

The Assembly met at 2 p.m.

Prayers

ROUTINE PROCEEDINGS

NOTICES OF MOTIONS AND QUESTIONS

Mr. Britton: — Thank you, Mr. Speaker. Mr. Speaker, I give notice that I shall on Tuesday ask the government the following questions. To the minister responsible for SaskPower:

Regarding the rate increases after November 1, 1991: (1) What is the total revenue generated to date, and what is the total revenue projected to be generated by those increases this fiscal year? And (2) how much of that revenue is derived from (a) customers from the cities of Regina, Saskatoon, Prince Albert and Moose Jaw; (b) customers from outside those cities; (c) farm customers; and (d) business customers?

While I'm on my feet, Mr. Speaker, I would also give notice that I shall ask the minister responsible for SaskEnergy the following questions:

Regarding rate increases after November 1, 1991: (1) What is the total revenue generated to date, and what is the total revenue projected to be generated by those increases this fiscal year? (2) How much of that revenue is derived from: (a) customers within the cities of Regina, Saskatoon, Prince Albert and Moose Jaw; (b) customers from outside those cities; (c) farm customers; and (d) business customers?

I also want to give notice that I will be asking the minister responsible for Sask Water the following questions:

Regarding the rate increases after November 1, 1991: (1) What is the total revenue generated to date, and what is the total revenue projected to be generated by those increases this fiscal year? (2) How much of that revenue is derived from: (a) customers within the cities of Regina, Saskatoon, Moose Jaw and Prince Albert; (b) customers from outside those cities; (c) farm customers; and (d) business customers?

Thank you, Mr. Speaker.

Mr. Neudorf: — Thank you very much, Mr. Speaker. I give notice that I shall on Tuesday next ask the government the following question. To the Minister of Health:

Regarding the user fee applied to cancer patients staying at the patients' lodge: (1) What is the total revenue raised by the user fee to date? (2) What is the total revenue projected to be raised for the current fiscal year?

Mr. D'Autremont: — Mr. Speaker, I give notice that I shall on Tuesday ask the government the following question — minister responsible for SaskTel:

Regarding the rate increases after November 1, 1991: (1) What is the total revenue generated to date, and what is the total revenue projected to be generated by those increases this fiscal year? (2) How much of that revenue is derived from: (a) customers within the cities of Regina, Saskatoon, Prince Albert and Moose Jaw; (b) customers outside of those cities; (c) farm customers; and (d) business customers?

Mr. Speaker, I also give notice that I shall on Tuesday ask the government the following question. To the minister responsible for SGI (Saskatchewan Government Insurance):

Regarding rate increases after November 1, 1991: (1) What is the total revenue generated to date, and what is the total revenue projected to be generated by those increases this fiscal year? (2) How much of that revenue is derived from (a) customers within the cities of Regina, Saskatoon, Prince Albert and Moose Jaw; (b) customers from outside of those cities; (c) farm customers; and (d) business customers?

Thank you, Mr. Speaker.

INTRODUCTION OF GUESTS

Mr. Upshall: — Thank you, Mr. Speaker. Mr. Speaker, it gives me pleasure to introduce to you and through you to the members of the Assembly some 46 grade 8, 9 and 10 students from the great town of Colonsay in my constituency. They came down today to have a tour of the Assembly and to other parts of Regina.

First I would introduce the teachers that are accompanying them: Mr. Barry Peters, Ms. Sandi Pearson and Mr. Ari Avivi. I would hope that they have a good visit to Regina. Enjoy the proceedings on this great day in our Assembly.

I would ask all members to welcome them.

Hon. Members: Hear, hear!

ORAL QUESTIONS

Budget Provisions

Mr. Swenson: — Thank you, Mr. Speaker. Mr. Speaker, my question is to the Premier. Mr. Premier, in about a half an hour's time people in Saskatchewan will find out whether the budget leaks as revealed by the official opposition last week were true or not. As you know, Mr. Speaker — and I think to the Premier — there's a long-standing tradition in the British parliamentary system that when budget leaks happen it is your duty, sir, to make sure that they do not.

Mr. Premier, if the budget speech confirms that your government has broken your commitment to Saskatchewan people to de-insure optometrists for most Saskatchewan people, will you, sir, ask for the resignation

of your Minister of Finance?

Some Hon. Members: Hear, hear!

Hon. Mr. Romanow: — Mr. Speaker, the answer to that question is very clear and very simple: no, because this government does not believe in reacting to speculation, which is what the official opposition in part or in total has been indulging in since this session has been convened. This Minister of Finance, as his lengthy service in this legislature and service to the public of Saskatchewan has demonstrated, has acted with integrity across the piece. No.

Some Hon. Members: Hear, hear!

Mr. Swenson: — Thank you, Mr. Speaker. My question is to the Premier. Mr. Premier, that is exactly what I'm talking about, is the integrity of this legislature and the integrity of our system.

Mr. Premier, last week the official opposition brought to this Chamber the fact that your Minister of Finance had leaked matters pertaining to user fees dealing with the chiropractic profession.

Mr. Premier, if the budget delivered in a short time confirms those leaks that your Minister of Finance put out, will you do the right thing, sir, and ask that minister to resign?

Some Hon. Members: Hear, hear!

Hon. Mr. Tchorzewski: — Thank you, Mr. Speaker. Mr. Speaker, I want to respond to the member opposite that this government does not react or make decisions on speculation or deliberate things that the opposition does to try to mislead the public. This is a new approach that this government is employing, Mr. Speaker.

Some Hon. Members: Hear, hear!

Hon. Mr. Tchorzewski: — As the members and the people of Saskatchewan will see, this is a new, open, honest approach to governing which we have been sorely lacking for 10 long years in this province.

Some Hon. Members: Hear, hear!

Mr. Swenson: — Thank you, Mr. Speaker. My question is to the Premier. Mr. Premier, if this new approach of your ministers about leaking line items of budgets is the way that you want Saskatchewan to go in the '90s, sir, then our system is in sad repute.

Mr. Premier, my question is: it was revealed by the official opposition last week in a budget leak that there would be a 10 per cent hike in personal income tax to citizens in this province. Sir, if the budget delivered in a short while confirms that 10 per cent tax, will you ask for the resignation of your Finance minister?

Some Hon. Members: Hear, hear!

Hon. Mr. Tchorzewski: — Thank you, Mr. Speaker. Mr. Speaker, I want to make something very clear to the

member from Thunder Creek and the members opposite. This government was elected to get the financial affairs of this province under control.

Some Hon. Members: Hear, hear!

Hon. Mr. Tchorzewski: — The people of Saskatchewan have told us that we either have to do it now, we have to get it under control, or we jeopardize the future of our children. And I can tell the member opposite we're not prepared to let that happen.

Some Hon. Members: Hear, hear!

Hon. Mr. Tchorzewski: — I want to tell the member opposite that the role of government is to protect the interests of future generations, not the self-interests of a few people in power which unfortunately was the case before.

Some Hon. Members: Hear, hear!

Hon. Mr. Tchorzewski: — And I want to say to the member opposite that yes, I will confirm, I will confirm to this legislature and to the public of Saskatchewan that that expectation and that mandate which the public gave us will be confirmed when he hears the budget speech in a few minutes from now.

Some Hon. Members: Hear, hear!

Mr. Swenson: — Thank you, Mr. Speaker. My question is to the Premier. Mr. Premier, the mandate of your government was not to have selective leaks put out by your Finance minister, sir, your Finance minister, so that certain individuals in our society could take advantage of those leaks. Mr. Premier, your own Associate Minister of Finance, when questioned by the press, said that if I were to divulge that type of information I would have to resign.

