

The Assembly met at 2 p.m.

Prayers

## ROUTINE PROCEEDINGS

### ORAL QUESTIONS

#### Economic Growth Projections

**Mr. Swenson:** — Thank you, Mr. Speaker. My question is to the Minister of Finance. Mr. Minister, last Friday you said that this budget of betrayal was going to create 2,000 jobs and that the economy was going to grow by 3.2 per cent. And you said this, sir, with a very straight face.

Now these are fairly specific numbers, Mr. Minister, and I'm going to assume for a moment that you didn't just pluck those out of the air. Mr. Minister, are you prepared to release these figures and the studies that went along with it that show that your numbers weren't picked from thin air?

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

**Hon. Mr. Tchorzewski:** — Mr. Speaker, in response to the member's question, let me just point this out, that the government had two choices. We either could have continued in the same direction as was here in Saskatchewan for the last 10 years; we could have ran a deficit of \$1.2 billion, as would have been the case under the former government's process that was in place.

We decided that was the wrong thing to do. Because with a deficit of \$1.2 billion, Mr. Speaker, there was no economy because the government and the province of Saskatchewan could not finance that kind of a deficit because of our accumulated debt and guaranteed debt of \$15 billion.

We chose to do the responsible thing, and that is do significant cost cutting on the program side — \$344 million. And unfortunately, Mr. Speaker, we have to raise some revenues. That's what this budget does. It sets us on the path to economic recovery because it's increasing the confidence of the investors and the business people and the future of Saskatchewan because deficits are nothing else than deferred taxes.

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

**Mr. Swenson:** — Thank you, Mr. Speaker. A question to the same minister. Mr. Minister, on Friday I asked you specifically to table the studies that back up your economic analysis. Sir, it only took you a matter of days upon election to get your officials to whip up a report for you showing a 7,000-person job loss because of harmonization.

Now I would expect, Mr. Minister, that those same officials must have done some type of report to back up the numbers that you presented in this House last Thursday. Mr. Minister, I ask you specifically to table the results of those studies in this House.

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

**Hon. Mr. Tchorzewski:** — Mr. Speaker, it is well-known, and the members opposite fully understand, that the biggest concern that those people who create jobs in Saskatchewan by and large — and that's the business community, the small-business community in particular; 70 per cent of the jobs in Saskatchewan created at that sector — was the growing and burgeoning deficit. They know that if we continue to follow that path, that there comes a day of reckoning. In fact, Mr. Speaker, one of the reasons why we presented the budget we did present today is because to some degree we are at a day of reckoning.

But rather than doing what the former government did, contrary to the advice of the member from Rosthern, and I can point out to him what he once said, rather than doing what the former government did, we had the courage and took the leadership necessary to address the problem and get this growing deficit under control so in fact there is a future in Saskatchewan.

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

**Mr. Swenson:** — Thank you, Mr. Speaker. Question to the same minister. Mr. Minister, I'm wondering if these numbers that you so glibly throw out in the House today aren't a direct result of businesses such as Crown Life and Farm Credit coming to Regina; items such as Millar Western, the Bi-Provincial upgrader, Saskferco. Mr. Minister, wouldn't you confirm today that those 2,000 jobs that you talk about are directly resulted from projects started by the former government and not the disastrous budget you brought down on Saskatchewan people on Thursday?

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

**Hon. Mr. Tchorzewski:** — I won't say that at all, Mr. Speaker. But I will say this, that there are some of those projects which are there and may be coming, and we hope they're coming. It looks positive. We welcome them. We don't follow the same kind of policy which unfortunately the members opposite followed in 1982 when they said anything that was started by the government before them was bad and we must destroy it.

That's why, Mr. Speaker, they destroyed the Potash Corporation of Saskatchewan because of that kind of ideology. That's why they did what they did with Cameco, losing \$161 million and selling shares at the wrong time.

We're prepared to welcome any projects that may have been initiated before the last provincial election and will do everything in our power to facilitate any new economic development and economic activity that we can into the future.

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

**Mr. Swenson:** — A question to the same minister, Mr. Speaker. Mr. Minister, I remind you that just a few short months ago you tabled in your own economic review, and I quote you, sir:

Saskatchewan's manufacturing sector is small but the construction of a second heavy oil upgrader, a fertilizer plant and a pulp mill will help support economic growth in 1991 as well as offer opportunities for more growth in (the) future when these new facilities come on stream or reach full capacity . . .

Mr. Minister, you're being caught in your own political spin here. You refuse to table anything in this legislature that backs up your own economic analysis in the budget. I say, sir, that you simply are pulling numbers out of the air. You have a budget of betrayal for Saskatchewan people. Mr. Minister, if you don't table those documents in this legislature, then you are caught at your own misinformation, sir.

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

**Hon. Mr. Tchorzewski:** — Mr. Speaker, if members opposite don't want to take my word for it, let me just give you the word of some pretty credible people in the business report of *The Globe and Mail* which talks about: "Province still trend-setter, this time in fighting debt." That's a comment on the budget which was introduced here last Thursday . . .

