sounded a lot like the history books, what I read about the Hudson Bay Company when they said that they didn't want Indian people to get educated because they would start knowing what the accounting systems were like.

And it sounded the same way that the Prime Minister was cutting back on Indian education because now a lot of young Indian people are trying to find out about not only how the education system is run, but also getting jobs in

those areas, and also in social services, in economic development, accounting, and law. And we were just getting at the initial stages of this development when the federal government cut back.

Now you see this provincial government, they do the same thing. What they see the Prime Minister Mulroney doing, that's exactly what the Premier will do. So they cut back in regards to the training dollars that Indian and Metis people want in the province of Saskatchewan.

And again I might say when I was talking about economic development and taxation, again in education, knowledge is so important. As we look into the future with all the changes in the world, whether we look at Asia, Europe, or South America, Africa, there's tremendous changes in the world. And knowledge and the creation of knowledge becomes very important. And when you see the budget cut back on youth, when you see the student loans being cut back in this province, it's a real shame.

It's not enough that the Premier and his cabinet have chased a lot of people from this province and they have to find their jobs elsewhere. Now they're cutting back on their aid to education, and that's a shameful thing in the province's history. So they are not only cutting back education for Indian and Metis people, but for all students in the province of Saskatchewan.

The other thing I would like to mention is that there was not any word at all from the issue of the land base and the land issue for Indian people. There was nothing at all budgeted in regards to what's taking place during negotiations. Although the minister and the Premier had implied that some type of decision would be made last fall, nothing was ever forthcoming. I understand that the province is one that is trying to renege on these issues in regards to the settling of the land entitlement question.

A lot of people do get concerned about the land issues, so I will provide a bit of the knowledge base required for a little bit of an understanding on the land entitlement issue.

During the signing of the treaties, Mr. Speaker, and during the process when Saskatchewan became a province in 1905 up to the time when Saskatchewan got their resources transferred in 1930, there was a whole period of lands in relation to railroads, lands in relation to settlers and farmers, and lands in relation to Indian and Metis people. So I'd like to give a little bit of that historical background so there is a better understanding of that issue in today's terms.

By 1930, what happened is that the amount of land that was provided for the homesteads, the free homestead Act — there was paid homesteads Acts which totalled about 6 million — but on the free homestead Act, by 1930 there was a total of 31 million acres of land for Saskatchewan farmers and settlers, Mr. Speaker. When I looked at the history . . . By the way, for the history buffs that are listening, a lot of the research was already done by the 1930s under dominion lands on a book called "*Dominion Lands*" Policy by Chester Martin, and that's where the figures that I'm using are coming from.

So we had 31 million acres of land for the free homesteads. When we looked at the amount for the railroads, the total amount was 15 million acres just in Saskatchewan alone. And when we looked at the issue of Indian treaty land, a lot of people will be surprised to know that the total was 1.2 million acres. I will go through those stats again. There was 31 million acres for the free homestead Act, for free homesteads in the province. There was 50 million acres of land for the railroad companies, Mr. Speaker. And . . .

**An Hon. Member:** — Poor old CP (Canadian Pacific) Rail.

**Mr. Goulet:** — Somebody said poor old CP Rail. And CP Rail got the majority of that land during that time. So there was also therefore 1.2 million acres of land for the original owners of this area. A lot of people figure that a tremendous amount of land is there on treaty land, but that's what the official record is, Mr. Speaker. Today, in checking out different decisions that have been made, the total amount of treaty land is approximately 1.5 million acres.

When the treaties were signed, the amount of land that was to be given in return for surrender of the area, the amount of land was not completely settled. In some cases, for example, 80 per cent of the people would have been provided land, so 20 per cent of the people would not have been given any land. And the issue . . . And it varied in different reserves. So what happened is that over the years, we found out that by 1976 there was a new formula that came out, the Saskatchewan formula, and that amount of land totalled to be approximately 1.3 to 1.4 million acres.

When we looked at this issue, a new commissioner brought in new records this year, Mr. Speaker, and that total amount of land was approximately 840,000 acres, and that 840,000 acres is what we're looking at. Through the negotiations I've found that it's approximately a million acres.

Now when you look at the historical record in today's terms, Mr. Speaker, we know that there's a lot of concern over land because a lot of the farmers are losing approximately 1.5 million acres of land to the banks and financial institutions in the province of Saskatchewan, and we know the tremendous need, you know, to have a land base in that area.

But a lot of the Indian people are saying the same thing, is that they need a strong land base for their own economic development and for the future of their own children. So there's approximately a million acres there.

Now when you look at this Weyerhaeuser agreement in 1986, one of the privatization efforts of this government, a lot of these people forget that 12 million acres of the best forests in northern Saskatchewan, of the best land in northern Saskatchewan, was turned over to American multinational corporation Weyerhaeuser — 12 million acres of land, Mr. Speaker.

So what does that look in historical terms, and I will go through the historical terms before. It's very important. A



hundred years ago the policy of the Tories was very similar to the Tories today. There was of course tremendous pressure by the settlers to get land, so there was 31 million acres at that time, 50 million acres for the railroad companies and 1.2 for the Indian people. Today Weyerhaeuser gets 12 million acres, and the Indian people cannot get a fair deal from this present government. They renege on their thing on the quest for one million outstanding land entitlement.

So when you look at the history, there's not only unfairness for the people of the province in regards to this budget, there's unfairness in regards to deal adequately with the issue, an important issue, of Indian land entitlement.

So when I looked at the other issue, Mr. Speaker, that I want to raise . . . it's the issue of the North. The North of course has been sadly neglected in many, many years by this government. And there is a new Bill that was introduced here on economic development so that municipalities . . . so I'll deal with the municipalities issue first, Mr. Speaker.

When I look at the municipalities, there were . . . when the new municipalities Act was created in the province here just approximately a couple of years ago, there was a special little way . . . aspect in there where the colonial aspect of this government really showed through. Because throughout the province of Saskatchewan you could have these community economic development corporations properly done in proper legal order, but they just passed Bill 72 — we're on the first reading right now — because they completely forgot about the North in regards to economic development at the community level.

And it was not very amusing to the municipalities when I met them the other day, on Saturday, because they were very concerned. They said: what kind of government is this? What kind of government is this? They have a northern task force, economic development task force, just a simple political ploy, you know, prior to an election. How come, why is it that they're doing the same thing?

The person says I should ask the PC person, Louis Bear, who is running for the PCs, who was part of the task force report, to make a comment on it. I'm sure that he will be promoting that report when he runs for the PCs against me in my own constituency, Mr. Speaker.

But for the members' knowledge, historical terms, a lot of people see it as a simple political ploy. The reason why is this. In 1985 when I first ran, Mr. Speaker, same political tactic. They figure they can fool us two times in a row, but they can't. Because at that time they had a Northern Development Advisory Council. They said, oh, this Northern Development Advisory Council is going to do great things in economic development and helping urban municipalities and, you name it, that's what they said.

But they failed, Mr. Speaker. They even did away with their own Northern Development Advisory Council.

(1500)

And I remember that time. The same minister, the minister from Maple Creek, she was the one who was in charge of the Northern Development Advisory Council and she did away with it without even consulting the people of the North. She completely did away with it, and then she was the chairperson of this new task force. And I reminded that to the people of northern Saskatchewan and they said, oh we will not be fooled. This is simply another election ploy. We heard it in 1985-86 and now they're trying to do that in 1991.

**The Speaker:** — Why is the hon. member on his feet?

**Hon. Mr. Klein:** — Mr. Speaker, the member is talking about the northern task force and he's mentioning one person, and I was just wondering if he would take a question concerning the other members of the task force, one of which was a former NDP MLA (Member of the Legislative Assembly). I wonder if he would entertain a question.

**The Speaker:** — Would the member entertain a question?

**Mr. Goulet:** — No, Mr. Speaker. Mr. Speaker, the minister who was in charge of municipal governments, of course I will not entertain a question for him because they simply haven't listened to the people of northern Saskatchewan.

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

**Mr. Goulet:** — They have never paid attention to the people of northern Saskatchewan, so why should I listen to him and given him a chance for a little bit of electioneering and platforming in here.

So that is the thing that I see, Mr. Speaker, when I look at the North. They figured they could fool the people twice, but they never fooled the people back in 1985 and '86 and they won't fool them again at this election.

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

**Mr. Goulet:** — The other thing that I mentioned to the municipalities, they said, oh they're going to have revenue sharing. And there was sort of a little smile on the people's face in regards to that comment on revenue sharing. Because at the same time that they're proposing revenue sharing in the new northern task force, they were cutting back revenue sharing this year — over a hundred thousand dollars cut back on revenue sharing by this government.

On the northern municipalities here, they have . . . probably the report cost them a lot more than what they gave revenue on the cut-back in regards to the revenue. Somebody said, they probably used our money for the task force, you know, that hundred thousand that they cut back.

So they cut back 20,000 also on community affairs and also on municipal services, 20 and \$90,000. So overall municipal governments were cut back by over \$200,000, Mr. Speaker. And that's pretty sad.

And here this government comes out with a report that says they're going to do revenue sharing, and a lot of people had not only smiles in their face, actually some of them were very frustrated and actually fairly angry about what was happening.

So, Mr. Speaker, as I make my concluding comments, when I look at the province as a whole, when I look at Indian and Metis people, when I look at the North, again this province has been extremely badly managed. We see government that is bankrupting not only many businesses but is now bereft and bankrupt of new ideas because there's no economic development plan.

They are bankrupt, and the only thing that they can think about is Fair Share Saskatchewan. And a lot of people have said to me that sounds more like fair scare rather than fair share, because it's a scary thing to give anything to this province; so some people are calling it fair scare now. The last time that the province did anything about the North, on decentralization, they took all the jobs from the North and we lost jobs from northern Saskatchewan. So they knew the type of decentralization this government does. They know that it isn't a very good idea. They know that as far as the North is concerned this is fair scare because in many situations they centralized everything to Regina.

There was a ridiculous history, even in the aspect of fisheries. They put a fisheries person in here and they never had it up in northern Saskatchewan where there the jobs were. When they privatized Cameco there was 14 jobs that were taken right from the La Ronge and taken away.

I see that the members across are calling again because I know truth hurts. Truth hurts because in many cases they know that they are really bankrupting this province as a whole.

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

**Mr. Goulet:** — So, Mr. Speaker, what we will be seeing therefore, I think, is a new way of doing business in the province of Saskatchewan, a new way of managing the province, and that's what the people are saying. They say they want a new fairness in the system. They want a new fair way of doing taxation, a new fair way of sharing our resources, of sharing our revenues in this province. They want a fair basis of doing all these things.

And the other most important thing I think is, Mr. Speaker, they want to be able to have not only a viewpoint of managing our books more properly, they want to have a better developmental vision, where we can look at economic development, social development, health, and all the important aspects of Saskatchewan and put them into a new way of thinking for the future. And many of the people are coming up to me and they said yes, the only one that can do that is now the NDP.

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

**Mr. Goulet:** — So with that, Mr. Speaker, I think a lot of people have said, we've given this government nine years and it's time for a new change and a new direction as we

look forward into the future.

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

**Hon. Mr. Schmidt:** — Thank you, Mr. Speaker. It's with pleasure that I rise to speak on this budget. Before I do that I would like to, Mr. Speaker, congratulate you on your resounding election victory as Speaker — no one wanting to challenge you, at least when it comes to voting. I know they challenge you in the House from time to time but no one would challenge you when it came to an election, Mr. Speaker, and I congratulate you on that.