Mr. Premier, last week in this legislature your budget leak of about a dollar a pack on cigarettes means, sir, that someone in this province could take advantage of other taxpayers. Mr. Premier, if the budget delivered later this day confirms about a dollar a package increase in tax on cigarettes, will you, sir, ask your Minister of Finance to resign?

Some Hon. Members: Hear, hear!

Hon. Mr. Tchorzewski: — Mr. Speaker, the only people who seem to be talking about what might be in the budget are the members opposite. That hardly, Mr. Speaker, can be considered a leak of any kind. The fact of the matter is, Mr. Speaker . . . And furthermore, as my colleague says, that's a pretty reliable source of information . . . unreliable.

Mr. Speaker, I want to make it very clear that this government, in putting together this budget, consulted. We consulted in such a way that there has never been a consultation of this kind prior to any budget in the past. We don't apologize for that.

Some Hon. Members: Hear, hear!

Hon. Mr. Tchorzewski: — And we're going to take measures in this budget which I will be presenting in a few moments from now which will respond to the things that the people of Saskatchewan told us because they elected us to listen to them. And I only ask the members opposite to be patient and listen to me when I deliver the speech.

Some Hon. Members: Hear, hear!

Mr. Neudorf: — Thank you very much, Mr. Speaker. All I can say, Mr. Speaker, to the Minister of Finance is, well, well, well. You say you run an open, honest government, that you consulted. Well my goodness, Mr. Speaker, I just happen to have the *Star-Phoenix* here, and it says: "Optometrists decry lack of consultation process."

This is the consultative government that is being . . . Optometrists angered. And we could go on but we don't have time, Mr. Speaker — I realize that — in question period.

My question, Mr. Speaker, is to the Premier. Your Minister of Health, Mr. Premier, is on record saying, and I quote the member from Regina Hillsdale: we categorically reject the concept of health care deterrent fees. She repeatedly made these statements while in opposition and during the campaign, and I suspect many of the good folks here have helped knock doors for her on that premise.

Mr. Premier, we know that directly following question period, your government will be imposing user fees for optometrists and chiropractors. We knew this a week ago when the leaks first started. Mr. Premier, seeing that your Minister of Health — and you can be smug about it and you can laugh about it — but we know that your Minister of Health stated that your party categorically rejects the concept of health care fees. And will you be asking that minister for her resignation?

Some Hon. Members: Hear, hear!

Hon. Mr. Tchorzewski: — Mr. Speaker, all I can say to the member opposite is that he will hear what the measures are in the budget when the budget is presented. We could spend all day here talking about what has been or what may have not been in the press in the last several weeks. That is nothing unusual. It happens all the time prior to a budget. In fact, it's an interesting, sometimes very useful debate.

But to talk about it as if there are leaks, Mr. Speaker, is absolutely incorrect. The member knows that there has been no deliberate leaks of any kind on the budget and he is simply running out of substantive questions to ask, as the member for Thunder Creek has run out of substantive questions to ask, because they're too embarrassed to ask the questions which they know will reflect on their legacy which they left behind because of the last 10 years.

Some Hon. Members: Hear, hear!

Mr. Neudorf: — Thank you, Mr. Speaker. And again I say, well, well, Mr. Minister, we shall see in a few moments, shall we not.

And I direct my question again, and I hope this time the Premier will have the courtesy of answering this question since I am directing the question to the Premier, and I hope that he will have the courage to stand and answer for his government. Mr. Premier, on October 3, 1991, you stated and I quote: We will not charge premiums or deterrent fees or utilization fees as they are called, for a number of reasons. Basically the fundamental is they are not a fair way to finance the health care program.

Mr. Premier, this statement was made during the election campaign. Mr. Premier, this afternoon the leaks regarding user fees will be confirmed. Mr. Premier, if indeed user fees for optometrists and chiropractor services are implemented, are you prepared to admit that you and your Minister of Health misled the voters of this province? And will you indeed ask your Minister of Health to resign?

Some Hon. Members: Hear, hear!

Hon. Mr. Romanow: — Thank you very much, Mr. Speaker. The line of questioning taken by the opposition today, the way it's going if we have enough time in question period, would have me have everyone of my ministers resign. But no such luck for the official opposition because the people of the province of Saskatchewan have elected us to a four-year mandate to clean up their mess. Nobody's resigning, and we're going to do it.

Some Hon. Members: Hear, hear!

Hon. Mr. Romanow: — You know, he says October 3; I campaigned and my party campaigned on *The Saskatchewan Way*. There's our platform card. First thing we say here is: "First Things First — Common Sense Financial Management. Open the books . . . comprehensive review of (all) PC privatization . . . deals . . . (and) a balanced budget (in four years)"

And that's exactly the mandate. I remind the member from Rosthern as well that on October 3, the then minister of Finance, the member from Weyburn, Mr. Hepworth . . . I wrote to the premier and I said, what was the size of the deficit. The premier referred the letter to his minister of Finance and on October 3 he wrote to me as follows, quote: "On balance . . . I see no reason to alter our target of a \$265 million deficit." That's what he told us. When we won the election on November 1, we found the deficit was over \$950 million. If it had been \$265 million we could have balanced the budget without the measures that the public have contemplated. You're to fault, not us.

Some Hon. Members: Hear, hear!

Mr. Neudorf: — Thank you, Mr. Speaker. Mr. Speaker, I say to the people of Saskatchewan the Premier is fantasizing. Now you're correct when we could go from one minister to the other asking for their resignation. In fact what the people of Saskatchewan are telling me in the Rosthern constituency is, we should ask for the resignation of the government.

You were elected under false pretences, you were elected under false pretences — fraud. And your \$265 million --

you conveniently forget the \$180 million lost through harmonization. You forget your own Gass Commission; you forget a lot of things very conveniently. Selective amnesia, Mr. Premier, that's what you've got.

But I want to get back to the train of questions that I was asking. You once stated, Mr. Premier, that the only way to turn things around, the only way to turn things around in health care was to elect an NDP (New Democratic Party) government.

Some Hon. Members: Hear, hear!

Mr. Neudorf: — We will see today, oh yes, we will see today, Mr. Speaker. We will see if the NDP government imposes user fees. You can hide. The more nerves I hit, the more they clap, Mr. Speaker. I think the problems of this . . .

The Speaker: — Order. Order. Order. I've been very lenient with the question time and also the answers, but I would direct the member from Rosthern to ask his question.

Mr. Neudorf: — Mr. Speaker, I have one quote to set the stage for the question. Mr. Premier, your Minister of Health stated this on October 21, 1991, and she said: the opposition is going to fight these health care cut-backs and these changes to medicare. It's going to fight the erosion of the principles of medicare . . .

The Speaker: — Order, order. Does the member have a question? I've given you well over a minute and a half to ask your question. I want you to put your question directly.

Mr. Neudorf: — Mr. Premier, you know the quote that I was quoting, so I won't complete it completely. Your minister said that.

Now I ask you, I ask you, Mr. Premier, and I ask the minister: are you prepared to admit right now that yes, we did mislead the people of Saskatchewan?

Some Hon. Members: Hear, hear!

Hon. Mr. Romanow: — Mr. Speaker, it falls ill from coming from the mouth of that member to talk about misleading the people of the province of Saskatchewan after that last 10 years.

Some Hon. Members: Hear, hear!

Hon. Mr. Romanow: — I must say, Mr. Speaker, however, he has made one very tempting suggestion, that maybe we should all resign and have another election because we'd have fewer than 10 Tory MLAs (Member of the Legislative Assembly).

Some Hon. Members: Hear, hear!