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

**Hon. Mr. Tchorzewski:** — And the article goes on to say:

Thus Saskatchewan, long Canada's trend-setter in everything from the co-operative movement to medicare becomes a bellwether of a different kind — as provincial governments get more and more hooked on debt, international financial markets become less and less willing to support their habit. Where Saskatchewan goes, others will follow.

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

**Hon. Mr. Tchorzewski:** — Mr. Speaker, for 10 long years the members opposite when they were the government refused to recognize that you can't continue to spend and spend and spend without it coming home to roost. We're going to change that, Mr. Speaker. The member from Rosthern used to say that but nobody listened to him, unfortunately.

We've changed the direction with this budget. We're leading towards a day in the near future when we can have a balanced budget so that any growth in the economy in Saskatchewan can benefit people rather than benefit the money lenders.

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

**Mr. Swenson:** — Thank you, Mr. Speaker. Question to the same minister. Mr. Minister, at a bare minimum your tax increases are going to cost the average Saskatchewan family over \$1,200 a year. You're going to pay more for income tax, more for sales tax, more for gasoline, more for property taxes, more for prescription drugs; more for the phone bill, the power bill, the gas bill, licensing your car. You're going to pay more to see an optometrist.

You're going to pay more to see a chiropractor.

Mr. Minister, today the average Saskatchewan family is facing over \$1,200 in costs. You won't table the study that showed that you have some economic development agenda in your budget to help pay for those costs. Aren't you . . . sir, what you're saying to Saskatchewan people in reality is, with a higher budget than last year, is that these taxes are for increased spending and not tackling the deficit?

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

**Hon. Mr. Tchorzewski:** — Mr. Speaker, the member opposite knows that the deficit has been reduced from what would have been \$1.2 billion to \$517 million.

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

**Hon. Mr. Tchorzewski:** — Or if the members want to do year to year, it's being reduced from \$960 million — is what would have been had the former government's budget been fully implemented — to \$517 million.

Now, Mr. Speaker, had the members opposite listened to their own advice, we wouldn't be here today. Sure this is difficult. We said right up front that this is difficult. But it's necessary because if it's not done now, not long from now, it will be much more difficult. And the reason it's difficult and the reason it has to be done is because of the kind of wasteful mismanagement that was in this province when those people were in the administration on this side of the House, Mr. Speaker.

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

**Mr. Swenson:** — Question to the same minister, Mr. Speaker. Mr. Minister, you had no plan six months ago; this budget has shown you have no plan except to tax Saskatchewan people into the ground.

If you had a plan, sir, if you had a plan that verified your numbers, if you had a plan that was going to create employment and jobs in this province, sir, if you had that plan you would table it in the legislature today.

Once again, Mr. Speaker, I ask the minister: will you table the economic analysis of your budget that confirms the numbers that you laid out to Saskatchewan people.

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

**Hon. Mr. Tchorzewski:** — Mr. Speaker, on May 7, on Thursday, on behalf of the government I tabled in this legislature the plan for Saskatchewan's recovery. That is right here in this budget speech . . .

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

**Hon. Mr. Tchorzewski:** — Now the members opposite may not like it. They may not like it because they still cannot forget the degree to which the public of Saskatchewan rejected their so-called plan which brought this province from prosperity and an accumulated debt of \$3.5 billion to an accumulated debt of \$15 billion, bringing this province to the precipice of

bankruptcy. We're not prepared to let that happen. That's not what we're elected to do. And I can tell the member opposite, we're not going to let that happen to Saskatchewan.

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

### **Cancellation of Saskatchewan Pension Plan**

**Mr. Boyd:** — Thank you, Mr. Speaker. My question is to the minister who recently was responsible for the Saskatchewan Pension Plan, the Minister of Community Services. Madam Minister, your government has said all along that they're going to be very open and consultative. Who did you consult with about this cancellation of the Saskatchewan Pension Plan?

**Hon. Mr. Tchorzewski:** — Mr. Speaker, when the government was faced with the crisis financially, which the former government left for this province, we had to make some choices — some very difficult choices. We had to look at programs which we could afford in order that those people at the lower end of the income scales could be protected and so that we could do certain things to try to provide some assistance to industry and business, such as the reduction of the E&H (education and health) tax on consumables and manufacturing, such as the reduction of the corporate income tax for small businesses. We had to look at all those choices, Mr. Speaker, to make sure that we were able to bring this deficit down.

Unfortunately one of the choices we had to make was to do away with the Saskatchewan Pension Plan which is costing \$12.8 million a year, and probably unknown to the member from Kindersley, would have in the next three years had an unfunded liability of \$80 million. The taxpayers of Saskatchewan, Mr. Speaker, cannot afford it, and therefore the program had to go at this time.

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

**Mr. Boyd:** — Well I guess it is obvious, Mr. Speaker, that the Minister of Community Services is no longer the minister responsible for Saskatchewan Pension Plan.

Mr. Speaker, they talk about open and consultative. Well I think if they would have been open and consultative, they would have found that women's groups, farm families, small-business people all favour the pension plan. In fact, I would remind the Minister of Finance that he himself voted in favour of the introduction of the Saskatchewan Pension Plan.

In the absence of any consultation, did you at least commission a study or analysis of the effects of this heavy-handed move of cutting the Saskatchewan Pension Plan?