Let me say, Mr. Speaker, that Canada is living in interesting times. There's an old Chinese proverb that says, may we wish that you live in interesting times. And maybe we don't want them quite as interesting as they are now but certainly Canada is living in interesting times.

And I've thought long and hard, Mr. Speaker, as to what is wrong with Canada and what can be done to improve our country and get us out of this attitudinal problem that we have in Canada, that has spread through the province of Saskatchewan by the members of the opposition.

We seem to have a negative attitude in this country. We seem to be upset and grumpy with everyone. And I can see that the NDP have worked long and hard to promote that kind of an attitude. And it's a small wonder that this country is where it is with the NDP and their attitude which has spread to maybe a near majority of the people in Canada. But I think I still have faith, Mr. Speaker, in the majority of people in Canada.

I think what really has to be done is that the people of Canada have to look into the mirror — there's a shortage of mirrors in this country — you will have to look into the mirror, look at themselves, because what's wrong with Canada is each one of us. Regardless of what our politics, our religion, our colour, or anything else distinctive about us, what's wrong with Canada is that each one of us won't look in the mirror and say, it's my duty to do my part for this country. Not what will someone do for me, but look in that mirror and say, what will I do? As individuals we have to all do our part.

Clearly there seems to be no willingness on the part of the opposition who are calling from their seats and are being negative again, Mr. Speaker; there is no willingness on their part to look in the mirror. But I think the majority of Canadians are prepared to look in the mirror and see what's wrong.

It is not that politicians of all political parties will not listen to the people, Mr. Speaker. All parties listen. Even the members opposite listen. They may not understand, but they also listen to the people, Mr. Speaker.

The solution is not to continuously overturn governments and say, the government will do something for us, the government will solve our problems. The solution is to look in the mirror and say, we will solve our own problems; give us a government that will give us leadership and guidance. That's the solution, Mr. Speaker.

What the members opposite shout is that they think there's some magic. They think there's magic. Change the government, change the system, introduce a socialist system and that will bring prosperity to Canada.

Well it didn't work anywhere in the world, Mr. Speaker. It didn't work in Germany — and I've spoke for eight or nine years about the situation in eastern Europe — it didn't work in Germany, it didn't work in Romania, it didn't work in any part of the world. That system is being renounced in the Soviet Union. The Soviet Union has announced they're going to privatize two-thirds of their small businesses — the butcher, the baker, the shopkeeper, they're all going to be privatized.

That dirty word that the members opposite insist . . . well maybe it is a swear word to their ideology and their religion of socialism, but that dirty word that they say we are doing in this country, is being done everywhere. And it is being resisted everywhere by socialists and left wingers.

And, Mr. Speaker, some sad things happen. For example, in Germany that is now united, it is necessary to privatize 8,000 state industries so that the eastern part of Germany can become equal with the western part of Germany. And the German government found one of the best people they could find to do that job, Mr. Rottweiler.

And you know, his background was that he took corporations that were not doing very well and he turned them around. And he turned around the biggest steel corporation in Germany. And do you know what might surprise the members opposite or even the people of Saskatchewan is that the man that the Conservative government chose in Germany to do the task of privatizing East Germany was a card-carrying member of the Social Democratic Party; card-carrying member of the opposition was put in charge of privatizing eastern Germany — a Social Democrat.

Now they . . . I know the members opposite used to call themselves socialists; now a few of them call themselves social democrats but I mean, I don't know if they still attend Socialist International. I don't even know if they hold Socialist International except maybe somewhere between Ontario and Saskatchewan.

In any event, a card-carrying Social Democrat was put in charge of privatizing eastern Germany. He was acknowledged by all the people of Germany that knew business to be the man to do the job. You know what happened to that man, Mr. Speaker? That Social Democrat was assassinated by left-wing terrorists about two or three weeks ago, while he was going through the task of bringing eastern Germany up to the standards of western Germany.

The members opposite are very quiet now except for the member from . . . where was he from? Quill Lakes, yes.

**The Speaker:** — I've asked the hon. members to refrain from referring to other members by name. I've decided to apply that rule to situations such as this, where I believe members were using it not to the benefit of other members.

**Hon. Mr. Schmidt:** — Well let me say for the benefit of the member from Quill Lakes, there is new venture in his constituency. Wynyard in particular is doing well under a free-market economy, has an international corporation, Quill water, which is selling water to California and to Japan and of course to anyone in Canada who wishes to buy it. And the member from Quill Lakes is opposed to international companies. He's opposed to free trade. Now the members opposite are opposed to selling our good water where there is a good dollar in it. They are opposed to everything positive.

Now I was on the point of describing what the left wing did to the man from the Social Democratic Party in Germany who was trying to get that country rolling as a whole.

Well we will get closer to home, Mr. Speaker, and we will talk about what is happening in Canada. What has happened in Saskatchewan and what is happening in Ontario.

The budget has come down in Ontario today, and I will make a comparison between Ontario and Saskatchewan. The members opposite are quiet now, they've turned solemn because they don't want to hear about what their colleagues, the ones who have all the answers, are doing today in Ontario with respect to the management of our most prosperous — well it was our most prosperous — province.

Ontario is now in the hands of the NDP. We have to go deeper though, Mr. Speaker, since socialism has been rejected world-wide except for Saskatchewan, Ontario, and Cuba, then we have to go deeper and check to see how the world functions and what is the role of government in the 1990s and in the next millennium.

Well clearly it would be preferable to have a free-market economy with free trade, with the greatest efficiency, with peace between nations. That would be a preference. It would be preferable if governments did not interfere in the business of the people but levied taxes and provided essential services.

(1515)

It may even be acceptable, Mr. Speaker, for governments to redistribute wealth, so long as there is wealth to redistribute. And that was the theme song of the Liberals on the left for the last 50 or 60 years, is that elect the left and we will redistribute the wealth.

Well they were quite good at that. They had a new idea. It was called medicare. It was a good idea, so good that John Diefenbaker adopted the idea and put it right across Canada. I give them credit for having a good idea. The problem, Mr. Speaker, is that the NDP haven't had a new idea since medicare, and they refuse to face the reality of what the world is about.

The world is about competition, the world is about trade, the world is about profits. Profits, that's what people have to have in their pockets — money. People need profits in their pockets so that you can tax them. You certainly can't

tax losses, Mr. Speaker. People have to be entitled and capable, encouraged to make profits so that governments can tax those people and redistribute the wealth to those who need it. Now merit should also be a factor, and clearly on the NDP, merit is not a big factor.

In Ontario the NDP have thrown the system, the free-market system, into such a state of confusion that the economy is suffering, the deficit is sky-rocketing. The NDP in Saskatchewan, they have one . . . we have a plan and now maybe time will permit for me to lay out the entire plan, but we have a plan in this province to build prosperity for all so that there can be redistribution of the wealth that we are going to create. The NDP have no policies, but they have one promise in Saskatchewan — they said they would eliminate food banks. Well, Mr. Speaker, they had the same promise in Ontario. And since the NDP have been elected, the number of people going to food banks in Ontario has risen by 50 per cent. And now they've changed their policy on Ontario — well they would try to eliminate food banks.

These are the people who promised in Saskatchewan, we will eliminate food banks. In Ontario the reality is a 50 per cent increase in the people going to food banks. There the NDP is government. There they have to produce. There their theories and ideas, their fuzzy ideology is tested, and it is not working very well in Ontario.

What is the role of government, Mr. Speaker? I believe the role of government is not to own and operate. I believe the role of government is to intervene as little as possible. But we do not have a pure market economy world-wide. A country such as Germany . . . Germany spent \$77 billion last year supporting industry. So that is what we're competing against, tremendous wealth and support from a government in a country that has created tremendous wealth. Japan has spent billions of dollars supporting technology.

And the members opposite would say, well let's not trade. Let's do it in Saskatchewan, let's do it in Canada. I challenge the members opposite to drive home in their Saskatchewan-made car and sit down and watch their Saskatchewan-made television set and calculate up their profit — oh sorry, that's a dirty word, Mr. Speaker — calculate up their redistribution of other people's wealth with their Saskatchewan-made calculator. And then when I stand up a year ago, Mr. Speaker, and say we will build a factory in every town, what do the members opposite do? They laugh. They laugh and they joke and they make merry about building a factory in every town. What do they want to build in every town?

In Ontario they have a policy. They have a policy of an abortion clinic, government owned and operated in every town. That certainly . . . that is a controversial debate. But let us not go into the morality of that, let us look at the economics — the difference in a party that has a policy to eliminate people in every town, or a government in Saskatchewan that has a policy to build jobs in every town. That's the difference, the difference in thinking.

The role of government, I believe, Mr. Speaker, is to be a catalyst, where necessary, to invest the taxpayers' money

in an industry that creates jobs and leave that money in that industry for as long as it takes to get it going and then sell the government's share and put that money into another industry as another catalyst. Never, never, Mr. Speaker, should the government own more than 49 per cent of a corporation or an organization.

What we have, Mr. Speaker, is a lack of jobs in Saskatchewan. Everyone agrees on that. And what we need is more business, more processing, more manufacturing, more destination tourism.

How are we going to achieve that? We have a few large corporations. The Saskatchewan Wheat Pool is a large interest. Federated Co-operatives is about the second largest. Those corporations cannot, by the charter, accept investment. There's a limit to how much diversification those corporations can do. So therefore, there is the time when the government has to joint venture with business to create jobs.

A good example, Mr. Speaker, and I don't recall the exact history of this, is the example of Ipsco right here in Regina where a former government . . . I don't recall if it was the government of Ross Thatcher or the government of T.C. Douglas, who joint ventured in the building of Ipsco owned by the province of Saskatchewan, the province of Alberta, and private investors. At no time did either the Government of Saskatchewan or Alberta own, operate, or control Ipsco.

Well recently, Mr. Speaker, the province of Saskatchewan sold its shares in Ipsco because it is a mature company and has that money available to invest, either through guarantees in community bonds or to pay off debt that has been accrued or to invest in equity in smaller corporations starting in all parts of Saskatchewan.

We've gone a long way, Mr. Speaker, to building a factory in every town. They are doing that in Kindersley. They are doing that in Rosetown. They are doing that in Swift Current. I'm reminded that they are doing that in Cut Knife where a Calgary company has moved to Cut Knife to manufacture valves. They are doing that in Melville and doing that in many, many towns and cities throughout Saskatchewan. We will, Mr. Speaker, have a factory in every town and every village and many in the cities, Mr. Speaker, so that there will be jobs for our people.

What the role of government is, is to be a catalyst, to assist, to recover the government investment, the catalyst, and reinvest that in other freely run, free-market businesses.

Well, Mr. Speaker, how does a government go about developing the economy? We have a policy, a three-fold policy, Mr. Speaker, of economic diversification, of decentralization into smaller communities and of supporting our traditional industry — agriculture. Mr. Speaker, agriculture has been adequately covered by my colleagues here. It is only necessary to say that . . . (inaudible interjection) . . . I have the members opposite shouting from across and I can't hear them, Mr. Speaker, so I can't respond to their questions. We will have question period again tomorrow, Mr. Speaker, and I'll

answer their questions.

But for today, let us say that in agriculture this government has stood behind agriculture. And this government has built the economy, diversifying so that there can be off-farm income. Off-farm income has increased fourfold since this government was elected just in the last six years — fourfold. And if it wasn't for the over \$1 billion of off-farm income that farmers and their wives earn, 20 per cent of our farmers could no longer farm. They have to be working at the factory in every town because of the international grain wars.