Hon. Mr. Romanow: — We'd have fewer than 10 Tory MLAs, and that's a very tempting offer you know, Mr. Speaker. But we're not going to because we've been given a mandate to do what we are doing in this budget and this Speech from the Throne: to open the books and

to reveal the level of the mismanagement and the size of the debt, to review the PC (Progressive Conservative) privatizations, which are now beginning, to balance the budget.

And he says to protect and save medicare — you doggone right what we're doing is a first step to preserve and protect medicare. Because unless we get this high interest rate on the public debt and the public deficit under control — which you, sir, and the Leader of the Opposition racked up to absolutely unbelievable lengths and heights — until we get this under control there will be no medicare. We are out to save medicare and the future of the province of Saskatchewan because of your 10 years of waste and mismanagement.

Some Hon. Members: Hear, hear!

Mr. Neudorf: — Thank you very much, Mr. Speaker. Final question to the Premier. You can make light of the convictions and the commitments that your Minister of Health made on behalf of you, of herself, and the NDP government.

Mr. Premier, the people of Saskatchewan heard you and they heard her on the doorsteps prior to and during the campaign. The people heard you and they actually believed you. You said that you would do more with less. You said, no new taxes. You said that, sir. You said \$4.5 billion is enough for any government to operate. And your Minister of Justice said, if you can't, you don't deserve to be in government. That was your Minister of Justice. You knew, Mr. Premier, you knew the state . . .

The Speaker: — Order. Does the member have a question? Put the question, please.

Mr. Neudorf: — Thank you, Mr. Speaker, for your ruling. I will certainly do that. I say to the Premier, you knew. But I want to ask you, is it your personal view that it is better to tax the sick, to make those in pain pay, to make the middle class, and take them out of eye care? Is that better than it would have been to have a 7 cent tax on hamburger? Answer that, sir.

Some Hon. Members: Hear, hear!

Hon. Mr. Romanow: — Mr. Speaker, I ask the members of the House and the people of this province to contemplate the logic behind this question. You listen to me for a moment. You listen to me for a moment. His colleagues sitting on the front benches on October 3 under minister of Finance letterhead — I'm still old-fashioned enough to believe that when someone writes under the minister of Finance letterhead — told me and told all the people of Saskatchewan that the debt for the year '91-92 would be \$265 million. That's what I knew. That's what you knew. Now you're telling me . . .

The Speaker: — Order, order, order. Order. I want to ask the member from Rosthern — I gave him ample time to ask his question. He wasn't interrupted — I'm asking him to let the Premier answer the question.

Hon. Mr. Romanow: — Thank you, Mr. Speaker. But I can fully understand the minister's reaction because he

has an allergy to truth. And the truth of the matter is that there's a \$265 million commitment made here by the minister of Finance which proved to be false. A total and complete falsehood.

And you're asking me now to say that everybody in the province of Saskatchewan should not have believed your own minister of Finance. That's what you're saying. How illogical is that? How credible is that? I tell you, sir, the comments that we made were based on that figures . . . on those set of figures, and either you were part and parcel of the cover-up, in which case you should be resigning, sir . . .

Some Hon. Members: Hear, hear!

Hon. Mr. Romanow: — . . . or you should be putting the opposite, a truthful statement of that operation.

Some Hon. Members: Hear, hear!

Farm Foreclosures

Mr. Devine: — Thank you, Mr. Speaker. Mr. Speaker, I've . . .

An Hon. Member: — Give her snooze.

Some Hon. Members: Hear, hear!

Mr. Devine: — Mr. Speaker, it's always a pleasure to be back in the House with my hon. friend from the Quills.

Mr. Speaker, my question will be to the Minister of Agriculture with just a small point that the Premier . . . (inaudible interjection) . . . Well you can if you like.

Well we're having a little bit of fun in here in question period prior to the budget. One thing that I'm sure the Premier and I and the members of the legislature and all the visiting guests and indeed the people of the province do recognize: during the last campaign and today, there was and there is a rural crisis, serious crisis. And we can kibitz in here and we can have some good fun, but people know that it was real. Tens of thousands of farmers are hurting and indeed thousands came out in a campaign. And I believe, Mr. Premier, you said this, and I quote: We're not going to lose more farm families in this time of crisis.

Given that and the serious nature of it, I ask the Minister of Agriculture who on December 1991 put a freeze on farm foreclosures for the people of Saskatchewan to know there'd be some . . .

The Speaker: — Order. Does the member have a question? He's gone on almost two minutes. Does the member have a question?

Mr. Devine: — Thank you, Mr. Speaker. Could you tell me and the members of the legislature, Mr. Minister, how many farmers were foreclosed upon in that 90-day period and how many were foreclosed upon from March 31 to April 30, 1992?

Some Hon. Members: Hear, hear!

Hon. Mr. Romanow: — Thank you, Mr. Speaker. The Leader of the Opposition says it's nice to be back. I say to the Leader of the Opposition, it's nice to have you back, so welcome back.

No, we're not having fun. The fact of the matter is we're dealing with serious issues. I say to the Leader of the Opposition two things in quick answer of this question.

First of all, all of us in this legislature should be uniting around the fact that the federal government by virtue of its constitutional and financial responsibilities, owes the people, the farmers of this province, in excess of \$500 million on the third line of defence, not yet paid for.

Some Hon. Members: Hear, hear!

Hon. Mr. Romanow: — And I say to you, sir, in your absence, sir, in your absence — probably because you weren't here — your caucus members voted against that money for the farmers of the province of Saskatchewan, to vote against it.

What we need to be doing is to be making a common cause in ensuring that the federal government fulfils its obligations with respect to third line of defence, makes the appropriate changes to income stability programs, does the job on GATT (General Agreement on Tariffs and Trade) that we both have talked on in the past and have agreed upon. This is what we should be doing.

The question of the foreclosures and the numbers of farmers affected, those will be provided for you in due course. These are numbers which we do not have . . . we do not have these numbers handy, but they'll be very, very easily available to you and we'll make them available to the Leader of the Opposition and the members of this Assembly at a very appropriate time.

Some Hon. Members: Hear, hear!

Mr. Devine: — Mr. Speaker, the fact is that 238 farmers received notices of foreclosures from the Farm Land Security Board alone between January 1 and April 30 and another 1,200 received notices from the Farm Debt Review Board during the same time period.

Mr. Speaker, we have got thousands and tens of thousands of farmers in trouble in Saskatchewan. And we have seen, Mr. Speaker, in a crisis of historic proportions, the cancellation of the GRIP (gross revenue insurance program) program where it's gutted, no debt restructuring, farms' costs going up. And we're asking the government of the day to say, will you stick up for rural people?

I ask the Premier, if your plan so far has meant 1,200 new foreclosures on farm families, then we, Mr. Speaker, and Mr. Premier, are going to be waiting to hear your solution of higher taxes, higher utility rates, closures of hospitals, penalizing rural people.

Mr. Premier, can you tell this House that you are going to have the support for farm families that you promised in the last campaign?

Some Hon. Members: Hear, hear!

Hon. Mr. Romanow: — Mr. Speaker, I say with the greatest of respect to the former premier and Leader of the Opposition, that if he was as committed to the farm situation as he describes, the first thing that he should have done for 10 years is guarded the public treasury and the public purse so that we would have the capacity today to deal effectively with all of the needs of all of Saskatchewan people. But he didn't do that.

Some Hon. Members: Hear, hear!

Hon. Mr. Romanow: — I say to the former premier and the Leader of the Opposition that if he was as committed to rural Saskatchewan as he says, he would not have allowed the closure of post offices and VIA Rail; he would not have succumbed and acquiesced to the non-payment of the \$500 million third line of defence; he would have not acquiesced to the numerous changes that the federal government implemented, all of which have hurt rural Saskatchewan and farmers. He would not have done that — all of the off-loading which has taken place.