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

**Hon. Mr. Tchorzewski:** — Mr. Speaker, the government consulted very widely throughout the province with people. The government consulted with a wide cross-section of the public, including at public meetings. We consulted with various interest groups and various

community leaders in Saskatchewan.

And they made one thing very clear to us. They said to us: the former government brought this province to the verge of financial bankruptcy. You are elected to do something about it. Mr. Speaker, we are doing something about it. We were prepared to sit down and work out what we could afford and what we could not afford because of the waste and mismanagement that those people over there left us, and we made those decisions. And we had to make the decision on this one as we made it, as tough as it was.

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

**Mr. Boyd:** — Mr. Speaker, I don't believe they consulted with anyone, in spite of the fact that they say they did. Because if they did consult with people, they'd have found that people were in favour of the Saskatchewan Pension Plan. People who didn't have any access to a pension plan were covered with the Saskatchewan Pension Plan. Business people, farm families, single women — 80 per cent of the people involved in it were women.

Mr. Minister, did you at least consider salvaging the plan to give people the opportunity to continue with the plan?

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

**Hon. Mr. Tchorzewski:** — Mr. Speaker, we considered every option that was available to us both on the revenue side and on the expenditure side. We looked very carefully at making sure that the people who have invested in this plan were protected. And I have written to all of the individuals, making it very clear to them that their contribution, the government's matching contribution, and all of the accrued interest that is accumulated in the plan will be rebated to the individuals. So, Mr. Speaker, that, I can assure the House and I can assure the member opposite, is being looked after.

Further to that, we hope that the federal government will allow that that, the individual's choice as such, can be converted into an RRSP (registered retirement savings plan) so their pension benefits will continue. In fact they will probably be better off under that arrangement than under this plan, which the former members put together just before the last election to try to get themselves some political mileage.

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

**Mr. Boyd:** — Thank you, Mr. Speaker. Once again, the Minister of Finance talks about consultation. It also goes on in your letter that you sent out that you're hoping the federal government will allow people to contribute their plan into the RRSP. Did you consult with the federal government? Did you get an assurance from the federal government that they will indeed allow that RRSP contribution?

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

**Hon. Mr. Tchorzewski:** — In fact we have consulted with

the federal government. We have some discussions that are going on with them. The member may not know this, but in the past the federal government has always been willing to do this. I have no reason to believe that the federal government would not be willing to agree to this. These things take a little time. It will all be worked out in the new few weeks, I hope.

I hope that the member opposite will be helpful and that he will contact his friends in the federal government, maybe his minister from that part of the province, so that they will speedily approve this thing in order that this can be resolved as best as it can be.

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

**Mr. Boyd:** — Thank you, Mr. Speaker. Well it's certainly obvious to me that indeed the Minister of Finance has sharp political skill. But I'd ask the minister: do you also have sharp leadership skill? Will you today give up your pension, sir? And the Premier, will you give up your pension, sir? — an unfunded pension. That seems to be the only basis for your argument is unfunded pensions.

Well, sir, you sit there with a \$1 million pension of your own that's unfunded. I would ask you today, will you show some leadership in this province, sir, and cancel your program, your pension? Or will you bring back the pensions for the people of Saskatchewan that most need them, not you?

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

**Hon. Mr. Tchorzewski:** — I know the member from Kindersley is new to the House and will not remember the history of which government actually took some significant action on pensions. In 1978 it was this government that dealt with MLA (Member of the Legislative Assembly) pensions and dealt with public service pensions and introduced a money purchase plan which is fully funded and will continue to be fully funded in order that we don't continue to create the problem that has been created with the unfunded liability of the old pension plans. We've already taken some of those steps, Mr. Member.

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

### Effects of Budget on Agriculture

**Mr. Martens:** — Thank you, Mr. Speaker. A question to the Minister of Agriculture. We've heard quite a bit today about all this consultation when there has been no consultation. All this financial analysis — no financial analysis.

My question to you, based on your throne speech where you said you were going to be open, honest and accountable: can you show or demonstrate any analysis or consultation that this budget helps farmers?

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

**Hon. Mr. Wiens:** — Mr. Speaker, I find it absolutely ludicrous that the members opposite would talk about helping farmers when over the initiatives that they've

engaged in in the last four years alone they've added to the provincial cost of federal programs in excess of \$200 million, leaving the province in the devastation that we now find ourselves in, leaving us in the position where we have to make some tough choices, leaving us in a position where we have to look to our children and our children's children paying off the difficulties you've created because you didn't know how to manage an agriculture program or the Government of Saskatchewan for the 10 years you were in.

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

**Mr. Martens:** — Mr. Speaker, I have a news release from the Saskatchewan livestock feeding association; Mr. Brian Perkins had a news release. It didn't exactly put flowers around your throne speech or your budget speech. We have the livestock cash advances gone. The FeedGAP (feed grain adjustment program) is gone. Gas is being taxed for the farmers. The GRIP (gross revenue insurance program) has been gutted. You got power rates up, SaskTel rates up, insurance rates up. Natural gas is up. You've cut the natural gas program.

Where are you going . . . The question, Mr. Speaker, is this: where are you going to demonstrate any support for agriculture like you promised when you had a 20 per cent decrease in your agriculture budget?