Mr. Speaker, as we have built industry in this province, agriculture has dragged down the economy, through no fault of the farmers of this province. The government has been there. Now when we get to this budget, and the opposition say, but there is a deficit, I believe they should recall what the Premier of Saskatchewan said in questions from the opposition. What would he do about agriculture? He said he would put the treasury of Saskatchewan on the line for agriculture. And the Premier has done that, Mr. Speaker, and we do not apologize for a deficit.

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

**Hon. Mr. Schmidt:** — We do not apologize for a deficit that has been run up supporting farmers, supporting health, supporting education, supporting small business. The money was spent on the people, Mr. Speaker. And if you want to know, where did the money go? The money went to the people; that's where the money went. There is no simple solution of, well the money was wasted. I will give you examples, Mr. Speaker, of where the money went and people can judge for themselves was it waste or was it not.

Well let me also go on to this other part of our plan for decentralization, decentralization of government jobs to communities throughout Saskatchewan. My city, the city of Melville, benefitted from decentralization four or five years ago, Mr. Speaker. We now have the head office of the Saskatchewan Crop Insurance, which has about 70 permanent people and another 30 part-time or temporary people. Their numbers are getting close to the 100 people.

That has been a big influence on the city of Melville, an influence in attitude, where people believe that our city can be saved. We have recent hirings at the Crop Insurance at Melville, for example. They hired three people, all of them agricultural economists and agricultural graduates — I believe all of them have Masters; I know one for certain has a master's degree — an opportunity for our young people to work in Saskatchewan, to use their education, to use it in rural Saskatchewan, building up and shoring up agriculture. Those are examples.

Decentralization is necessary to keep our rural communities going so that our schools and hospitals do not have to close, so that our young people have an opportunity to work. There is no shortage of housing in rural Saskatchewan. There are no shortage of schools. There is no shortage of stores. Everything is there, all the

infrastructure. That infrastructure should be utilized and people should have an opportunity to live and work close to where their roots are.

That is a policy, Mr. Speaker. In contrary, what do the opposition have? No policy. Mr. Speaker, I was a member of the NDP. Yes it's true. I was a member of the NDP from 1972 to 1976. I went to four of their conventions and I heard their policy, that the NDP believed in and was in favour of decentralization. I heard it with my very own ears, Mr. Speaker. The NDP was in favour of decentralization. One of the reasons I quit that party, Mr. Speaker, is because they did not practise their own policy and they did not decentralize government to where the people are. That was one of the reasons. There are others.

The buying of potash mines as holes in the ground, which created no new jobs, was the biggest reason. But there are many reasons why. When I was younger, I realized that socialism wouldn't work, and I feel vindicated, Mr. Speaker, as to what Gorbachev has done in eastern Europe and is doing in the Soviet Union. He is convinced that socialism doesn't work. Lenin's statue has been pulled down and the members opposite still cling to their one and only policy of socialism.

And I challenge the members opposite to come up with something that is new, come up with a new idea. The last new idea they had was medicare and since then they've stagnated in no new ideas whatsoever, Mr. Speaker.

Well let me say that the third element of our plan is diversification. Briefly, Mr. Speaker, through community bonds, we now have 60 corporations developing factories in the towns of Saskatchewan. In 60 locations there are people working to develop projects. Through community bonds, Mr. Speaker, you have a compromise. You have the government taking some of the risk with the people who take some of the risk. The people risk their interest return and the government risks the principal, and what you have is a community effort.

About one year ago, Mr. Speaker, we passed through this Assembly the community bonds legislation. And you know, I don't know if the members opposite were in favour of it or simply didn't understand it, Mr. Speaker, but it passed through this Assembly without any debate. And with respect to community bonds in that year, Mr. Speaker, we have been able to generate 60 community bond corporations.

Manitoba is beginning to copy our community bond program. Alberta is looking to copy our program. A minister from British Columbia is asking me about copying our program. The members opposite have no new ideas, no solutions. Community bonds are building, through community investment, jobs throughout Saskatchewan.

We said also one year ago, Mr. Speaker, that we would make no more grants in business. We have trimmed that down so that we are now at a stage where there are only a few grants left in the area of tourism. We are trimming down grants.

Why did we make grants in the first place? Well because

of the world-wide competition. And provinces like Alberta, provinces like Ontario, provinces like Quebec are making grants to attract business. How do you attract business to Saskatchewan when you don't have an equal playing-field? This government was forced to meet the competition and make grants to business to attract industry.

But we have come up with a new solution, Mr. Speaker. Rather than make grants, we are prepared to have the community invest in new businesses. And this is having an interesting effect, Mr. Deputy Speaker.

(1530)

Let me tell you about our community matching program. The cost of this is very, very little. We try to find businesses who are prepared to locate in Saskatchewan and then we offer to the communities of Saskatchewan an opportunity to contact those businesses. And the communities contact those businesses and try to entice them into their community through community bonds, through local tax initiatives, through the services of the community and the life-style.

What we have done, Mr. Speaker, is we have placed in *The Globe and Mail* a \$600 ad that is about that small. It is very small, about three centimetres. And that particular ad, Mr. Speaker, cost \$600 to run. Every time we run it in *The Globe and Mail* in a series of a few days we get approximately 20 inquiries of businesses wanting to locate in Saskatchewan. Most of them, Mr. Speaker, are coming from Ontario. A few from Alberta, a few from British Columbia, but most of the inquiries are coming from Ontario.

And the reason they're coming from Ontario is because of the way the NDP treats business. The NDP in Ontario is a government that has a 2 per cent payroll tax. So that if you hire somebody in Ontario, you have to pay 2 per cent of their wages to the government as a tax on hiring, a tax on jobs.

And members opposite object to a tax on reading materials. We have covered libraries. In Ontario with their payroll tax . . .

**An Hon. Member:** — Since when?

**Hon. Mr. Schmidt:** — Since when, was the question. Since the NDP-Liberal coalition introduced it. The members opposite deny that there's a payroll tax in Ontario. That would make an interesting debate, Mr. Speaker.

The similarities between Ontario and Saskatchewan are widening, and debate breaks out here among the members, Mr. Speaker, because the members opposite feel that — either they don't know what's going with their colleagues in Ontario or they feel that somehow they've been telling the people of Saskatchewan one thing when their colleagues in Ontario are doing the opposite. And when I point it out to them, they get extremely concerned, they get defensive. They don't get any new ideas, but they certainly squirm in their seats, Mr. Speaker, when we discuss their management in Ontario in a mere six

months.

Maybe we should go directly to the figures on the budget, Mr. Speaker. Let us look at the budget in Saskatchewan and look at it carefully, and see how the spending adds up and how the income adds up, Mr. Speaker.

In the budget what you have is, first of all, the members of the NDP bragging about having a deficit in 1982 . . . or a surplus when they called the election in 1982, Mr. Speaker. Mr. Speaker, there was no surplus when we took over this province. There was an election budget, and on the very same night, a few days thereafter — March 30 — right after that budget, before it was enacted, the NDP called an election. They lost that election.

And when we opened the books, Mr. Speaker, and looked at the bills that had to be paid in comparison to the numbers the NDP had printed in their budget, there was a deficit. In 1982 this province had a deficit based on that budget that the NDP started.

Now the NDP are concerned about these facts Mr. Speaker. They should concern themselves about the Ontario budget which came down today. The NDP, in their first budgetary year, ran up a deficit of \$3.5 billion in Ontario. Now the NDP think that they know how to manage but they ran up a deficit in Ontario, before there was a recession, of \$3.5 billion. And today, Mr. Deputy Speaker, the NDP came out with a budget in Ontario that has a deficit of \$9.7 billion in Ontario — \$9.7 billion. When you take that into account that Ontario has 10 times as many people, in Saskatchewan terminology, Mr. Speaker, that would be a Saskatchewan deficit of \$970 million. This year we have projected a deficit in Saskatchewan of \$265 million.

Saskatchewan lives on agriculture and Ontario lives on trade. And since the NDP are elected, that trade is suffering, that manufacturing is suffering. Ontario companies are looking to come to Saskatchewan. I will be sending out a list in the very near future, of Ontario companies prepared to locate here. That is the kind of situation you have in Ontario when you have an anti-business, anti-jobs government like the NDP.

In Saskatchewan we have a free-market government, and businesses and jobs are prepared to locate here. And I will be giving details within a few days, Mr. Speaker.

What we have is the NDP complaining that in this budget we have raised taxes. Yes there has been an increase. The taxes are raised to pay the bills, Mr. Speaker. That's why government raises taxes. But let us compare this horrible tax increase that we have here, according to the NDP, with what the NDP have in Ontario.

And it's very clear that in Saskatchewan the tax that they object about is 7 per cent. In Ontario, Mr. Speaker, it is 8 per cent, and the NDP have made no move to reduce that tax to even the Saskatchewan level. Yet here they sit, there they sit everywhere in their seats complaining that the tax in Saskatchewan is unfair. They will fight it; they will work against it.

But nowhere have they ever said that they would take it

away if they were elected. And nowhere have they criticized the Ontario government for whom they speak of . . . The Ontario government has an 8 per cent tax. Why don't they start in Ontario and reduce the tax there rather than complain about the tax in Saskatchewan.

I say, Mr. Speaker, the people of Saskatchewan know that you have to pay the bills, and to pay the bills you have to raise money. Let us look at these bills, Mr. Speaker.

First of all let us look at where the money is spent. If you have a budgetary circle, a budgetary pie, one-half of it, fully one-half of it, Mr. Speaker, 47 per cent, is spent on third parties. One half of the budget, 47 per cent spent on third parties; 25 per cent — another quarter of that budget — is spent on individuals. That's nearly 75 per cent or three-quarters of that pie, of expenditures spent on third parties and individuals. Could that be government waste when the government is paying it to third-party groups like hospitals, teachers, special-care homes, universities? Could that be waste? Seventy-five per cent cannot be wasted because it is paid directly to people and organizations who take care of people.

Two per cent is spent on capital. Could it be a waste to build highways? Could \$84 million of highway construction be a waste? I think not, Mr. Speaker.

Well what else do we have? We have 10 per cent that's spent on interest. One must pay their bills. We have no choice. Is that a waste? Only if we didn't have the debt. Where did the debt come from? It came from payments to third parties, payments to individuals, spending on highways, and government operations.

Now on this current budget, you have a little slice — 16 per cent is government operations. Now is that waste? Let's see where that 16 per cent is spent, Mr. Deputy Speaker. Sixteen per cent or \$761 million is spent on highway maintenance, 125 million; child and family services, 98 million; community health, 83 million; courts and jails, 78 million; parks, 78 million; internal government departments, that's running the Public Service Commission and things of that nature, 52 million; municipal services, 50 million; regulatory and inspection mediation, 42 million; economic development, trade, and tourism, 37 million; education programming and administration, 35 million; and other, 62 million. Sixteen per cent of the total government operations is spent on those . . . That 16 per cent of the total budget is spent on those government operations, 761 million.

If the government reduced its operations by 10 per cent, Mr. Deputy Speaker, the net saving would be 10 per cent of that — \$76 million. Would that pay off the deficit? No. What would be reduced by 10 per cent? Highways, child care, community health, courts and jails, parks, internal governmental departments — all of those things would be reduced by 10 per cent.