The reality of the matter is, sir, that what this government is endeavouring to do is to put into place a set of solid farm policies based around the preservation of the family farm, given the financial mess which we have inherited from you, sir. And we invite you for the moment to leave behind your partisanship and join us in a concerted, all united Saskatchewan approach to your friend, the Prime Minister of Canada, and say, own up to your obligations to help, not only rural people, but all the people of Saskatchewan. That's our job and you should be there.

Some Hon. Members: Hear, hear!

ORDERS OF THE DAY

GOVERNMENT ORDERS

TABLING OF ESTIMATES AND SUPPLEMENTARY ESTIMATES

Hon. Mr. Tchorzewski: — Mr. Speaker, I have a message from Her Honour the Lieutenant Governor.

The Speaker: — Order.

The Lieutenant Governor transmits estimates of certain sums required for the service of the province for the 12 months ending March 31, 1993, and supplementary estimates of certain sums required for the service of the province for the 12 months ending March 31, 1991, and March 31, 1992, and recommends the same to the Legislative Assembly. Signed by Sylvia Fedoruk, O.C., S.O.M., Lieutenant Governor, province of Saskatchewan.

Hon. Mr. Tchorzewski: — Mr. Speaker, I would like to move the following motion, seconded by the Premier, the member from Riversdale:

That Her Honour's message, the estimates, and supplementary estimates be referred to the

Committee of Finance.

Motion agreed to.

MOTION FOR COMMITTEE OF FINANCE (BUDGET DEBATE)

Hon. Mr. Tchorzewski: — Thank you. Mr. Speaker, I'm honoured today to present this government's first budget to the people of Saskatchewan.

Some Hon. Members: Hear, hear!

Hon. Mr. Tchorzewski: — Before I go to my remarks, Mr. Speaker, I want to maintain an honoured tradition in this House, and that is present the copy of the speech and the estimates and supplementary estimates to the two opposition political parties.

I want to also indicate that we started a new tradition as part of the new, open style of government in Saskatchewan. And a copy of the budget speech and the supporting documents were provided to both leaders of the opposition parties at noon today for their information so that they could prepare for the speech that is going to be delivered at this time.

Some Hon. Members: Hear, hear!

Hon. Mr. Tchorzewski: — Mr. Speaker, last October Saskatchewan people turned from secrecy to openness, from conflict to co-operation, from inequity to fairness, from injustice to compassion. Today we begin rebuilding Saskatchewan together.

Some Hon. Members: Hear, hear!

Hon. Mr. Tchorzewski: — This government is turning a new page in our province's history by restoring sound financial management, re-establishing open, honest, accountable government, and renewing Saskatchewan's fundamental values. This budget is a new beginning. It has two straightforward goals: protection and restoration: protection so that our generation, like those before us, can safeguard all that our community has built for our children and our grandchildren; and restoration so that this province can once again enjoy financial freedom, because without it there is no future.

This budget delivers a message of realism from which springs hope and optimism. Now, Mr. Speaker, we inherited a financial burden but we're going to provide the leadership that is needed to solve it.

Some Hon. Members: Hear, hear!

Hon. Mr. Tchorzewski: — This financial difficulty cannot be wished away, but it can and it will be resolved by working together. And it's going to take all of us to be part of the solution for Saskatchewan, because if all of us come together now to tackle this unprecedented financial crisis, we will make the 1990s Saskatchewan's decade.

Some Hon. Members: Hear, hear!

Hon. Mr. Tchorzewski: — I don't deny that it's going to

mean some very hard choices, but the measures that I'm announcing today set the stage for a positive future in this province — a future that our children and our grandchildren can look forward to. This province has a great future. The opportunities here are almost unlimited if we make the right decisions now. Our present financial predicament is robbing us of opportunities, and we have to turn this situation around now so that it won't rob our children of their future.

Some Hon. Members: Hear, hear!

Hon. Mr. Tchorzewski: — Now, Mr. Speaker, when this government took office some six months ago, everyone expected the financial situation of the province to be grave. People knew that. But little did anyone know that the true extent of the previous administration's irresponsibility in proper decision-making and reckless extravagance was to the extent that it was.

You will remember, Mr. Speaker, that last spring Saskatchewan taxpayers were told that last year's deficit was \$265 million. Was it \$265 million, Mr. Speaker? No, it wasn't. In fact, after taking office we found that that deficit was in fact \$960 million. And it took a series of tough measures but we have reduced last year's 1991-92 deficit to \$846 million. Mr. Speaker, it can be done and we've shown that it can be done.

Some Hon. Members: Hear, hear!

Hon. Mr. Tchorzewski: — Now, Mr. Speaker, there's something that my parents taught me for which I will for ever be grateful. They taught me that people should be forgiven for their mistakes, but the one thing that could never be forgiven was dishonesty. Honesty was not in the last budget, Mr. Speaker, and it was not there for the last 10 years. And for that I will never forgive the previous administration.

Some Hon. Members: Hear, hear!

Hon. Mr. Tchorzewski: — Because you see, miscalculating the deficit was not the exception to the rule during the last 10 years, it was the order of the day. In 1986, an election year, the members opposite said that the deficit was \$389 million. It wasn't \$389 million, Mr. Speaker, it was \$1.2 billion.

In 1991, again an election year, the members opposite said that the deficit would be \$265 million, Mr. Speaker. It wasn't \$265 million, it was almost \$600 million more than that. It is no wonder that they arbitrarily shut down this legislature last June to avoid public scrutiny of their budget and their spending of tax dollars. Because the scrutiny would have revealed some incredible waste; almost \$2 million in salaries to provide political staff to the Premier's office hidden in other departments and Crown corporations; \$1,000 a night hotel bills, \$3,000 a day consultants, and the list goes on and on and on.

Now, Mr. Speaker, upon taking office this government acted quickly to restore integrity to the province's finances. The legislature was recalled to restore accountability and to rebuild public trust. The *Public Accounts* and the financial report were tabled to outline

the province's financial position. An independent Financial Management Review Commission was established to open the books and recommend ways to improve accountability. And legislation was introduced to end unconscionable severance packages.

And millions of dollars in wasteful spending was eliminated — things like closing of the trade offices in Hong Kong and Zürich and Minneapolis, saving \$2 million a year. Spending on supplies and acquisitions and advertising and travel was reduced, saving \$28 million. The Premier's office in Prince Albert was closed, saving \$150,000 a year.

Mr. Speaker, this new government saved \$114 million in only six months. We have turned the corner and ended 10 years of blatant mismanagement of taxpayers' dollars.

(1445)

Some Hon. Members: Hear, hear!

Hon. Mr. Tchorzewski: — Much has been accomplished, but there is still much more to be done. The legacy of debt and mismanagement left by the previous administration extends far beyond what any of us could have imagined possible.

In February the Financial Management Review Commission reported to the people of Saskatchewan. Its report exposed the reasons why the public lost trust in the previous administration's ability to manage the province's finances.

Mr. Speaker, we didn't wait. This government acted promptly on the commission's proposals to restore public accountability and renew public trust. Almost \$1 billion in bad loans and bad debts have been written off, including such things as \$750 million in the Saskatchewan Property Management Corporation and \$184 million in the Saskatchewan Water Corporation, the vast majority as a result of the Rafferty-Alameda project. Taxpayers have to carry that burden, Mr. Speaker.

Independently established accounting principles are being adopted, putting Saskatchewan at the forefront in open, honest, accounting practices. The Heritage Fund is being combined with the Consolidated Fund to form one major operating account for the government. And the financial well-being of our Crown corporations is being restored.