**Hon. Mr. Wiens:** — Mr. Speaker, I would like to remind the members opposite that in the structuring this year's budget, which we had to do with a great deal of discretion and a great deal of priority setting, we maintained for agriculture 78 per cent of the budget for direct income support programs. We maintained the \$22 million that was in agricultural development, and we had as an additional objective the need to balance the budget of Saskatchewan. Because without a balanced budget in Saskatchewan, there will be no programs — not agriculture, not health, not education, not anything — a fact the members opposite clearly do not understand, the way they managed this province.

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

**Mr. Martens:** — Dale Eisler in his article said there's three things you need to do, Mr. Minister. One is you need to raise the taxes to get rid of the deficit. You have to be very specific at where you take your tax cuts but you also have to give some to the economy.

And, Mr. Minister, you took out of the Saskatchewan agriculture economy . . . the livestock feeding association, you don't even understand it. The FeedGAP, the volume of dollars in the pork industry that are needed, and the spin-off that it's going to have in Moose Jaw on the packing plant, in Saskatoon in the packing plant, in North Battleford in the packing plant.

Mr. Speaker, does the minister have any long-term, short-term, or any plan at all for agriculture?

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

**Hon. Mr. Wiens:** — Mr. Speaker, I don't know if the member opposite has any particular line of questioning

he wishes to pursue. He seems to be shotgunning all over the place.

But let's address the livestock issue for a moment. The fact is I know something about livestock; I've been in the business all my life. And I know that it's difficult to remove from that sector the support that ... in removing the FeedGAP program and removing the interest free cash advances. The difficulty with the budget that we have is that we cannot simply sustain the level of expenditure that's there and we therefore have to prioritize the remaining expenditures. We have sat down already with the livestock sector and talked to them; Mr. Brian Perkins's organization was represented there. And we will sit down again and see where we should prioritize the spending for the remaining funds we have.

The fact is that we simply have to accept that the province of Saskatchewan cannot afford to be directly subsidizing input costs in any industry in the shape you've left us — involved in a free trade agreement that discriminates against us, involved in a general agricultural sector where you've allowed the federal government to off-load onto the province. You simply have left us ...

**The Speaker:** — Order. Order. Order.

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

**Mr. Martens:** — Mr. Minister, Mr. Speaker, the minister indicated that we were using a "shotgun" approach. Well, Mr. Speaker, he just blew the agriculture out of the sky with his goose gun.

I want to point out to you, Mr. Minister, you went to Ottawa and all you gave back to the people of Saskatchewan was a bill. You went to Edmonton and all you did is bring back a bill to the taxpayers of the province of Saskatchewan. You went to the Minister of Finance and all you brought back for agriculture is a bill. No money, no money — only a bill.

The question is: don't you know that the circumstances you are providing to agriculture in Saskatchewan are destroying farm families right now while you're sitting there?

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

**Hon. Mr. Wiens:** — Mr. Speaker, let me remind the member opposite about bringing home bills. Until 1988 the province of Saskatchewan had no bills to pay for agricultural support. We are beginning now to pay back the province's share of the drought assistance from 1988 — \$15 million a year.

In the year 1990 we took on half of the federal government's share of crop insurance — 40 to \$60 million a year. Talk about bringing home a bill.

In 1991 we took on 140 to \$150 million on GRIP. Talk about bringing home a bill.

And in 1992 we again from last year seen the federal government off-load its share of start-up costs for the program. Talk about bringing home a bill from your

friends in Ottawa.

Join us in getting the priority where it ought to be and getting the federal government to meet its responsibilities to Saskatchewan agriculture to keep us going through the trade waters that are going on that are a federal responsibility.

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

**The Speaker:** — Order. Order. Order.

## ORDERS OF THE DAY

### QUESTIONS PUT BY MEMBERS

**Hon. Mr. Lingenfelter:** — Mr. Speaker, the answers put by members to items 14 and 15, I hereby table.

**The Speaker:** — Questions 14 and 15 tabled.

**Hon. Mr. Lingenfelter:** — Mr. Speaker, as it relates to questions put by members, items number 16, 17, 18 and 19, I would ask the questions be converted to motions for return (debatable).

**The Speaker:** — Questions 16 to 19 converted for motions for return.

## 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. Tchorzewski that the Assembly resolve itself into the Committee of Finance.

**Mr. Keeping:** — Thank you, Mr. Speaker. It's a pleasure for me to rise once more in my place and continue the debate on the budget speech. I would like to congratulate once more today, as I did Friday, the Minister of Finance on the budget that he brought in. As I said Friday, I think it contains the proper balance, the kind of balance that we need. On the one hand we need to balance the budget, as the people of the province have told us that we must bring in a balanced budget, work towards a balanced budget. On the other hand, we must be fair and have compassion. And I believe that this budget does that.

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

**Mr. Keeping:** — Mr. Speaker, I believe that the people in my constituency understand that the bills must be paid. We were talking about bills just earlier. And the bills are out there, the bills of the last few years — millions and millions, in fact billions of dollars — and the time to pay has come. And they are ready. The people in my constituency have told me that they're ready to do their part as long as we're fair and as long as we do it with compassion.

They're going to do their part. We're going to do our part, Mr. Speaker, to rebuild the province. And it's going to

take all of us.