Is that waste? I would think not, Mr. Speaker.

Well let us go to the big expenditures. How is this money spent on third parties? Hospitals, \$721 million a year; schools and teachers, \$503 million a year; special-care homes, that's nursing homes, \$231 million a year;

universities, \$201 million a year; rural and urban municipalities, \$129 million a year; other health services, \$110 million a year; SIAST (Saskatchewan Institute of Applied Science and Technology) and the regional colleges, \$87 million a year; agricultural support, \$78 million a year; the RCMP (Royal Canadian Mounted Police) services, \$54 million a year; other non-profit agencies, \$52 million a year; and other general expenditures on third party, 67 million, for a total of \$2.238 billion a year, one-half the budget spent on third parties. Is that a waste? I would think not, Mr. Speaker.

Let us look at payments to individuals, 25 per cent of the entire budget, \$1.2 billion. The people of Saskatchewan have to seriously . . . I challenge everyone in Saskatchewan to sit down and write out in numerals \$1.233 billion, and see exactly how much money that is. You have to think a little bit about how many zeros that encompasses. That's the kind of spending that is done on payments to individuals. Is this a waste, Mr. Deputy Speaker?

Payments to doctors, \$290 million; agricultural support, \$257 million; welfare and income support, \$230 million; pensions, \$130 million; prescription drug plan, \$93 million; student loans, \$60 million a year; child care, \$48 million a year; seniors' heritage program, \$36 million a year; economic diversification, \$35 million a year; other, \$50 million. Is that waste? Where is the waste in all that?

Is it waste to take care of our children? Is it waste to take care of the needy on welfare? Is it waste to pay doctors? Is it waste to pay agricultural support? Is it waste to pay the prescription drug plan? The members opposite stand there with their simple socialist solutions and say, waste, government waste!

Well, tell me, Mr. Speaker, where is all that waste in Ontario, \$9.7 billion deficit. The NDP are in charge of the province of Ontario; where is all the waste in Ontario?

Well I'll tell you that I don't know where the waste is in Ontario, but I can tell you that in Saskatchewan that is fictitious. Yes, there is always a little waste somewhere. There's waste in everything. You go to grease your combine and you put the grease in the nipple and three drops fall off. There's a little waste that falls into the dirt. You go to unload your combine and the wind blows away a little of the wheat. There's a little waste there. Yes, there's a little; you try to eliminate it. But the waste is not what's driving farmers into the ground, and the waste is not what's bringing down the government.

What is the expenditures on the people. And is that a waste, Mr. Speaker? I would think not.

Well I don't have time today, Mr. Deputy Speaker, to go into the details of how we generate that income. And I look forward to a future election when we can explain to the people of Saskatchewan exactly how this province runs and how complicated it is to run this province, and how much intelligence and integrity it takes to run this province, and how you can't stand up like the opposition, shout simple solutions, simple slogans.

Remember, Mr. Speaker, I know how they think; I know

how they act; I know what their new ideas are because I was there and I saw exactly what their ideas are. I was part of that party and there was no solutions then, and when I gave them a solution they were not interested, Mr. Speaker. That's why I'm on this side of the House.

That's why we are here, building through economic diversification, through decentralization, through community bonds. That's why this province needs this government to continue in the future to build this province. And that's why I will be voting for this budget, Mr. Speaker, and I will be doing so with pleasure.

Thank you very much.

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

**Mr. Prebble:** — Thanks very much, Mr. Speaker. Well, Mr. Speaker, it's a privilege for me to enter into this budget debate and to speak on behalf of the residents of Saskatoon University constituency.

The centre-piece of Premier Devine's new budget, Mr. Speaker . . .

**The Deputy Speaker:** — Order, order. Members are not to use other members' names in debate.

(1545)

**Mr. Prebble:** — Mr. Speaker, as I was saying, it's a privilege for me to enter into this budget debate and to speak on behalf of the residents of Saskatoon University.

The centre-piece of this government's new budget, Mr. Speaker, is the provincial GST. And I want to say as strongly as I can that the vast majority of residents in my constituency oppose the provincial GST and believe it to be an extremely unfair tax. The people of this province were hit with the first part of this tax on April 1 even though the new tax had not been authorized by the legislature. I believe the Premier's attempt to levy a new tax without the authority of this legislature is illegal and violates one of the most fundamental rights in our democracy, namely the right of no taxation without representation.

However, the heaviest burden with respect to the new tax is yet to come, namely the 7 per cent provincial levy on all services currently taxed under federal GST legislation. This will take effect on January 1, 1992. Between the April 1, 1991, tax increase and the January 1, 1992, proposed tax increase, this budget brings with it the biggest single tax increase in Saskatchewan history.

Hundreds of my constituents are telling me, Mr. Speaker, that the tax burden they are being asked to pay has become unbearable. They simply cannot afford to pay any more and they are tired of seeing sharp increases in taxes while at the same time provincial services are cut back and the provincial deficit grows steadily.

Mr. Speaker, earlier this month I presented more than 1,500 signatures to the legislature of people who oppose the provincial GST. This afternoon I want to present to the legislature and to the Premier the names of another 130

residents in my constituency who are saying they would like to see the provincial GST stopped now. Mr. Speaker, these constituents are very upset about having to pay an extra 7 per cent provincial tax on basic necessities like children's clothing, natural gas and electricity, and restaurant meals.

They are also upset that the government would have the audacity to place a tax on books and reading materials, in effect a 7 per cent tax on knowledge. Mr. Speaker, on behalf of my constituents, it is my pleasure to present these petitions to the legislature and to table them with the Clerk of the Assembly asking that the provincial GST be scrapped.

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

**Mr. Prebble:** — Mr. Speaker, when my constituents tell me they just cannot afford to pay any more taxes, it is readily apparent why their concerns are so legitimate. In Saskatchewan we have witnessed an unprecedented increase in all forms of taxes over the past nine years. Prior to the current 1991 budget the average Saskatchewan family had faced a 71 per cent increase in their provincial tax bill during the period since Premier Devine . . . since the Premier's government was elected. I'm sorry, Mr. Speaker, I didn't intend to make reference to the Premier's name directly. But I did want to say, Mr. Speaker, that since the Premier's government was elected, inflation has increased only 48 per cent in contrast to the 71 per cent increase in the provincial tax bill. And I want to specifically show how that figure of 71 per cent is arrived at, Mr. Speaker.

Here are the major tax increases of the average Saskatchewan family faced in the first eight years of PC government in this province: number one, Mr. Speaker, a \$414 increase in provincial income tax, largely thanks to the Premier's new flat tax; number two, an \$817 increase in utilities, specifically telephone, home heating, car insurance, and electricity; number 3, a \$182 a year increase in sales tax and gas tax; fourthly, Mr. Speaker, a \$145 increase in the annual cost of prescription drugs; and fifth, Mr. Speaker, a \$506 increase on average in property taxes in my city of Saskatoon. Plus, Mr. Speaker, the residents of my constituency, in addition to that, have lost the \$230 property improvement grant that used to be in place.

Combined, Mr. Speaker, these increases represent more than a \$2,200 per year increase in the average family's provincial tax bill in my constituency, Mr. Speaker. And that is an exceedingly sharp increase.

Now, Mr. Speaker, on top of all those tax increases, which as I said constitute a 71 per cent increase in provincial tax levies, families in my riding and across the province face a new provincial GST which will cost an average family of four an additional \$740 a year, effectively doubling the amount of sales tax they will have to pay.

In addition to that, Mr. Speaker, students in my constituency and in other parts of Saskatchewan are very concerned about the fact that they're going to have to pay the 7 per cent provincial GST on textbooks. Combined



with the federal GST, Mr. Speaker, students in my riding are facing cost increases on textbooks alone of more than \$200 a year. That is a very significant burden for a student who is trying to live on a budget that will vary from 5 to \$8,000 a year, Mr. Speaker. That extra \$200 is a very significant burden for those students.

Now, Mr. Speaker, not only is this tax on textbooks and on other reading materials a real burden for students and for other taxpayers but, Mr. Speaker, the tax on reading is a major impediment to the need for people in a democratic society to be well educated and to have the opportunity to be well informed on current issues. In effect, Mr. Speaker, this is a tax on knowledge, which runs counter to all the principles that we should be promoting in a democratic society, Mr. Speaker. And I think, Mr. Speaker, it is perhaps the most unfortunate element of the new provincial GST.

Not only will the provincial GST hurt consumers, Mr. Speaker, but it will also be a severe hardship to small businesses in my riding and throughout Saskatoon, especially restaurants, bookstores, and our publishing industry, Mr. Speaker. Many small-business operators are telling me that their sales have fallen sharply since they have had to levy the new provincial GST and the federal GST. This tax, Mr. Speaker, is putting in jeopardy the viability of many small businesses in Saskatchewan.

But, Mr. Speaker, I've talked about some of the reasons why the new provincial GST is so unfair to consumers and to taxpayers in my riding, Mr. Speaker.

**An Hon. Member:** — What about businesses?

**Mr. Prebble:** — I want to speak for a minute . . . The member from Weyburn, the Minister of Finance says, well what about businesses. And I want to speak in the larger philosophical sense, Mr. Speaker, about why this tax is so unfair to consumers and to small business.

First of all, Mr. Speaker, with respect to consumers, not only have they faced an enormous increase in provincial taxes under this government but, Mr. Speaker, the current provincial GST is a regressive tax that weighs more heavily on those who are least able to pay, Mr. Speaker. And not only is it a regressive tax, but I say to the Minister of Finance in response to his comment to me just now, that this tax will sap the competitiveness of our local industries who must compete with businesses in other provinces that have no provincial GST, Mr. Speaker. This is a tax in effect on jobs, Mr. Speaker.

Mr. Speaker, the member from Weyburn asks me, well what about businesses? And I say to him, what sense does it make for his government and for him as Minister of Finance to spend millions on promoting tourism in this province while at the same time levying a 7 per cent provincial GST on the tourist industry, Mr. Speaker, making it more attractive for tourists to travel to other provinces in Canada rather than coming to Saskatchewan.

Now, Mr. Speaker, we on this side of the House in the New Democratic Party say that this tax is not only unfair, but it is unnecessary. And it's a tax, Mr. Speaker, that I

believe did not need to be levied if this government had dealt with the waste and mismanagement in its own operations. Mr. Speaker, I invite any taxpayer to just look at the record of this government.

Mr. Speaker, one need look no further than the recent Provincial Auditor's report to this Assembly where the auditor documented, for instance, that \$596,944 was paid by various government departments in this PC government to a Toronto image consultant, Corporate Strategy Group, Mr. Speaker. Almost \$600,000 of taxpayers' money paid to a Toronto image consultant; \$301,956 paid by this government for public opinion polling with the bulk of that being paid to Decima Research of Toronto, the PC Party's political polling company, Mr. Speaker.

It's one thing, Mr. Speaker, for members of the PC Party to contribute to polling, Mr. Speaker. That's not inappropriate. But it is quite another when \$300,000 of taxpayers' money goes towards paying for government polling, Mr. Speaker. That is highly inappropriate.

Mr. Speaker, look at the cost of government travel — \$501,845 was spent by PC cabinet ministers on travel last year, up from \$294,000 the year before, Mr. Speaker.