Now, Mr. Speaker, I want to just take a moment to talk about what has been done to our public enterprises. The previous administration plundered our public enterprises to pursue unwise investments and cover up ever-increasing, public deficits.

In 1991, the Crown Investments Corporation of Saskatchewan lost over \$600 million. But that's not all, because in addition \$875 million in non-recoverable debt was identified, meaning that assets under which the debt was originally incurred no longer exist or are no longer capable of generating a return high enough to service the debt. The Potash Corporation of

Saskatchewan — now here was an asset that paid hundreds of millions of dollars in dividends and taxes to the province. It was privatized at a loss of \$361 million, a loss that we now have to pay through our taxes.

Crown corporations were called upon to pay dividends to the province to cover up budget deficits, even if it meant that they had to borrow the money to do it. That's a loss of \$312 million that we now have to pay through our taxes. The Saskatchewan Transportation Company — a Crown corporation so badly mismanaged that the Provincial Auditor's report has warranted an inquiry by the Department of Justice.

All of these, Mr. Speaker, are losses that you and I and the people of Saskatchewan now have to pay through our taxes. Well as one who was born and raised here and loves this province, I say to you, Mr. Speaker, that any government which tries to hide its spending, cover up its deficits, and run our public enterprises into the ground cannot be forgiven.

Some Hon. Members: Hear, hear!

Hon. Mr. Tchorzewski: — I want to assure you on behalf of my colleagues that with this first budget this government is changing all of that.

Some Hon. Members: Hear, hear!

Hon. Mr. Tchorzewski: — Our public enterprises will be part of rebuilding Saskatchewan. However, it is not without cost.

As a direct result of restoring the Crown Investments Corporation's financial position, the 1992-93 budget deficit will increase by \$93 million. And to ensure that our public enterprises are accountable to the members of the legislature and the people of Saskatchewan, Mr. Speaker, audited financial statements for the Crown Investments Corporation will be presented to this Assembly for public scrutiny each and every year from now on.

Some Hon. Members: Hear, hear!

Hon. Mr. Tchorzewski: — This government has adopted accounting, auditing, and reporting systems to make sure that the financial dealings of this province will never be hidden from the people of Saskatchewan again.

Some Hon. Members: Hear, hear!

Hon. Mr. Tchorzewski: — Mr. Speaker, today our province stands at a critical crossroads. We must choose a path for the future and that choice must reflect the harsh realities of what the previous administration did to the financial integrity of Saskatchewan. It is simply beyond imagination to think that Saskatchewan's financial position deteriorated so much in such a short time.

In 1983 the former premier was quoted as saying the following and I think he said it in New York to a business crowd. He said, and I quote: Saskatchewan has so much going for it that you can afford to mismanage it and still break even. Well, Mr. Speaker, he was dead wrong.

No family could have run their household the way they did run this province. There is not a business or a farm in Saskatchewan that could have operated that way and survived. A proud history of operating surpluses became an unbroken string of deficits year after year after year.

The debt accumulated at an unprecedented pace. The total debt of Saskatchewan increased by \$10 billion in 10 years — \$10 billion in 10 years — and to what end? To what benefit?

Well there are some results. There is a result that every man, woman, and child in this province has been saddled with \$10,000 of new debt — every single individual person, the youngest and the oldest. The first 17 cents of every dollar that your government raises this year will go just to pay interest on the money borrowed by the previous administration.

In 1981-1982 government interest charges amounted to only \$43 million. Do you know what they are now? This year taxpayers will spend \$760 million on interest charges — more than \$2 million a day — \$760 million in interest charges.

But consider this. Imagine the jobs and the economic opportunities that could be created with \$760 million or the educational opportunities that we could provide to our young people. Imagine \$760 million cut in taxes this year. Imagine all of that and realize all our community has lost because the members opposite would not and could not bring their spending and their borrowing under control.

Mr. Speaker, they had neither the courage nor the will. Saskatchewan families did not create this situation. Saskatchewan's new government did not create this situation. Our community has inherited a legacy from that previous administration that cannot be forgotten and will not be ignored because the responsible path at the crossroads is clear. We must now pay for the mismanagement of the past 10 years. The mortgage is due. We must start to live within our means because it is the only way to rebuild Saskatchewan.

And, Mr. Speaker, this government has acted decisively to get spending under control. For the last 10 years operating expenditures increased on an average of 6 per cent a year. This year, in this budget, operating expenditures will be reduced by 3 per cent.

Some Hon. Members: Hear, hear!

Hon. Mr. Tchorzewski: — However interest on the public debt will increase by \$237 million — the largest single increase of expenditure in this budget. And that interest expense is the direct result of billions and billions of dollars borrowed over the past 10 years. This borrowing cannot continue. Steps have to be taken to reduce Saskatchewan's deficit. Spending must be brought under control.

My colleagues and I have looked carefully and responsibly in evaluating government expenditures and in so doing we did not ask more of our community than

we have demanded of ourselves. Cabinet ministers have taken a 5 per cent cut in salary. Extra pay for legislative secretary positions has been eliminated. Allowances for government members with extra duties have been reduced. Communications allowances for MLAs have been cut by 25 per cent. Out-of-scope salary ranges in the public service have been frozen. Advertising and communication budgets in government departments will be cut by almost 30 per cent.

Almost 40 boards and commissions are being dissolved and the membership of others, including the boards of directors of SaskTel and SaskPower and SGI, is being reduced to eliminate more than 500 appointments. In our Crown corporations, executive car allowances and other perks are being reduced very substantially.

Now, Mr. Speaker, this government is leading by example and with these actions we have proven that the days of unrestraint and reckless spending are over.

Some Hon. Members: Hear, hear!

Hon. Mr. Tchorzewski: — But that's not enough and we have not stopped here. In addition my colleagues are introducing greater cost efficiencies and savings in government operations.

The Family Foundation will be eliminated and its priority functions amalgamated with other departments. The Farm Ownership Board will be merged with the Farm Land Security Board to consolidate services. The communications policy unit in the Department of Education will be eliminated. And funding available for payments to physicians will be reduced. Fair and open tendering is being restored again.

Now, Mr. Speaker, I want to make it very clear that this is not the end of our search, but the beginning of a process that will see government operations managed more cost effectively in the future.

Some Hon. Members: Hear, hear!

Hon. Mr. Tchorzewski: — But all our community has had to be involved. Expenditure reductions has also involved our hospitals and our universities and our schools and our municipalities. Their funding has been reduced this year and will be reduced further next year. Over the next two years the government will work with local authorities to find greater cost efficiencies, improved services, and plan for the future based on local priorities.

Mr. Speaker, the grim reality today is that the previous administration mortgaged our children's future, and that's why we can no longer pay for all of the services that governments provide. Programs that we simply cannot afford will be eliminated. And other programs will be modified to ensure that they can continue during this fiscal crisis.

And I want to say to the House, Mr. Speaker, and to the people of Saskatchewan, that in total, expenditure reductions in this budget amount to \$344 million. More than 20 programs are being eliminated. Some with some difficulty, but it has been necessary because of the

financial situation.

Programs like the mortgage protection plan, the Saskatchewan pension plan, operation quick start, and feed grain adjustment program are the programs that are being modified to ensure that they continue during this fiscal crisis.

Because the important thing here, Mr. Speaker, is that if we don't get the financial affairs of this province under control and managed well, many of the social services and health care programs that we now have we are in danger of losing. And we were not elected to let that happen.

Some Hon. Members: Hear, hear!

Hon. Mr. Tchorzewski: — And as a result, optometric services will continue to be provided free of charge to low income seniors and families, as well as children under the age of 18. But all others will pay for eye examinations.