The size of the mess we're in is almost beyond words. It's almost unfathomable to realize what has happened to our province in the few years that the previous government has been in. But as I said earlier on Friday, I believe that the people remember, and the people know and will remember who caused it and how we got to the situation we're in today.

Mr. Speaker, this budget speech is our plan. It's a new direction to rebuild Saskatchewan together.

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

**Mr. Keeping:** — And in it you can see that we haven't been afraid to tackle the challenges that are ahead of us — and indeed there are challenges ahead of us, but we're not afraid of them, Mr. Speaker. We're tackling them in the budget. We've started. We've started taking this province in a new direction, a direction where we pay our bills, a direction where we care for the poor, a direction where we care for one another in our community. And that's the direction we're going; that's the direction the people elected us for. And that's what we're going to do.

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

**Mr. Keeping:** — Mr. Speaker, I believe that the people in this province are up to the task. I know the people in my constituency are up to the task. We will show the rest of Canada and the rest of the world in fact that, once again, as we have in days gone by, Saskatchewan will lead the way. And we do have what it takes. We've shown that before and we'll do it again.

Mr. Speaker, there's just one more thing I would like to comment on before I take my place. I'm surprised at some of the comments by some of the members opposite — the comments that say we had our priorities right, the comments that say everything was in fact in order. Mr. Speaker, when you know the facts, and in light of the facts, it seems almost unbelievable to me that anyone would say these kind of things.

To take our province . . . It wasn't even the 10 years they had control of the province and to take it from a province that owed very little money and add to that \$10 billion — over a billion dollars a year of new debt, new money — added dollars, \$40,000 a year in fact, Mr. Speaker, to a family like mine, a family of four, this is the reason that people asked me to get into politics and see if we can't do something about it.

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

**Mr. Keeping:** — When we've had that kind of government in the past and the books have been open and show what the deficit is, don't try to tell me that everything's been in order. It has not.

Mr. Speaker, we all know of the bankruptcies, the food banks, the line-ups at the food banks, the increases, the poverty. It's real, and it happened gradually over the last few years — quite a few years, about nine and a half years. The people are leaving.

We know the scandalous ways of the last nine and a half years. And yet some of the comments I've heard from some of the members opposite say we had our priorities right.

Don't try to tell me that those are right priorities. Surely to gain any credibility at all in the sight of the people of the province they ought to admit that they made some mistakes, and they ought to admit what they are.

But no, they stay. They hold on steadfastly to the line that the people of the province just misunderstand them. We just don't understand. Well the people in my constituency understand and that's why there was a change of government in my constituency.

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

**Mr. Keeping:** — I say their record is a shame, Mr. Speaker. I say their record is a shame. And there are many examples that I could use for coming to that conclusion.

But I think the loudest example that I will use, the example that probably says it the clearest, Mr. Speaker, is the example of the way they paid some of their political appointees — hundreds of thousands of dollars a year, plus the benefits that they got, plus the packages they got when they left. And in the same town or the same city there was increasing line-ups at food banks.

Mr. Speaker, don't tell me that that's right priorities. I just don't understand that kind of an attitude, Mr. Speaker. But I want to tell you just in closing, I saw that attitude once before. I saw that kind of an attitude once before and I'd like to tell you where I saw it. It was a day I was driving in rural Saskatchewan and my truck's windshield had gotten covered all over. The windshield of my car had gotten covered all over with bugs.

**The Speaker:** — Order. I hate to interrupt but I have a very, very difficult time hearing the member from here. I know it's a long distance but there's lots of noises in between. So could I just ask, I think all of us should listen to the words of wisdom from the member from Nipawin.

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

**Mr. Keeping:** — Thank you, Mr. Speaker. I saw that attitude once before and I'll tell you where. I was driving in rural Saskatchewan and it was a hot day and my windshield got all covered with bugs and insects or the remains of bugs and bees and insects. And it was even getting hard to see, and I had to lean forward a little bit to be able to see the road. And I leaned ahead in my driving position and I saw this grasshopper body laying on my windshield wiper, with his little green face kind of turned towards mine. And the look on that face, Mr. Speaker, seemed to say to me, if I had the guts, I'd do it again.

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

**Mr. Keeping:** — No apology, no apology, no remorse — defiance, defiance right to the end. Just defiance. No admission of a poor plan that morning, no admission of any, you know, anything that they had done wrong. Just

defiance to the end. Well, Mr. Speaker, I think I've seen that look again, and I remember where I saw it before.

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

**Mr. Keeping:** — But, Mr. Speaker, all joking aside, we will turn this province around. We will return this province to the people that live in this province. And we will regain control of our great province and we'll wipe this mess from the window of our province — this stain on our past — with strong medicine, and this budget speech is part of that medicine. It's a hard choice, but we have shown and the Minister of Finance has shown that he's ready and prepared to do the hard choices that we must do to get rid of this stain on our past.

I believe we're headed in the right direction at last to rebuild our province together, and I will support the budget.

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

**Mr. Britton:** — Thank you, Mr. Speaker. Mr. Speaker, it's traditional, I suppose, to stand in my place and say that it's a pleasure to address the budget. Mr. Speaker, I can't say that today because it is not a pleasure. After hearing the budget, Mr. Speaker, I was surprised and I was saddened.