Mr. Speaker, one needs only look at the last set of *Public Accounts* to identify opportunities for significant saving that would have made a tax like the provincial GST, in my judgement, unnecessary. I believe, Mr. Speaker, that the government could have cut, for instance, their printing budget by two-thirds, saving \$25 million. The government, Mr. Speaker, could have cut their advertising budget by 80 per cent, saving seventeen and a half million dollars. The government, Mr. Speaker, could have cut all government travel, including cabinet ministers as well as the public service, by at least 30 per cent, saving \$15 million. Mr. Speaker, this government could have cut the size of the provincial cabinet, saving \$800,000.

These, Mr. Speaker, are some of the examples that show that there is an alternative to the provincial GST, Mr. Speaker, and that there was no need to burden Saskatchewan taxpayers with yet another massive tax increase.

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

**Mr. Prebble:** — But, Mr. Speaker, in the time remaining to me, I want to comment on two other issues which are of concern to me: one relating to the future of higher education in the province; and the second, Mr. Speaker, relating to the future of our environment in this province and on this globe, Mr. Speaker.

But first I want to say a few words about one of the institutions which is most important to the life of people in my riding, Mr. Speaker, and that is the future of the University of Saskatchewan. Mr. Speaker, I believe that the quality of higher education is in serious decline in the province of Saskatchewan.

We have seen, Mr. Speaker, now for the last decade a situation in which the University of Saskatchewan has

been severely underfunded. Over the past few years, Mr. Speaker, there has been no new money for the permanent hiring of new faculty and staff at the University of Saskatchewan, despite the fact that we have seen a sharp increase in student numbers over the past several years. Tuition rates, Mr. Speaker, at the same time, have consistently risen throughout the decade at a rate that has been double the rate of inflation, and that has placed a significant new burden on students, Mr. Speaker, and has made a university education more and more difficult for lower income and middle income students to achieve.

Mr. Speaker, now in this budget year we see an unprecedented tuition increase at the University of Saskatchewan, and at the same time, Mr. Speaker, we see a situation in which the president of the university has been forced to announce that 85 staff and faculty will be laid off. Mr. Speaker, if this situation continues, there can be little doubt that departments and colleges on the campus and their future could well be in jeopardy. If this chronic underfunding continues, Mr. Speaker, there is no question about the fact that the quality of education at the University of Saskatchewan will continue to decline.

(1600)

And now this year, Mr. Speaker, we saw that the president for a time was being actually forced to contemplate the possible closure of departments at the university, like the drama department, and of whole colleges on the campus, like the College of Dentistry, Mr. Speaker. To a department and a college with excellent academic records and yet underfunding was so severe, Mr. Speaker, that the president was actually looking at the possibility of closing those colleges. And I believe in part, Mr. Speaker, it was the public outcry and the encouragement that was given to the president to keep the department of drama and the College of Dentistry open, that led in large part to that department and that college being preserved, Mr. Speaker.

But if this underfunding situation continues, I think we are headed for a situation at the University of Saskatchewan in which the future of departments on the campus will be placed in jeopardy, Mr. Speaker. Therefore, Mr. Speaker, it just makes eminent sense to me that if we're serious about quality higher education in this province, then we have to look at a renewed commitment to proper funding to the University of Saskatchewan, Mr. Speaker, and to other publicly funded post-secondary institutions in our province.

And, Mr. Speaker, I say to the members opposite that there are two major considerations here. One, Mr. Speaker, is the fact that if we are serious about economic recovery in our province, then we have to be serious about investing in higher education.

And second, Mr. Speaker, if we are serious about investing in higher education, then, Mr. Speaker, I think it's time to stop putting moneys, public moneys, into the private vocational schools in this province, Mr. Speaker. Do you know, Mr. Speaker, that we face a situation right now in which there is more bursary money going into the private vocational schools in this province than there is bursary money going to students who attend the

University of Saskatchewan and the University of Regina? Can you imagine that, Mr. Speaker?

There was in excess of \$3.5 million a year going to the 5,000 students who attend private vocational schools, Mr. Speaker. And that money in effect goes directly to the schools because those schools are levying tuition rates in the range of \$4,000 a year, and the bursary money, Mr. Speaker, simply goes directly to paying the tuition. That's where it goes. In effect it's money going directly to the operators of the private vocational schools.

At the same time, Mr. Speaker, the bursary money available to students, the 25,000 students at the University of Saskatchewan and the University of Regina, is just in excess of \$3.2 million a year. So, Mr. Speaker, 25,000 students attending our two publicly funded universities are receiving less bursary money in total than the 5,000 students who attend our private vocational schools, Mr. Speaker. And I say, Mr. Speaker, that's a situation that has to be reversed. That money, Mr. Speaker, should be going into our publicly funded institutions.

In the same way, Mr. Speaker, I see a lot of tax dollars being spent to assist students in grade 12 — who have passed grade 12 but who have not attained the 75 per cent they need to get into the University of Saskatchewan — being spent on assisting those students to repeat their grade 12 year.

And I say to the Minister of Education and the Minister of Finance, why not take some of that money and use it, Mr. Speaker, towards reducing the quota at the University of Saskatchewan, reducing the 74 per cent average that is required for students to be able to enter university, and allowing some of those students who've successfully completed their grade 12 to gain entrance to the University of Saskatchewan instead of wasting another year repeating their grade 12 schooling, Mr. Speaker, to get their average up to the average required for university entrance.

Now, Mr. Speaker, I believe that there is a need at this point to establish a formula to measure the real cost increases associated with operating the University of Saskatchewan each year, Mr. Speaker. I believe that as part of a solution to the funding crisis, what we need, Mr. Speaker, is a policy that will see this government stabilize funding to the university and allow it to be able to start making long-term plans for its future, Mr. Speaker, without having to worry about whether the operating budget for its basic programs will be in place next year.

So I believe, Mr. Speaker, that what is required by government is the negotiation of a formula between the University of Saskatchewan and the provincial government that establishes, and accurately measures, what the real cost increases of operating the University of Saskatchewan are each year, Mr. Speaker.

And, Mr. Speaker, those real cost increases should take account, for instance, of sharp increases in library acquisitions that the university now has faced for several years. It should also take into account, Mr. Speaker, the introduction of new buildings on the campus as they

come into operation.

For instance, we saw this year, Mr. Speaker, where the university now faces a situation in which a new College of Agriculture building is coming on line, and there's an extra \$2 million of operating costs associated with that building. Well, Mr. Speaker, my argument is that those extra operating costs should be built into the formula for the operating budget to operate the University of Saskatchewan each year. And the university should be able to be assured that at least its extra costs of operation, its costs of inflation, will be covered each year, Mr. Speaker. That, it seems to me, is the first step.

Now, Mr. Speaker, once the University of Saskatchewan can be assured that its basic operating costs for its basic programs that it has in place now will be covered each year, it seems to me that the second step then is that government must gradually, as finances permit, provide additional moneys to try to restore the quality of education on the University of Saskatchewan campus. This, Mr. Speaker, I believe is absolutely essential.

For instance, Mr. Speaker, we need additional moneys on the campus to be injected into our library system to bring library acquisitions up to what they should be at a first-class university, Mr. Speaker. And the ability of the library to acquire the new literature, the new books, the new periodicals that ought to be available to faculty and staff on our campus, has declined very sharply in the past few years, Mr. Speaker.

And, Mr. Speaker, the university needs to be able to hire additional faculty and additional staff to deal with current student numbers, and certainly new faculty will have to be hired if we're serious about reducing the quota, Mr. Speaker, at the University of Saskatchewan. And therefore, Mr. Speaker, I say that additional moneys are going to be required for new faculty hiring as well.

So, Mr. Speaker, I believe that what we need then is basically a two-phase approach to improving the funding of the University of Saskatchewan: a first step, Mr. Speaker, that assures that the university's real cost increases in its operating budget will be covered each year; and a second step, Mr. Speaker, that injects, as is financially possible, additional moneys into the university campus to allow for the hiring of new faculty, new staff, improved library acquisitions, Mr. Speaker; and, Mr. Speaker, a gradual phasing out of the quota at the University of Saskatchewan as it applies to the College of Arts and Science.

Now, Mr. Speaker, I believe therefore that if we don't do this, then what we are doing is jeopardizing the future of higher education in the province of Saskatchewan and jeopardizing the future of many students who will be forced to leave Saskatchewan to get an education, Mr. Speaker. If we're serious about rebuilding our economy then surely part of that, an integral part of that, must be ensuring that our young people in this province get the best possible education that can be provided to them.

Without that education, Mr. Speaker, and without a well-educated populace, we are unlikely to be able to effectively rebuild our economy. And therefore I say that

economic development and improved higher education must go hand in hand. And the government opposite has failed to recognize and realize that, Mr. Speaker.

Mr. Speaker, I want to turn to a third topic that I'd like to address. And that, Mr. Speaker, is the future of our environment in this province and the environmental policies that have been pursued by this government over the last several years, Mr. Speaker.

And I want to say here, Mr. Speaker, that what we have witnessed ever since this government has been elected has been a consistent attack on the Department of the Environment, on the budget of the Department of the Environment and, Mr. Speaker, on progressive environmental policies in the province of Saskatchewan.

And I say to the Premier opposite, that he well knows, Mr. Speaker, that one of the first acts of this government, when it was elected, was to in effect, in real dollar terms, cut the budget of the Department of the Environment by some \$2 million, Mr. Speaker — a department that only had a \$12 million budget to begin with.

And, Mr. Speaker, not only did the government cut the budget of the department sharply, and has underfunded it ever since, but, Mr. Speaker, what we saw immediately was an attack on some of the significant gains that had been made under the previous NDP administration when it came to environmental policy.

For instance, Mr. Speaker, we saw very quickly the elimination of funding for energy conservation programs in this province, Mr. Speaker. And when we see now a steady rise in energy consumption in this province every year, despite the fact that the population of the province is declining . . . the amount of energy that we are using in this province continues to increase. And one of the reasons that is happening, Mr. Speaker, is because in effect all energy conservation programs in this province have been axed by the PC government opposite.

We used to have, Mr. Speaker, an office of energy conservation in this province that was internationally recognized. And, Mr. Speaker, today there isn't a single person working in that office of energy conservation any more. It doesn't exist, Mr. Speaker.

And I might add, Mr. Speaker, that the federal government has taken similar action. They have now phased out their office of energy conservation in the province as well, so that in effect we have no body in Saskatchewan any more, no agency that is in the business of promoting the conservation of energy in the province of Saskatchewan, Mr. Speaker.

Mr. Speaker, we've seen a government that has steadily hacked away, Mr. Speaker, at a number of other very progressive environmental measures. For instance, Mr. Speaker, we had a policy under the previous government, under the New Democratic Party, in which urban transit was funded to cities in the province of Saskatchewan. And significant assistance was made available for the acquisition of new buses and for the operation of buses in our cities, again with a view to reducing automobile traffic in our cities and with a view, Mr. Speaker, to

reducing the consumption of energy in this province, Mr. Speaker.

Now what we have, Mr. Speaker, is a government that has, in effect, dropped all of its commitments to our urban centres with respect to promoting urban transit. Municipalities are, in effect, on their own now when it comes to meeting their urban transit needs, Mr. Speaker. And the result is higher bus fares and, in some municipalities, reduced routes, Mr. Speaker, bus routes, and, Mr. Speaker, higher property taxes for those in our cities who are left financing urban transit by themselves.