Funding for chiropractic services will be reduced. Saskatchewan prescription drug plan will be changed to save \$27 million this year, and costs will rise for most Saskatchewan residents. But those most vulnerable to excessive hardship will be protected. In addition the senior citizens' heritage program will be changed to target benefits more directly to lower income seniors.

Mr. Speaker, this budget does not introduce health care premiums.

Some Hon. Members: Hear, hear!

Hon. Mr. Tchorzewski: — And I want to say, Mr. Speaker, that the details on these and many other initiatives that are included would be provided by my cabinet colleagues in the days ahead.

Now, Mr. Speaker, difficult decisions were demanded, and difficult decisions were made. But our children did not create this financial crisis, and we have no right to burden them with it.

Some Hon. Members: Hear, hear!

(1500)

Hon. Mr. Tchorzewski: — In 1984 the minister of Finance at the time, Bob Andrew, said — and he was correct in this quote — he said the following. He said: I believe that all governments must work in concert to reduce budget deficits. Failure to accomplish this will force harsh financial penalties on our children. It is inevitable that mounting deficits will result in unwanted reductions in government services and tax increase.

Mr. Speaker, he was seemingly unaware in 1984 of just how quickly his government's failure to reduce budget deficit would cripple our community and require the things that he forewarned about to have to happen. And as members opposite know, deficits are just deferred taxes. The bill has come due. And as a result, some tax measures are required to reduce this deficit — tax measures which are made necessary because of the

mismanagement and the irresponsibility of the former government during the whole of the last 10 years.

Some Hon. Members: Hear, hear!

Hon. Mr. Tchorzewski: — And so today we ask everyone in our community to join in restoring financial help in Saskatchewan based on their ability to do so. A 10 per cent deficit surtax will be introduced on the personal income tax system effective July 1.

Now, Mr. Speaker, an increase in personal income tax is the fairest way of asking those who can most afford it to contribute to the deficit reduction and the restoration of financial well-being in Saskatchewan.

The corporate sector will also be asked to contribute to deficit reduction. The general corporation income tax rate will increase to 17 per cent effective January 1. The corporation capital tax surcharge rate on resource corporations will increase to 3 per cent effective April 1, and the corporation capital tax on the financial institutions will be increased to 3.2 . . . three and a quarter per cent effective April 1.

And further, as of midnight tonight, the tobacco tax will be increased by 33 cents a package of 25 cigarettes, with similar increases for other tobacco products. And the education and health tax will be increased by 1 percentage point that will be extended to include tobacco products.

The tax on gasoline and diesel fuel will be increased by 3 cents per litre.

Now in addition, Mr. Speaker, the farm fuel tax exemption for gasoline will be restructured so that its very important benefits are distributed fairly throughout the farming community.

Effective midnight tonight, bulk dealers will be required to collect a fuel tax on their sales of gasoline to farmers and other primary producers, and the current farm fuel tax exemption will be replaced by an annual rebate program. But this will not apply to diesel fuel. This change, Mr. Speaker, is being made necessary to ensure that the farm fuel tax exemption is provided only to those persons in the farm community who are entitled to it.

Now, Mr. Speaker, today all of our community has to pay for the mistakes of the members opposite. These tax changes necessary to reduce the deficit are a direct consequence of their mistakes. And I say to them, Mr. Speaker, you jeopardized everybody's future with 10 years of runaway spending and uncontrolled deficits and for that Saskatchewan people will for ever hold you responsible for this burden.

Some Hon. Members: Hear, hear!

Hon. Mr. Tchorzewski: — Let me take a moment to put the depth of the previous administration's legacy into perspective. The revenue and expenditure measures contained in this budget would represent an operating surplus for the province of \$243 million. Let me say that again, Mr. Speaker: the revenue and the expenditure

measures in this budget would represent an operating surplus of \$243 million, except for one thing — the payment of \$760 million in interest charges, money spent paying for the previous administration's mistakes. And that's shameful, Mr. Speaker.

Overall, including the interest charges on the debt accumulated over the last 10 years, the province's deficit will be \$517 million, down more than \$300 million from last year. We have established a clear, downward trend in the province's deficit trajectory and we are adamant about staying that course.

Some Hon. Members: Hear, hear!

Hon. Mr. Tchorzewski: — Well, Mr. Speaker, in spite of the province's financial situation, this government is determined to protect the most vulnerable members of our community. And I'm pleased to be able to announce that the Saskatchewan child tax reduction for low income families will be increased by 25 per cent to \$250 per child annually, effective July 1.

Some Hon. Members: Hear, hear!

Hon. Mr. Tchorzewski: — Funding for child hunger programs will be increased by 35 per cent.

Some Hon. Members: Hear, hear!

Hon. Mr. Tchorzewski: — Grants for child-care centres will be increased by 21 per cent.

Some Hon. Members: Hear, hear!

Hon. Mr. Tchorzewski: — Rates for the Saskatchewan Income Plan will be increased by \$120 annually. Home care funding will be increased by nearly 20 per cent.

Some Hon. Members: Hear, hear!

Hon. Mr. Tchorzewski: — Twenty-eight million dollars in additional funding for the Saskatchewan Assistance Plan will be provided; and the new community employment program will create 1,000 jobs and help Saskatchewan communities undertake worthwhile projects.

In addition, the Saskatchewan Assistance Plan special allowance for the disabled will be increased by 25 per cent. Transit assistance for the disabled will be increased by 15 per cent.

Four million dollars has been targeted to meet priority water and sewer infrastructure needs in northern communities.

Some Hon. Members: Hear, hear!

Hon. Mr. Tchorzewski: — The northern food allowance in the Saskatchewan Assistance Plan will be doubled to \$50 a month.

Some Hon. Members: Hear, hear!

Hon. Mr. Tchorzewski: — Mr. Speaker, we are

committed to compassionate policies and that commitment is reflected in this first New Democratic government budget.

Some Hon. Members: Hear, hear!

Hon. Mr. Tchorzewski: — Even when we have to apply tough measures in a budget of restraint, because we have to deal with the financial circumstances of this province, we have paid attention to those who are most in need in Saskatchewan.

Some Hon. Members: Hear, hear!

Hon. Mr. Tchorzewski: — Mr. Speaker, rebuilding Saskatchewan together also means working to address the critical situation facing our rural communities and our farm families.

The farm trek to Ottawa in November marked the beginning of a concerted effort to find long-term solutions to the problems in agriculture — debt and income. To begin to address the problem of farm debt, this government will act on the recommendations of the Farm Debt Advisory Committee by establishing a six-year leaseback program for farmers, developing a voluntary farm debt mediation process, enabling farm families to offer additional security to access operating and other credit, and examine alternate forms of financing.

Some Hon. Members: Hear, hear!

Hon. Mr. Tchorzewski: — And as for farm income, we began six months ago with totally inadequate farm safety net programs agreed by the previous administration. And with the advice of a producers' committee we've been able to make some changes to the gross revenue insurance plan this year. However, Mr. Speaker, these changes are only modifications to a fundamentally flawed program. We recognize that.

This government will continue to negotiate with the federal government for an effective program for Saskatchewan farmers. Ottawa promised an adequate income stabilization program and we're going to do all that we can to make Ottawa keep its promise.

Some Hon. Members: Hear, hear!

Hon. Mr. Tchorzewski: — Mr. Speaker, while Saskatchewan farmers face the most serious crisis since the 1930s, the government in Ottawa continues its practice of financial off-loading on individuals and provincial governments. This year, this year alone, federal off-loading in agriculture programs will cost Saskatchewan taxpayers over \$200 million.