While maybe, Mr. Speaker, you might wonder why we were surprised. We shouldn't have been surprised after all the leaks. But, Mr. Speaker, how could we not be surprised when we see the pension plan turfed out. We see the FeedGAP program cut. We see cash advance for cattle cut, income tax up 10 per cent after the slogan, no more taxes. Freeze taxes for four years. Axe the tax. How can we not be surprised?

Mr. Speaker, on the weekend I talked to some very disillusioned people. Mr. Speaker, they feel betrayed. They feel cheated, and they feel that they have been made fools of. They believed, Mr. Speaker, that the NDP (New Democratic Party), when they went to the voters and said we will be a lot different, they believed them. No patronage, no tax increases, more for health, more for education, more for social services. Well, Mr. Speaker, I'll be touching on some of these things in my remarks, and I'm sure that my colleagues will touch on some others. I was told, Mr. Speaker, on the weekend, that this was a very moving budget. People will be now moving to Alberta, Manitoba, and other places because of this very moving budget.

Mr. Speaker, addressing the concerns and needs of Saskatchewan is why we are here and also why I am so disappointed with the NDP government and with this budget. Mr. Speaker, I guess the public should be used to betrayals by now, since they have been happening on almost a daily basis. But it doesn't make it any easier.

Mr. Speaker, this budget ignores the needs of the people and what is worse it ignores the responsibility of a government to take care of its people. They said that they were hitting those who can best afford it. I point out to you the pension plan. Farm wives, single parents, part-time workers, even those who on a part-time basis found themselves taking welfare for a short period of time, were

able to put in modest payments into the pension plan, Mr. Speaker.

Whether we are talking about agriculture crisis, the demise of a healthy education system, the underfunding of the medicare system, the lack of an economic plan, or poverty, Mr. Speaker, this budget does nothing to address any of those concerns.

The people need answers, Mr. Speaker. And all this budget gives them is abandonment. The people deserve to know what the NDP are going to do to create jobs, to promote diversification, to improve our hospitals and not destroy them. To do anything. But so far all we've heard is promises of reviews and committees and studies and not any real solutions to the problems.

Study after study, Mr. Speaker — I've counted eight, I think now — and then we hear of lay-off after lay-off like we've been hearing. And the news and this budget elimination of 500 public service positions — 500. And on the other hand, the Speech from the Throne actually bragged about hiring 600 more people.

Well, Mr. Speaker, these are the things that people want answers for. These are the things, along with the increases in everything from our phone and power bills each month to the breeding fees for ranchers. And we want them to take a long look, Mr. Speaker. The truth is as plain as it can be, Mr. Speaker. This government has turned their backs on the people of Saskatchewan.

(1445)

There is a difference between a political leader and a people leader, Mr. Speaker. And the problem that I find when I talk to people about the pension plan, they ask me why. And the only conclusion that I can come to talking with them is because it was Tory blue. Those people's thirst for Tory blood is still there. They still think they need more blood from the Tories. So it doesn't matter who they hurt. They kill a program that was well received by 60,000 people — 80 per cent were women.

Mr. Speaker, we heard the Minister of Health stand here and talk about the abused women. We supported her on that. We said yes, there has to be something done to stop abuse of women. Mr. Speaker, killing that plan is abuse to women.

Now how can you on one hand and one day stand and give a very good presentation by the Minister of Health, so good that we supported it because we agreed with her. The next day, Mr. Speaker, we kill the pension plan for housewives, farm housewives, young mothers, single parents, and those people who are on part-time work that can't access into a company pension. It's gone.

Mr. Speaker, the truth is as plain as it can be. The people have turned their back . . . the government has turned their back on the people of Saskatchewan. All of these increases, Mr. Speaker, in addition to many more, all of this on the heels of a campaign run by the NDP promising more and more for everyone: more services, increase to health care, education, more money to municipalities, bringing back the old dental plan, and more and more

and more, Mr. Speaker.

The NDP promised to give much more, but not to increase taxes. They promised much more, but we did not get, Mr. Speaker, much more; we got much less, much less for everyone. There isn't one person in the province of Saskatchewan that won't be hurt by this budget.

And what do we see in the budget? Well we see a 10 per cent increase in personal income tax, Mr. Speaker. I was talking to a business man on Sunday afternoon, a small-business person, who we all acknowledge that small business creates the biggest percentage of jobs.

He tells me that the 10 per cent increase — without talking about the power, the phone, and the heat and the lights and all that — it's going to cost him \$3,500 more to operate this year. And, Mr. Speaker, we're talking about people who are trying to survive now. They're on the ropes now. If they're going to have to shut down . . . This gentleman has about 14 employees — 14 families involved here.

Well, Mr. Speaker, I would like to ask you, sir, and the people across the way, where's the slogan, axe the tax; tax freeze; no tax increases for four years. Where are those things? People feel betrayed. They feel like they have been made fools of, and there is frustration to no end.

A 10 per cent increase from the same people who said Saskatchewan people were being taxed to death under the Tories, and that enough was enough. We heard that — enough is enough.

But they're saying now, enough is not enough. And I guess enough isn't enough because this government has also added an extra tax on fuel to the tune of 3 cents per litre, which is thirteen and a half cents a gallon.