Now, Mr. Speaker, when I talk to young people in the city of Saskatoon, one of the things that they're always appalled by is the fact that in our city we still do not have secondary sewage treatment facilities in operation in the city. In effect, Mr. Speaker, what we do in Saskatoon is provide primary sewage treatment and then dump our not fully treated sewage into the South Saskatchewan river, Mr. Speaker.

One only has to go canoeing up river, up stream from Saskatoon to smell the stench that is associated with this practice and to realize that the South Saskatchewan River is being seriously polluted, Mr. Speaker. I've made that canoe trip on a number of occasions, Mr. Speaker, and basically you have to plug your nose for a goodly distance after you pass the sewage treatment outlet, Mr. Speaker.

And, Mr. Speaker, what have we seen from this government? Instead, Mr. Speaker, of a policy that should be designed, Mr. Speaker, to promote municipalities providing secondary sewage treatment in the province of Saskatchewan, what we've seen instead, Mr. Speaker, is the elimination of all provincial assistance for secondary sewage treatment in this province.

(1615)

Now I say, Mr. Speaker, that the provincial government should be doing two things. First it should be telling the city of Saskatoon that it has to immediately build secondary sewage treatment facilities in the city, Mr. Speaker. And secondly, Mr. Speaker, it should be providing assistance to the city of Saskatoon with the construction of such facilities. That, it seems to me, Mr. Speaker, is just common sense. We can no longer afford to continue polluting the South Saskatchewan River, Mr. Speaker, and communities up stream of Saskatoon should no longer have to put up with that pollution, Mr. Speaker. It's simply not appropriate.

Now, Mr. Speaker, I want to talk about a fourth issue with respect to this government's record when it comes to the environment, and that, Mr. Speaker, has been the practice of this government to ignore the realities of global warming as it affects Saskatchewan and all parts of the globe, Mr. Speaker, and to ignore the fact, Mr. Speaker, that Saskatchewan farmers and the future of Saskatchewan agriculture depends very much, Mr. Speaker, on whether or not global warming becomes a reality.

Let us not kid ourselves in this province. I say to the Minister of Finance, who, Mr. Speaker, continues to

interrupt me, that, Mr. Speaker, the reality . . .

**An Hon. Member:** — What is the bigger cause of global warming, the water vapour or carbonates?

**Mr. Prebble:** — The member says, what are the causes of global warming?

**The Speaker:** — Order, order, order. Order. I'm going to interrupt the hon. member. And because of the many occasions when we have had people conducting their little debates back and forth across the floor, I'm asking members not to refer to the absence or presence of members — at any time. And I'm asking the hon. member to allow him to continue.

**Mr. Prebble:** — Thank you very much, Mr. Speaker. Mr. Speaker, I want to just give . . . I want to give government members opposite some examples and the public some examples of how government policies have contributed significantly to the greenhouse effect.

First, Mr. Speaker, this government has promoted and continued to expand coal as a major source of electrical generation. Mr. Speaker, we see that in the Premier's own constituency where a new coal-fired generating station is being built, a station that's commonly referred to as Shand, Mr. Speaker.

Now I ask the Premier, what sense does it make, Mr. Speaker, to be promoting coal when coal is recognized to be, of all the fossil fuels, the fuel that most significantly contributes to the greenhouse effect in the province of Saskatchewan?

And again, Mr. Speaker, the government has eliminated energy conservation programs, once again, Mr. Speaker, contributing to the greenhouse effect through the use of additional fossil fuel in the province that becomes the alternative to sound energy conservation practice.

Mr. Speaker, this government has widely pursued clear-cutting. You need only go up to northern Saskatchewan and see the massive clear-cutting that Weyerhaeuser is engaged in, Mr. Speaker. And this widespread clear-cutting, Mr. Speaker, without the reforestation that should accompany it, Mr. Speaker, is also contributing to the greenhouse effect as well as depleting our prime northern forest resource, Mr. Speaker.

Mr. Speaker, these policies are not only deteriorating the environment in the province of Saskatchewan, Mr. Speaker, but they are contributing to the larger problem of global warming. And I say, Mr. Speaker, to the Premier and the members opposite, government members are fooling themselves if they think that the future of Saskatchewan farmers doesn't depend on whether or not global warming continues to be a serious problem.

Because if we have, Mr. Speaker, as scientists are predicting, an increase of 2 per cent Celsius in the average temperature in this province in the summer, Mr. Speaker, that is the difference, Mr. Speaker, between the kind of drought that we had two years ago, Mr. Speaker, and a decent crop. It's just a 2 per cent mean increase,

average increase, in temperature during the summer months. And, Mr. Speaker, if the predictions that many scientists are making of this increase in average temperature comes to be a reality, Mr. Speaker, then I say to members opposite that the future of Saskatchewan agriculture is put in jeopardy.

So this government of all governments, Mr. Speaker, in an agricultural province, should be setting an example when it comes to policies that will reduce global warming, Mr. Speaker.

Now, Mr. Speaker, I want to comment on the other big energy issue in this province which has concerned me for many years, Mr. Speaker — in fact it was one of my reasons for going into provincial politics — and that, Mr. Speaker, is my concern about the fact that once again we have a set of companies and a group of people led by the Premier, Mr. Speaker, who are promoting nuclear power and uranium mining in the province of Saskatchewan.

The Premier now on several occasions has talked about the fact that he is attracted by the idea of a nuclear power plant being built in the province of Saskatchewan, Mr. Speaker. Mr. Speaker, we have the government and we have, Mr. Speaker, several uranium mining companies in the province, including Cameco, Mr. Speaker, promoting new uranium mines. This government, Mr. Speaker, has in the last three years approved three new uranium mine developments in this province and is, Mr. Speaker, proposing now another five new uranium mines, Mr. Speaker.

And then recently, Mr. Speaker, in Saskatoon we had a representative from Atomic Energy of Canada Ltd. coming to the city and talking not only about nuclear power stations, but about the possibility of Saskatchewan becoming a site for high-level nuclear waste disposal in the province of Saskatchewan, Mr. Speaker. So make no mistake about it.

**An Hon. Member:** — Good idea.

**Mr. Prebble:** — One of the members opposite, the Minister of Education, says, good idea, Mr. Speaker. Make no mistake about it. The agenda that is being laid out here by the government, Mr. Speaker, is a massive escalation of the nuclear industry in this province, Mr. Speaker. That's the agenda.

And I say, Mr. Speaker, that this is an agenda that will only lead to folly, both with respect to the health of residents in the province, Mr. Speaker, and with respect to the future of agriculture in the province, Mr. Speaker, and, Mr. Speaker, with respect to the health of the larger global community. Members opposite need only look around elsewhere to see that few other governments are promoting and pursuing an expansion of nuclear power, Mr. Speaker.

Mr. Speaker, in fact Atomic Energy of Canada Ltd. has only managed to sell one new nuclear reactor in the last eight years, Mr. Speaker, only one. So, Mr. Speaker, there's hardly a major expansion of nuclear power taking place, Mr. Speaker, when it comes to the Canadian scene and Canadian reactor exports. Atomic Energy of Canada,

Mr. Speaker, would dearly love to sell the Government of Saskatchewan a nuclear reactor. And I say, Mr. Speaker, that the Government of Saskatchewan would be very unwise to take AECL up on those prospects.

Now, Mr. Speaker, first of all I want to talk about what the alternative to such a policy is. And secondly, I want to talk briefly about why I believe such a policy, in terms of promoting the nuclear industry, is folly in this province. I say, Mr. Speaker, that just like the alternative to coal is a massive investment in energy conservation, that the alternative to nuclear power is a massive investment in energy conservation as well, Mr. Speaker.

That is the choice. The choice is not a choice between coal and nuclear power, both of which I believe to be undesirable. The choice, Mr. Speaker, is a choice between coal and nuclear power on the one hand, and taking the money that would be invested in those energy sources and instead, Mr. Speaker, investing it in energy conservation in a set, Mr. Speaker, of programs that will provide jobs through conservation in every community in this province, Mr. Speaker. That's the alternative, Mr. Speaker. And that's what I believe government ought to be doing.

Now I say, Mr. Speaker, that what we don't need, Mr. Speaker, is more exports of uranium to countries like the United States and France which are, Mr. Speaker, clearly utilizing at least 90 per cent of those uranium exports for their weapons programs, Mr. Speaker — at least 90 per cent.

In fact, Mr. Speaker, the former deputy premier is on record in Crown Corporations Committee as acknowledging, Mr. Speaker, that less than one out of every ten pounds of uranium that we export from Saskatchewan to the United States ever reaches an electrical utility, Mr. Speaker.

Mr. Speaker, what we don't need is new uranium mines in this province that will add to the legacy of nuclear waste that future generations will have to dispose of, Mr. Speaker. Mr. Speaker, what we don't need is the introduction of new mines in this province that will leave us a legacy of radioactive waste in northern Saskatchewan — hundreds of thousands, in fact tens of millions of tons of additional radioactive tailings that will be left behind, Mr. Speaker, in the North for future generations to try to dispose of, Mr. Speaker.

What we don't need, Mr. Speaker, is a nuclear power station in this province that I argue will be a threat to agriculture. I say to members opposite, all they have to do is look at the record of the Chernobyl accident and what it meant for agriculture in the Ukraine, Mr. Speaker.

I recently, Mr. Speaker, only last week, I joined the Ukrainian community in Saskatoon, Mr. Speaker, who were marking in a celebration outside of City Hall, the fifth anniversary of the Chernobyl accident. And, Mr. Speaker, it is now becoming clear that at least 10,000 people have died as a result of radioactive contamination from that accident.

It is also clear, I say to the Premier, Mr. Speaker, I say to

the Premier that it is also clear that the people of the Ukraine, in addition to the serious health problems, deaths, and cancer that they have faced as a result of Chernobyl, Mr. Speaker, have also faced massive contamination of the grain growing area in the Ukraine, Mr. Speaker. The soil, Mr. Speaker, the soil in the Ukraine for hundreds of miles around, Mr. Speaker, has been contaminated with radiation, and an area with a radius of at least 30 miles has been shut down by the government because of contamination, Mr. Speaker.

Now, Mr. Speaker, I ask the Premier, I ask the Premier, Mr. Speaker, to consider what the implications of such an accident would be here. The Premier is promoting a nuclear power station for Saskatchewan. And I say to the Premier, Mr. Speaker, that a nuclear power station for Saskatchewan is on a collision course with high quality agriculture in this province.

Mr. Speaker, farmers in this province pride themselves with the fact that they grow clean grain, they grow high quality grain. What they don't need, Mr. Speaker, is an accident at a nuclear power station with a release of radiation, Mr. Speaker, that could put in jeopardy the future, Mr. Speaker, of farmers to be able to grow and sell grain from the province of Saskatchewan on the export market, Mr. Speaker. That's what we don't need in this province, Mr. Speaker.

Now, Mr. Speaker, I believe that a much sounder policy and a policy that provides a safe future for Saskatchewan residents is a policy, Mr. Speaker, that should be based on promoting conservation and safe renewable energy resources in this province; a policy, Mr. Speaker, that basically is designed to promote a conservation ethic, Mr. Speaker, and that is designed to take advantage of the fact that we have more sunlight in Saskatchewan than we do anywhere else in Canada, Mr. Speaker.

We should be promoting solar energy; we should be promoting passive solar energy. We should be looking to California and what they've been able to do, Mr. Speaker, in terms of developing their wind resource, Mr. Speaker. And we should be looking, Mr. Speaker, above all to a policy that focuses on promoting conservation.