This trend started because the previous administration caved in to Ottawa's pressure to cost-share programs that were clearly the federal government's responsibility. In total the federal off-loading in areas like agriculture and health and education mean a loss of more than \$500 million to Saskatchewan taxpayers in this year alone — \$500 million.

Mr. Speaker, if it were not for the federal government's

off-loading, this budget would be balanced. Ottawa is abdicating its responsibility to promote and protect agriculture and vital social programs like health and education. Ottawa's failure is hurting Saskatchewan families.

Some Hon. Members: Hear, hear!

Hon. Mr. Tchorzewski: — Mr. Speaker, let me assure you that within our limited financial resources, this government will do all it can to meet the needs of Saskatchewan families. The budget I am presenting here today launches major new initiatives to enhance wellness and prevention, including important initiatives like forming new partnerships with Saskatchewan communities to promote the development of community-based services, focusing resources on prevention of illness, addressing urgent health needs in northern Saskatchewan, enhancing mental health services, and encouraging healthy life-styles.

These measures reflect our commitment to community-based, community-driven health care founded on wellness and prevention, Mr. Speaker. The people of Saskatchewan and my party together pioneered medicare. Today the people of Saskatchewan and this government together will forge ahead, building a new generation of health care in Saskatchewan.

Some Hon. Members: Hear, hear!

Hon. Mr. Tchorzewski: — Mr. Speaker, this budget provides \$20 million for family support programs, including new initiatives like counselling and services for expectant teen-age mothers; a community-based family planning initiative; and measures to address the problem of family violence.

Programs currently available throughout government to meet the diverse needs of Saskatchewan women will receive greater funding this year, including the breast cancer screening program, child-care facilities, the automatic enforcement of maintenance orders, child-care services in rural and northern Saskatchewan.

With this budget, the government has turned the corner and renewed Saskatchewan's fundamental values of fairness and compassion. This budget is a new beginning for the people of Saskatchewan.

Some Hon. Members: Hear, hear!

Hon. Mr. Tchorzewski: — One of the most important priorities for Saskatchewan people has to be stimulating economic opportunities and creating jobs. And in sharp contrast to the financial position of the government, the underlying strength of our economy is good reason for hope and optimism. Saskatchewan's economy is strong.

The province's rich endowment of resources, the lower interest rates, and the lower exchange rate all add up to new opportunities for Saskatchewan men and women. Just look at the housing starts — more than double what they were last year, Mr. Speaker. Government is determined to assist Saskatchewan entrepreneurs and communities to make the most of these opportunities in

our economy.

And I am pleased therefore, Mr. Speaker, today to announce that the small-business corporation income tax rate will be reduced to 9 per cent effective July 1.

Some Hon. Members: Hear, hear!

Hon. Mr. Tchorzewski: — And to assist our rural hospitality industry, benefits from the Saskatchewan Liquor Board's discount policy will be redistributed so that the smaller vendors get a larger share; and video lotteries will be introduced, starting along the international border.

And to keep our manufacturing and processing industries competitive with other provinces and to protect jobs, Mr. Speaker, the education and health tax on direct agents used in manufacturing and processing activities will be phased out over the next three years.

Some Hon. Members: Hear, hear!

Hon. Mr. Tchorzewski: — Initiatives to enable co-operative and private and public sectors to work together in partnership to invest directly in Saskatchewan business will be undertaken. And funding for a new institute for energy conservation and development will be provided in this budget. These positive measures, Mr. Speaker, will provide jobs today and economic opportunities for our future.

But that's not all. Our Crown corporations will also develop new and more effective ways to contribute to Saskatchewan's economic future. In co-operation with the private sector, Saskatchewan Power is exploring new co-generation projects which will strengthen economic development. SaskTel International is actively engaged in foreign markets, providing jobs and opportunities for Saskatchewan people and telecommunication services for other nations.

Funding in this budget and the activities of the Crown corporations, including capital and environmental projects and student summer employment and new housing initiatives, will provide economic opportunities and create thousands of jobs for Saskatchewan people.

Some Hon. Members: Hear, hear!

Hon. Mr. Tchorzewski: — The Premier's Economic Action Committee will develop a long-term economic strategy for Saskatchewan through an effective, co-operative partnership with all sectors of our economy, Mr. Speaker.

Ours is an approach based on the belief that while we compete in a global economy, achieving success depends on working together at home. The whole purpose of producing greater wealth, more goods, and better services, is surely to make life better — not only the standard of living but the quality of life.

(1515)

Some Hon. Members: Hear, hear!

Hon. Mr. Tchorzewski: — And like generations before us, by following the principle of co-operation, we will rebuild Saskatchewan together and that is the opportunity of the 1990s in Saskatchewan.

Some Hon. Members: Hear, hear!

Hon. Mr. Tchorzewski: — All the people in Saskatchewan know, members in this House know, that this province has a proud history of pulling together during tough times. That is a kind of creative, co-operative effort that is needed today. In every community, large and small, no matter where they may be, people believe that we have got what it takes to turn things around right here at home. And as I travel from one end of this province to the other, people everywhere talk about the need to pull together and to fight for the future. They want to work together in a significant and a meaningful way to overcome the difficult financial situation.

They want an opportunity to invest directly in rebuilding Saskatchewan. People want government's borrowing outside of the province reduced. And they're tired of seeing millions of dollars in interest payments leave this province each and every year. Saskatchewan people know that their hard-earned dollars could be better spent right here working for our communities and our families.

Some Hon. Members: Hear, hear!

Hon. Mr. Tchorzewski: — We recognize that, Mr. Speaker. This government recognized that because we'll listen to the people. And I'm pleased to announce today that your government is going to provide that opportunity and Saskatchewan savings bonds for Saskatchewan people will be introduced in June.

Some Hon. Members: Hear, hear!

Hon. Mr. Tchorzewski: — We're going to show the world that we've got what it takes to turn this around and make the 1990s Saskatchewan's decade.

Some Hon. Members: Hear, hear!

Hon. Mr. Tchorzewski: — Now, Mr. Speaker, this budget is founded on fiscal responsibility, public accountability, fairness, compassion, and economic reality. Fiscal responsibility because we are defining the road to recovery and working towards financial freedom. Public accountability because we are laying a solid foundation to provide open and honest government. Fairness because we are calling on all of our community to join us in rebuilding this great province. Compassion because we will protect those most vulnerable in our community. And economic reality because stimulating economic opportunities and helping to create jobs is a vital part of rebuilding Saskatchewan.

Today is a new beginning in this province. Today we begin to confront the future with high hopes and great faith, secure in the knowledge that New Democratic governments throughout our province's history have been successful in achieving their mandates.

Some Hon. Members: Hear, hear!

Hon. Mr. Tchorzewski: — They've been successful in achieving their mandates, and as they have succeeded, so too will we.

Some Hon. Members: Hear, hear!

Hon. Mr. Tchorzewski: — It will not be easy. Nothing this important ever is. While we have to pay for the mistakes of the previous administration, let us look forward to the day when our community can join together in celebrating our financial freedom.

Let us look forward to the day when we can tell our children that though we entered the 1990s plagued by financial crisis, we made the difficult decisions. We turned a new page in our history and we put this province firmly on the path to prosperity.

Mr. Speaker, it is now time to rebuild Saskatchewan together.

Some Hon. Members: Hear, hear!

Hon. Mr. Tchorzewski: — Mr. Speaker, I now move, seconded by my colleague, the House Leader, the member from Regina Elphinstone:

That this Assembly do now resolve itself into the Committee of Finance.

Mr. Swenson: — Thank you, Mr. Speaker. Mr. Speaker, I would like to thank the Minister of Finance for sending the copy of the budget across at 12 noon today. I think that is an important tradition that should be respected in this House from now on, and I congratulate him on it.