This tax is going on to farmers who are barely hanging on. This is the people that we expected some help in the budget because of the things they had done before budget to the agricultural sector. That's why we are surprised and saddened, Mr. Speaker.

Not only do they not stop at these huge personal income tax hikes, Mr. Speaker, they go on and add an extra percentage to the sales tax which will bring in another \$64 million. Another 64 after saying they had enough money.

They said, when we wanted to harmonize, they said: you don't have to harmonize; we don't need that money. We don't need it. So now they put on a 1 per cent increase on the very tax that we were trying to harmonize. Which our figures, Mr. Speaker, showed that the net benefit to Saskatchewan by harmonizing was \$250 million. Net benefit to Saskatchewan. Another broken promise from the members opposite.

The new motto, the new motto for this government is enough is never enough. The election of deception and deceit. The election of deception and deceit.

Mr. Speaker, before the election the NDP said this: we'll

stick up for the farmers; we'll help the business men; we're going to eliminate poverty and we will make life easier for families.

Well, Mr. Speaker, let's see what happened to business in this budget. An increase in the general corporation income tax rate; an increase in the corporation capital tax surcharge rate on resource corporations; an increase in the corporation capital tax on financial institutions.

Now I have a little difficulty here trying to see how this helps those people in business. Maybe the members over there could help us a little with this help business.

Well I can't see it, Mr. Speaker. I ran a little business for a while and when I see this here, I'm kind of glad I'm not in business now. Going back to the future, we're now going to have purple diesel fuel. We're not going to have any tax rebates for the farmers; there's going to be a cap of \$900. That'll help — that'll help.

That is for the farmers. The provincial farmers, we all know the deplorable situation the NDP has placed them in because of the gutting of the GRIP program. And they can talk and argue, and they can fight and bellow over there, Mr. Speaker, but the program was ruined, trying to fix one thing; one thing that you and I and everybody else knew had to be fixed. That was the top end, so that the farmers could go out and do the job he knows how to do and not be penalized for it.

We knew that; everyone knew that. And to fix that, you ruined the program. What have we got? What have we got here? It's a strange thing coming from a socialist government. Here we have the only place that anybody benefits from that is the top end. Where the guy has the most bushels, has the best crop, he gets the best return. The person has the lowest return or he's wiped out completely, gets the lowest support. How can you sit there and propose a program like this and call yourself socialists? I don't understand that.

Mr. Speaker, the *Leader-Post* had in it on Saturday, May 2 . . . not many people missed it, Mr. Speaker, because it was a full-page ad. I'm not going to mention the people that put it in there. I'm not so sure you would allow it. But you know and everyone knows what I'm talking about.

The ad reminded the members opposite of a few of their promises. They reminded the people of Saskatchewan: here is what these people promised you. Beside the pictures of each of the members opposite, including the member from Riversdale and the member from Regina Hillsdale, these people printed in bold quotes from each member.

The member from Regina Elphinstone's quote was especially worth noting. And I quote from the *Leader-Post*, Saturday, May 2.

**An Hon. Member:** — That's from the toy minister.

**Mr. Britton:** — That was from the Fisher-Price minister, yes, the toy minister.

"We've indicated many, many sources where we



would see the government saving the kind of money that would make these massive tax increases unnecessary . . .”

That’s a quote from *Hansard*, Mr. Speaker. That was on June 12, 1991.

“We’ve indicated many, . . . sources where we would see the government saving the kind of money that would make these massive tax increases unnecessary . . .”

June 12, 1991. And how about the leader over there, the member from Riversdale, and again I quote:

“In this campaign we will talk of the need to . . . ease the tax burden”.

September 20, 1991, quoted from the *Leader-Post*, February 13, 1992.

Ease, ease the tax burden. Now, Mr. Speaker, either I don’t know what the word ease means, or the Leader of the Opposition . . . or the Premier doesn’t know. What a load of hooley, Mr. Speaker. What a load of hooley.

Again I ask. I ask again: what happened to the slogan, axe the tax? Axe the tax — no more taxes necessary. We don’t need . . . We have found other sources that make these massive tax increases unnecessary.

Well, Mr. Speaker, the members opposite said many times they would not increase taxes; they would be able to cut hundreds of millions of dollars from the government expenditures and in turn pass along savings — savings — to the taxpayers. Well, well. Some savings.

They must be using their socialistic calculator again, Mr. Speaker, because the accounting method that I generally use is . . . my understanding is, when you pass along savings and you receive something, that means you got something and you didn’t have to pay for it.

Now it’s pretty hard for me to accept that when we see what we’re paying for . . . what we’re getting here today, Mr. Speaker, in the budget. And come to think of it, Mr. Speaker, the public of Saskatchewan has received something. They received something from this NDP government. They received a slap in the face and a complete betrayal — a complete betrayal of the trust they put in those people opposite.

Many people listened to the NDP during the campaign, Mr. Speaker, and they followed empty promises all the way to the ballot boxes. They put their trust in those people opposite. At the time, the public didn’t know they were being lambs led to slaughter by this government.