I believe, Mr. Speaker, I believe that this is a far more prudent course to pursue. And, Mr. Speaker, it has the additional advantage of not leaving a legacy for future generations to inherit in terms of the deterioration of our environment and the pollution of our environment, Mr. Speaker.

Just like this government, Mr. Speaker, has imposed on the future generations of this province a massive financial deficit that I believe future generations will be burdened with for many, many years to come, in the same way, Mr. Speaker, the government is imposing on the next generation in this province a huge environmental debt that will take many, many years to overcome, Mr. Speaker — many, many years.

And I believe it's time for a new set of government policies that promote a safe environment and that are designed, Mr. Speaker, to ensure that the legacy that future generations inherit is one that they can be proud of

rather than one in which they have to invest large amounts of money in cleaning up the mess that we have left behind.

Thank you very much, Mr. Speaker.

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

(1630)

**Hon. Mr. Devine:** — It is my pleasure to enter this debate, Mr. Speaker, in support of the Minister of Finance and the budget that he presented on April 22.

I do so because I want to congratulate the Minister of Finance for his budget, a budget that indeed sets out a very solid plan — a plan for Saskatchewan people in agriculture and economic diversification; tremendous increases in expenditure in health and education, which are very important; a plan to diversify our economy, both rural and urban; and continue to reform the institutions in this province as well as in this legislature, Mr. Speaker.

I want to commend the Minister of Finance particularly for the fact, Mr. Speaker, that he would take the difficult economic times that we have experienced, and he's put together a very good document that lays out to the people of Saskatchewan the clear targets for what we can do in agriculture and in diversification and in health and education, the priorities of this administration. And he's done so as well, Mr. Speaker, in a fashion that will allow us to balance the budget and to continue to build and diversify, all at the same time.

And in my remarks, Mr. Speaker, I will refer to the Ontario budget that came down today. And I look at the budget that the Minister of Finance in Saskatchewan has put together, and we just received it on April 22. And then, Mr. Speaker, as I just said to the media, I want you to compare that to the budget that the Minister of Finance in Ontario has just presented to the people.

Now, Mr. Speaker, we've both been through difficult economic times and we both have faced challenges because of various kinds of economic conditions. Mr. Speaker, I want you to look very, very closely at the plan that is presented in this budget in Saskatchewan for agriculture, diversification, building growth, health and education, and a balanced budget.

And then, Mr. Speaker, I want you — and I'll go through it in some detail — to look at the Ontario budget today, that has the largest deficit in the history of Ontario, an increase in \$9.7 billion in deficit. The deficit on the current account is bigger than the entire budgets of Manitoba and Ontario, Mr. Speaker, in one crack. We see, Mr. Speaker . . .

**An Hon. Member:** — Manitoba and Saskatchewan.

**Hon. Mr. Devine:** — Or Manitoba and Saskatchewan, thank you.

Mr. Speaker, we see that the deficit in Ontario, which added \$2 billion to last year's deficit, another 9.7 billion now. And, Mr. Speaker, we find out that there is no plan

for agriculture, no plan for business, no plan for diversification, no plan to balance the books. All you see, Mr. Speaker, is a group of individuals that got elected without a plan.

That sounds so familiar, Mr. Speaker, because when we looked across the piece and I listened to the Leader of the Opposition respond to the budget, there was no plan. There was criticism. And the media, they said, yes the man can criticize, I'll give him that. He got up there and he criticized. He said it wasn't perfect, should have done all these things, but there was no alternative, Mr. Speaker.

If I could just refer to one line in his speech, Mr. Speaker, because I'm going to take it back to Ontario. Here we have a budget in Saskatchewan, a budget in Ontario. We have NDP members sitting across the way that say they want to be government. But look at this, Mr. Speaker. I refer to the Leader of the Opposition who was trying to impress the public and the media that he had a plan, not only for budgets and not only a plan for diversification, but actually he had a plan for agriculture. And he said the corner-stone of his plan, Mr. Speaker, was, and I quote, is "a short-term moratorium on farm foreclosures . . ."

And then he went on to say, Mr. Speaker, and I quote: "we acknowledge that a moratorium, short term or otherwise, won't solve anything . . ." Mr. Speaker, that's the corner-stone of the NDP agricultural plan for Saskatchewan if they were going to put together a budget — a short-term moratorium. And they admit it wouldn't resolve anything but they're going to do it anyway.

What did we just see here in Ontario? They didn't have a plan. Everybody acknowledges now in the newspapers all over Saskatchewan and in a good part of the United States, the NDP didn't have a plan. They promised everything in terms of give-aways and they had to bring in a budget. And what do you see? A budget, Mr. Speaker, that has a deficit of \$9.7 billion forecast this year alone. And you look at that, Mr. Speaker, on top of the \$2 billion they added to the last . . . almost \$12 billion increase in expenditure in the deficit in one year alone and they've only been in power six months.

Now, Mr. Speaker, they went on, Mr. Speaker. And I just want to give some indication of the impact that it could have for political and economic reasons. They go on, Mr. Speaker, and they forecast their deficits year after year after year, starting with this year now up about \$12 billion; 2 billion last year on last year's budget — 9.7 years, 11.7 billion.

And then they go on. The projected deficits, Mr. Speaker, are 9.7, 8.9, 8.4, and 7.8 billion. Mr. Speaker, it's running close to \$50 billion every five years in the industrial heartland of this country. That's the NDP administration that didn't have a plan. They have no idea how to balance the books, running 50 billion and borrowing every five years.

Do you know what that's going to do to our capacity in this country to borrow? The deficit, Mr. Speaker, at the national level in this country is about \$35 billion in the current account. And Ontario, Mr. Speaker, is planning to raise \$35 billion in deficits in the next four years on a

five-year plan, close to \$50 billion.

It's going to affect the cost of us going into the money markets all across Canada. It will affect Saskatchewan. It could affect the credit ratings of people; it could affect the exchange rates. Mr. Speaker, I raise it because they didn't have a plan and they admitted it.

The newspaper articles coming out now say you have to make over \$45,000 a year not to be interested in welfare in Ontario — not to be interested in welfare. It's that lucrative. They have no agriculture plan. They're anti-business, pro-welfare expansion, and the budget is just ballooning.

And I notice, Mr. Speaker, with interest that the member from Saskatoon University stood up and said, you know, he has these views, his views about uranium. Mr. Speaker, there is a new premier, an NDP premier in the province of Ontario. And the NDP is an NDP is an NDP evidently on lots of policies. Have you seen them shut down the uranium business in Ontario? Did you see them do that, Mr. Speaker? They threatened and they threatened and they threatened and they looked at the uranium stuff there. Did they close the nuclear electricity? Ontario's about 50 per cent nuclear energy. Why isn't he down there picketing his NDP premier? Why doesn't he go down there and wave the flag, Mr. Speaker?

And the same thing happened in France. You know, the same thing happened in France. The socialists said, oh for Heaven's sakes, you know, we couldn't have it now, there's 70 per cent nuclear energy.

Mr. Speaker, they promise and they promise and they promise and when they get into power, Mr. Speaker, all they do is go grab, force industry to their knees, encourage welfare payments, against agriculture, against diversification, against business. And, Mr. Speaker, when they have to get money from people, obviously it isn't from business.

The Japanese investors today said, Mr. Speaker, that they are going to put no more investment money into Ontario until they find out what this budget and future budgets are going to do to the industrial heartland of this country. One of the wisest countries in investment, and certainly they've been able to raise money, and they have just slapped the NDP across the face in this country and said with that kind of deficit in one year, the largest in Ontario's history and no plan to correct it, no plan for diversification, anti-business, anti-development.

Well, Mr. Speaker, I want to go back and just say to the hon. members who have stood in their place and said over and over again that this budget isn't good enough: what are they going to do for agriculture, what are they going to do for business, Mr. Speaker. I'm going to say that we now have it in spades what the NDP would be like in Saskatchewan. We just have to look at Ontario. Just look at good old NDP in Ontario and you can watch their priorities. They are going to spend money and more money and more money with their union leader friends. They are going to force businesses to go to the United States. You look at the tax, a 30 per cent tax increase on fuel, Mr. Speaker.

And Bob Rae, Premier Bob Rae, says well this is going to increase jobs. You know what it's going to do? It's going to increase jobs in Buffalo, New York and Detroit, Michigan. And you know that as well as I do. They're going to force people into the United States, they're going to force people out here. Our population, Mr. Speaker, during tough times here in Saskatchewan is 30 to 40,000 people more than when we took power.

And it's been difficult in rural areas, and we've gone out there to defend rural people and we've been helping them. And these members opposite, they stand in their place and say, well that isn't good enough. But, Mr. Speaker, they don't have a plan. And if you want the typical kind of solution, then all you have to do is take care to read about the Ontario deficit today and its budget. Now I raise that, Mr. Speaker, because I think there's going to be many members in this legislature take the time to go through it.

I want to just touch on a couple parts of that NDP no-plan budget that was introduced. The deficit takes a huge jump to 9.7 billion, up from 3 billion last year. And the Liberals brought in a deficit of 1 billion; the NDP added 2 to it last year — they could push it into there so they could blame the Liberal administration — then they added 9.7 on top of that. It's the biggest deficit on largest single year-over-year increase in Ontario's history. Spending increases are up by 6.2 billion to \$52 billion. Spending goes up 13.4 per cent compared to the anticipated inflation rate of 5.6. Now how is that for responsibility — increasing government spending by 13 per cent and inflation is only 5.

What does that say to all the bargaining units? What's that say to industry? What's it say to teachers, nurses, public employees, students? Mr. Speaker, there was no plan. They didn't even think that they were going to get elected. They promised billions and billions. And as the member from Wilkie has pointed out on our side, just like the NDP, they promised money, promised to solve poverty, promised to close down everything, and they're going to remove all problems, and they don't say where they're going to get the money. Well now we know, Mr. Speaker.

This is one of the clearest examples in history. This is the first time the NDP have won in Ontario. The people are just reeling. They can't believe it. And we say, well welcome to the real world, we've had them here. We've seen them nationalize; we've seen them close mines; we've seen them with land bank; we've seen them do all of these crazy things.

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

**Hon. Mr. Devine:** — Welcome to the world of socialists. You just drive into Ontario and say, well how do you like the plan so far? Now, Mr. Speaker, the government revenues are projected to shrink by 1 per cent; the budget imposes 14 tax increases. On a net basis the budget tax increases were raised an additional \$670 million, a 30 per cent increase in the gasoline tax in Ontario. Can you believe this.

Mr. Speaker, they have talked about all of their plans and all of the things that they would do, and they promised it

to anybody who would ever come out to a witch-hunt or a rally anywhere that could raise a picket. And then they got elected — 37 per cent. Well, Mr. Speaker, and I think that only 66 per cent of the people voted and the NDP got 37 per cent; 26 per cent of the population of Ontario voted for these people and this is what you got.

It's an embarrassment to the entire nation. It's an embarrassment to farmers, to business, to health, to education. It's an embarrassment to those people over there. Mr. Speaker, it is an embarrassment to this nation and it will be remembered for a long, long time. This is the best lesson we've seen about socialism and the NDP in decades.

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

**Hon. Mr. Devine:** — Mr. Speaker, I'll tell you what the Progressive Conservatives and other people are calling this NDP deficit in Ontario. They call it the mother of all deficits.

The NDP administration brought down the mother of all deficits. It comes at the worst possible time for the people of the province. With our tax burden already the highest of any jurisdiction in North America, this massive additional debt will be a millstone around the taxpayers' necks for generations to come.