I must say however, Mr. Speaker, that it does take that extra amount of time when one has this much deception to go through, so I did enjoy the extra hour and a half.

Mr. Speaker, the taxpayers' dollars were at work today. They were at work today in presenting this budget address to the people of Saskatchewan.

In my seven years in this Assembly, and from those that I've talked to that have served here a lot longer than I, they say they have never seen a document as political, as full of political attack and deception, as this one is. Mr. Speaker, I say to the Hon. Premier, your Sunday night video of last week was paid for by members of the New Democratic Party. In my view, and I think others around this province will support me, this document here should have been paid for by the NDP party and not the taxpayer of Saskatchewan.

Some Hon. Members: Hear, hear!

Mr. Swenson: — Mr. Speaker, it was only a few short months ago in this very Assembly that I heard the members of the then opposition saying: axe the tax. And I heard them all around our province saying to taxpayers in this province: axe the tax. They said that \$180 million that was the free choice of taxpayers to pay is better than the

500 million that we say the taxpayers are paying today.

Mr. Speaker, governing is making choices. Governing is simply not political rhetoric. It is making choices that are fair. It is making choices that are honest. And the choices that I have seen made for the people of Saskatchewan today in this budget are neither fair nor honest. Because if they were, then the members of that government would have lived up to their word to Saskatchewan voters last October. They were quoted, member after member after member, as saying: 4.5 is enough. There would be no new taxes for at least four years under a New Democratic government. There would never be the things that we have seen in this budget today.

Mr. Speaker, I believe if this budget as presented by that political party had been presented last October, they wouldn't be government today.

Some Hon. Members: Hear, hear!

Mr. Swenson: — Mr. Speaker, we've seen a document that bloats the deficit unnecessarily. And I don't say that, Mr. Speaker, I don't say that, Mr. Speaker, from a partisan point of view.

Mr. Speaker, the numbers as presented by the Finance minister today only confirm what the hand-picked economists for organized labour said in their submission to cabinet a short while ago.

They said, Mr. Finance Minister, you are taking charges that don't need to accrue to this budget year and moving them up to inflate your deficit by a half a billion dollars.

And by doing that, Mr. Finance Minister, you are putting a jeopardy to jobs of hundreds of Saskatchewan people. You are being fiscally irresponsible because of the increased debt charges that will occur quicker than they need to.

And I submit to you, Mr. Speaker, the only reason that that was done in this document was so that that Finance minister and that government could try and cover their political tracks with the people of this province who they promised a short six months ago never to do any of the things that they have done today.

Now, Mr. Speaker, I think every taxpayer in this province agrees that deficit reduction is fundamental for the well-being of our province in the future. And everybody says it must be done in a fair and equitable manner.

I appreciate the Minister of Finance saying today in this Chamber that small business, the engine of growth in our society, needs help. And we'll be watching with interest the numbers that were laid out today to see exactly how much help there is in the reduction of 10 per cent to 9.

I'm glad to hear him say today that he is going to adopt some different auditing and accounting principles that have been recommended by the national chartered accountants' association of Canada. I think all taxpayers look forward to those PSAAC (Public Sector Accounting and Auditing Committee) guidelines.

But I really wonder, Mr. Speaker, given the numbers that we've seen today, how small business is going to cope with things like the high increases in personal income tax; how they are going to cope with the high increases in all of the utilities and services that they use in their everyday business lives — how they are going to cope. How they are going to cope with the necessary increases from our municipal level, because the provincial government has abrogated its responsibility today and has off-loaded as much as any other system of government that we've seen in this province.

And, Mr. Speaker, I hope, as far as small business is concerned, that The Freedom of Information Act brought in by the former government last year is applied properly by this government of the day. That members of the media, that members of the taxpayers' association, that any person in this province who applies to this government for information will not have to go through the appeal process time and time again to get that information.

Mr. Speaker, the Minister of Finance today made great light of some numbers. And I say to you today and to members of this Assembly and to the public gathered here and watching on television, that the leader, our Premier of Saskatchewan, knew last fall, knew last summer, has known for a long time certain premises about the finances of this provinces that he has tried to cover up today.

That number that the Minister of Finance talks about today — that 265 that he made such light of — was a harmonized 265. And the minute that you pull 180 million out, you must add that on to the deficit. And the Minister of Finance well knows that the difference in the sign-up program for the '91 GRIP contract increased the cost to the province of Saskatchewan by \$58 million.

You take 265 and 180 and 58 and you're at 503 already, Mr. Speaker, 503 already. That Minister of Finance has said in this Chamber before that there were other costs. I think he identified 121 million, as he called them, incidental costs to government. You keep adding them on, Mr. Speaker, and you come up with numbers that aren't that far different than what this Assembly was presented last year at budget time.

(1530)

And, Mr. Speaker, that budget was predicated on certain things that the hidebound ideology of this government will not allow it to happen. It will not allow things like AECL (Atomic Energy of Canada Ltd.) to occur in this province, which could employ thousands of our citizens.

It means that share offerings in government enterprise will not occur even though many people in the private sector have told publicly and privately to our Premier that that may be the best way to go.

Mr. Speaker, if you are hidebound by ideology, if you cancel a very fair tax because you have a strong desire to get elected and you bloat your deficit by half a billion dollars, then you have the budget that was presented to this Assembly today. And that is done on the backs of the taxpayers of this province. And, Mr. Speaker, people out

there, I think, will be questioning the choices that were made today, because as I said before, choices demand leadership. Choices don't necessarily need partisan rhetoric.

Mr. Speaker, the Minister of Finance neglected to tell the people today about the 500 pink slips that are being issued to people in the Government of Saskatchewan. They just dismissed that as irrelevant.

Well, Mr. Speaker, what I'm saying today, that the former government believed that there were efficiencies that needed to be achieved in government services and that there are down-sizing and amalgamations and many things that we can do as legislators and as taxpayers that make sense in this province. But, Mr. Speaker, when 500 people are getting pink slips because these people are trying to cover their political tracks and the promises they made to this province last year, then that is inherently unfair to those people.

Some Hon. Members: Hear, hear!

Mr. Swenson: — And I say to the Premier today, the promise that your Justice minister made to this House yesterday will be watched very carefully because he said that not one of those people who are getting a pink slip today from your Finance minister will have their job back-filled by an NDP partisan. And, sir, we will watch very carefully to make sure that doesn't happen, because, sir, unfortunately your track record so far in that regard is not good — is not good.

It was interesting to note today, Mr. Speaker, that the Minister of Finance talked about his down-sizing efforts — how they had amalgamated agencies and therefore helped out the Government of Saskatchewan. And yet in the Premier's own throne speech of a week ago, he brags about appointing 580 people to government agencies, boards, and commissions in the province of Saskatchewan; 580 in six short months. And my guess would be, Mr. Speaker, my guess would be that most of them would be friends of the Premier.

Mr. Premier, Donald Gass said that this Premier knew the state of the finances in this province. Organized labour's independent analysis says that this Premier knew. Mr. Speaker, the farmers of Saskatchewan, as they fill up with purple gas, will know that this Premier not only knew but has broken every promise made a short six months ago in that election campaign.

Mr. Speaker, I have much more to say on the budget presented to us today so I will ask for leave to adjourn till another day.

Some Hon. Members: Hear, hear!

Debate adjourned.

Resumption of Budget Debate

Hon. Mr. Tchorzewski: — Mr. Speaker, I would like to move a motion, seconded by my colleague, the Minister of Health:

That debate on the motion that this Assembly do now resolve itself into the Committee of Finance be resumed on Friday, May 8, 1992.

Motion agreed to.

The Assembly adjourned at 3:37 p.m.