And even, Mr. Speaker, if they would come forward with a plan to balance it, as our Minister of Finance did, even if they come forward to say this is how we'll encourage industry to pay for this — because governments don't make money; only industry does.

(1645)

And you know what's interesting, Mr. Speaker, is if you go back and you begin to look at the editorials that are coming out of Ontario, and you can find . . . well here's one that was in the *Star-Phoenix*, another one that was in *The Globe and Mail*. People are just reeling, unbelievable, shaking their head. I'm going to just touch on one, and this was "the report on business" by Peter Cook.

And he says, the issue of the country's breakup is not the big item. They've heard it all before in Tokyo. The issue of Ontario and its socialists is, with the NDP — and I quote, this is the Japanese saying — we don't know what to expect. I don't think anybody does, so we have stopped investing in this part of Canada.

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

**Hon. Mr. Devine:** — And then he goes on to say, we're putting no new money into our operations here. In time, less and less of what we do will be done in Ontario.

Now is that good for Saskatchewan? If the NDP had a plan, at least it would be comforting to know what it was. But they don't have, so just get elected and let them do what they like.

Would you like investors to say that about Saskatchewan, Mr. Speaker? Would the business community, would the people of



Regina like to hear that — that the German, American, the Japanese say no more investment in Saskatchewan or no more in Regina because until these people get out of power nobody knows what's going on.

And then he goes on to say, the NDP has always known what they were against — right? They're against being in opposition. Indeed what it continues to be against can be summarized by quoting what another ruling socialist, French Prime Minister Rocard is for. To Mr. Rocard, modern socialism is about free markets, free enterprise, and free exchange. Not being modern socialists, NDPers can only be political activists when they are out of power. In power they are at best paralysed by the problems they face; at worst, people offering wrong and injurious solutions to the country.

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

**Hon. Mr. Devine:** — And then it goes on to talk about the competency of this group that has no plan that's going to get elected.

They are . . . supposed to hire staff competent enough to help keep them out of trouble, but the NDP, more than other parties, (and I quote this) recruits committed supporters long on party backgrounds but short on ability.

More than any other political party. Can you believe this, Mr. Speaker? We are getting the best lesson in socialism and NDPer activity and politics and management that you could imagine in any history class. We have waited for this. I said to the Leader of the Opposition when the NDP won — I met him at a television studio and I congratulated him — I said, well you won in Ontario. And I says that's good news and bad news. And he winked and he smiled at me and he knew exactly what I was talking about.

But he has to run it. They have to deal with \$2 wheat and 21 per cent interest rates. And they have to deal with grasshoppers and have to deal with problems in markets. And they can complain and complain and complain. And once they get into power, it is bizarre.

The biggest history lesson this country's ever going to get in politics is going on as we speak. The Ontario budget today, Mr. Speaker, says it in spades. I want people to read it. I want them to get it. I want them to read all about the NDP policies and programs and how union leaders run the offices. I think the third cabinet minister's been asked to resign in NDP Ontario in the last few months.

Mr. Speaker, why do I raise this? Because we put forward a plan for agriculture — the GRIP (gross revenue insurance plan) plan, NISA (net income stabilization account). We've had rural gas. We've helped people fight high interest rates. We've done all those things. And we were elected in '82 to do it and elected in '86 to do it. And, Mr. Speaker, I say to you, we will earn the respect of people in this province to be re-elected in 1991 with this minister's plan. It's the kind of thing that people want to see.

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

**Hon. Mr. Devine:** — Mr. Speaker, I mention working on the plan because it is important. It's important to listen to people who coming from, for example, the Murray Commission, Consensus Saskatchewan, the Round Table on the Environment and the Economy, the diversification council, local government financing commissions, and 50,000 farmers that would come out to meetings with our people — 50,000 people.

And they didn't come out for politics. They come out because they wanted a strategy, a long-run strategy, a strategy that said we can have actuarially sound programs based on production, based on crop insurance, and based on something that we can be proud of. And we worked for years to deliver that for these people.

Mr. Speaker, we've worked on that plan and what we get from the NDP is criticism and nothing offered in its place. Now what I say today, Mr. Speaker, when you see the surprises coming down the pike in Ontario, then I ask the Saskatchewan public, if you really think the NDP know what they're doing in agriculture, if you really think they're pro-business and pro-diversification, then just take one very good, solid look at the Ontario situation today and then you tell me, all right, fair enough. If you like what's going on in Ontario, you vote NDP. But if you're just a tad surprised at the irresponsibility and the anti-farming, anti-business, anti-diversification, anti-trade, anti-building that you've seen in Ontario, then you come back and say, I like this plan. It's not perfect. But we have worked with farmers and ranchers and consensus people, school boards, hospital commissions, and other people who have said, you know, this has some chance. Community development bonds make some sense. They like that.

I don't know if some people watched the show *Venture* last night. National news, Mr. Speaker. And what it said is the Saskatchewan plan could be used all across Canada. Difficult times. People working in co-operative capitalism come together, the community works together. They put up money, we back it, and it forms a partnership with the local people in the co-operative fashion in the province of Saskatchewan and indeed a new business.

And, Mr. Speaker, people are saying, now that makes sense. Do you see anything like that in Ontario? Nothing. Absolutely nothing. It took years and years to develop these programs and these policies, Mr. Speaker.

I want to just turn to the CBC (Canadian Broadcasting Corporation) radio show this morning. I was listening to it. And they were interviewing the Leader of the Opposition about the budget and about his plan in agriculture. And the story starts on, and it says, you know, does the NDP leader have a plan? The CBC is asking that: does the NDP leader have a plan? All over the province, people are saying, what's his plan? What will he do in agriculture? What will he do in diversification?

So they went on to say that well, maybe he does, maybe he doesn't. So they gave him the benefit of a doubt. Then they start to talk to him about his plan. And they said, well with respect, Mr. Romanow insists he does have an

agriculture plan. Number one on his list is a short-term moratorium on farm foreclosures. It's the most important thing for Romanow, but it's not a priority for Saskatchewan farm groups.

Mr. Speaker, it's the most important thing for Romanow, but it's not a priority for Saskatchewan farm groups. This is the number one thing for the Leader of the Opposition that he's going to do, and it isn't even a priority for farm groups. Farm groups, two weeks ago, said in a report that current debt review and adjustment process does work, but Romanow doesn't see it that way.

So he knows better than farm groups. And he admits that when he introduces a moratorium, like he did on budget night, it wouldn't work anyway. So he says it won't work and the farmers don't like it, but he's going to do because that's the thing to do.

Mr. Speaker, it is . . . Well I don't know how you describe it. Here we have half the farm land in Canada, 50-some thousand farmers, and the man is in a program that he admits won't work, farm groups don't like, and he won't come forward.

Then he goes on to say farm debt review is really a stalling mechanism, but our policy of a moratorium is in concert with establishing an income stability and debt adjustment mechanism — as if moratorium wasn't stalling. He doesn't understand what that means. I'm not sure he understands how that would work. He says that if you look at debt restructuring and you look at the debt review process, it's stalling. And then he turns around and says moratoriums aren't stalling. Well that's why farm groups have problems with it. There's more to Romanow's plan — and this is John saying — of course it's an evolving policy (he calls it).

Well, well, well. The NDP now have come up with a new term for their agricultural strategy — it's an evolving policy. Last December he was — and this is the reporter saying — last December he was howling for a long-term safety net program. Now that GRIP is here, he says it's not good enough.

This CBC reporter was kicking him around, Mr. Speaker. He said he howled for a long-term strategy. Then when it came, he said it's not good enough because there's more to Romanow's plan. Of course it's an evolving policy.

Well, it's a start, and I quote: but we would like to see it improved and a new government, an NDP government work at the earliest possible date to see it improved. He said (and this is the second part of his policy) he'd also put a cap on the number of acres a farmer could enrol in GRIP.

Now, Mr. Speaker, doesn't this bring back memories? Doesn't this bring back memories? The new policy is you're going to limit farm size and limit the cap that you can put into GRIP.

Oh boy, Mr. Speaker, wouldn't they love to hear about that in the Ukraine? Wouldn't they love to hear about that, all those people that came to this country to have their land and held their investment? And now he's

saying, well, Mr. Farmer, I'm going to limit the size of your farm. It'll be one quarter section bigger than the neighbour's that somebody else . . . or just your farm. And I'm going to limit the number of acres you can have in GRIP. Well try that on for size.

See, he's fishing. He's going out and he's saying, well I'd try a moratorium but it wouldn't work. I'd maybe limit your farm and it wouldn't work. I wouldn't let you put too much into GRIP because it might not work.

Well John went on to say — this is a reporter — even though it plays right into Devine's hand, Romanow concedes he still has some work to do on his agricultural mandate.

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

**Hon. Mr. Devine:** — Still got some work to do. He says . . . and the Leader of the Opposition says there will be some expansion with respect . . . during the course of the campaign as to the specific aspects of this, but when we have it here . . . what we have here are the key principles of the plan and currently . . . as the agriculture plan currently is and as a result of many, many meetings with farm people and our New Democrats from the farm gate.

Well I think there's one member from Humboldt who's from the farm gate and he's had all this discussion in caucus, Mr. Speaker, and this evolving plan has now got the principles — moratorium and limiting the size of the farm and the number of acres you can put into GRIP.

Well, Mr. Speaker, this is what the Leader of the Opposition went on to say his real difference was, his real difference, and why I say to him with respect, this is not being totally truthful with the people in this province. He says: I think the Tory governments in Regina — this is the Leader of the Opposition talking — in Regina and Ottawa are approaching this from a straight free-market basis.

I think that the whole approach, whether it is free trade or GATT (General Agreement on Tariffs and Trade), is an approach that says that the government have got to pull away from supporting our family farms, notwithstanding the fact that in Europe and particularly in the United States the treasuries of those regions, those governments are fully in support of the family farm.

Now he . . . I'll see if he does. These people, the PCs in Regina and Ottawa, simply don't believe in — I mean at their heart — they don't believe in the worth of government as backing the family farm. I think that's the larger differences I would see between us and them.

Now, Mr. Speaker, we brought in GRIP. We've presented a plan in this budget to help finance it. And the minister . . . man from Regina Centre, the member says, we have put so much money, government money into agriculture, he calls it criminal. And the Leader of the Opposition is on CBC saying, well only the NDP would put money into government.

We have put billions in there in support of agriculture, Mr. Speaker — billions. And not just buying farm land and running it out of the government, but to provide crop

insurance changes, income stabilization changes, got \$9 billion out of the federal government, \$1.7 billion out of ourselves, and Mr. Leader of the Opposition says we don't believe in backing the farmers.

Mr. Speaker, that individual got a long ways to go to come clean with Saskatchewan people and farming people if he wants . . . If he wants to be credible in that agricultural community, he will not be able to do it with statements like I heard on the CBC today.

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

**Hon. Mr. Devine:** — And I think, Mr. Speaker, and when he kind of got into trouble, when he kind of got into trouble, well I would think, Mr. Speaker, the whole NDP caucus would laugh at their agriculture program.

We hear the member from Moose Jaw North laughing at the agricultural program that the NDP have put together.

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

**The Speaker:** — Order. Before we adjourn, I'm asking hon. members not to refer to the presence of other members. And now since it's 5 o'clock, we'll recess until 7 p.m.

The Assembly recessed until 7 p.m.