Well they know it now, Mr. Speaker. But it took a few weeks. And never did it come home more — how will I will say? — in the budget. On the weekend, Mr. Speaker, I met a lot of disillusioned people who held their head down and were ashamed to think that they supported those people and were so badly betrayed.

Now the motive of the NDP government, Mr. Speaker, as

far as I am concerned, they wanted to form government. That was the total motive. They didn’t want to get elected to help the people of this province — to improve life in Saskatchewan and protect families in our economic future — they just wanted to sit on that side of the House.

Well, Mr. Speaker, I believe that’s it, and they are now sitting on the other side of the House. That has to be it. Because there is no other explanation for the decisions they have been making, the contracts they have been breaking, and the people that are being betrayed. No other answer that makes any sense, Mr. Speaker.

Let’s take rural Saskatchewan. I shouldn’t use that term, take rural Saskatchewan, because they’ve already been taken by the members opposite. They’ve been taken to the cleaners, Mr. Speaker.

So let’s use rural Saskatchewan, for instance. Rural Saskatchewan is in a true time of crisis, and immediate help is needed. Rural people expect help because over the last nine years they have received the help needed when times were tough. During those years, the PC (Progressive Conservative) government secured over \$13 billion for the farm families in our province, not just to help farmers make payments when the grain sales were short. The PCs instigated counselling and assistance programs for farmers to give them financial advice, drought assistance for crops and livestock, grants to help improve water supply on the farms. Water is very important on the farm, Mr. Speaker, not just for homes but for livestock and gardens and so on. How do you keep people on the farm if they don’t have the amenities of life the same as people in urban Saskatchewan have?

Mr. Speaker, they gave them help to control grasshoppers. They brought natural gas, and now that program is cut also, Mr. Speaker. They brought individual telephone lines to rural areas. Now they’ve raised the rates and much more, much more, Mr. Speaker.

(1500)

These programs that the PCs put in, along with many others, Mr. Speaker, have helped many farmers remain on their farms. The help was there, Mr. Speaker, when needed.

Now compare that to the last six months under an NDP government and see how rural Saskatchewan has fared — complete gutting of the GRIP program, cancellation of the natural gas program. Again I ask: how do you keep people on the farm without gas and lights and power and phones, and all those good things that people in urban Saskatchewan have?

They’re talking about the closure. They’re talking now about the closure of hundreds of rural schools. Cancellation of Fair Share. Mr. Speaker, that pension plan in Kindersley was a good example of what Fair Share could have done — \$600,000 payroll for that town of 4,900 people, a major impact on that small town, major. They cancelled it. They also eliminated the feed grain adjustment program.

Mr. Speaker, help was there under the previous

administration and not just for farmers, not just for rural Saskatchewan. Evidence of diversification that took place under the Progressive Conservative government is everywhere in our province.

Mr. Speaker, heavy oil upgraders — two of them — scattered from one corner of the province to the other; over 100 community bond corporations formed in communities all across Saskatchewan; Whitespruce youth treatment of Yorkton. Saskatchewan communities network gives everyone in our province access to education which was a high priority in our government, Mr. Speaker. Weyerhaeuser paper mill in Prince Albert — they went from 300 workers to over 1,200 workers. Those are well-paid jobs, Mr. Speaker. That was under the old government. Saskferco plant in Belle Plaine. Mr. Speaker, the list goes on.

Everyone in Saskatchewan expects results, expects the government to have a plan for the future. What the people do not expect, Mr. Speaker, is to be left hanging while the NDP government flip-flops with their future. They do not expect to be misled and betrayed. They didn't expect that. They have been left hanging, hanging to the left.

Mr. Speaker, I am sorry to say the public should have expected the unexpected. They should have; we should have too, but we didn't. The litany of broken promises by this government in six short months is unsurpassed, is unsurpassed in the province's history.

The budget will be another confirmation of further back-peddalling by this government. I believe right now, Mr. Speaker, they have broken or set a new record for back-peddalling in this province. Instead of building schools, the government will close them. Instead of improving health care, the NDP will slash it. Instead of creating jobs, this government is turning down economic opportunities and raising taxes. Where is the slogan: axe the tax, no more taxes, freeze taxes.

Mr. Speaker, this is just the beginning. This NDP government needs to answer some very important questions. How can you justify breaking the energy contracts and throwing away thousands of jobs and billions of dollars for this province?

Another ad in Saturday's paper was from the Synergy group in which they still want to press this government to wake up to its mistake. And I hope the NDP have the courage to reconsider their stance, Mr. Speaker.

I would say to those opposite that there is nothing wrong in admitting you are wrong. And I think in this case they were wrong. Ideology I think, Mr. Speaker, got ahead of common sense in that case. I hope they do change their mind for the future of this province and for the future of my grandchildren.

It doesn't make sense, Mr. Speaker, to turn an opportunity like that down. Simply ideology or political reasons.

And now, Mr. Speaker, how many other agreements are the government going to break? This is a very scary subject. We have been told there will be legislation put before this House and it will deem farmers to have

received a letter before March 15. Mr. Speaker, that's a very scary piece of legislation.

We're wondering on this side of the House, does that mean that when it comes time for the province to pay their share of the GRIP program, because the Minister of Agriculture says it's too much money, he will send out or pass legislation that deems the cheques to have been sent or he deems that part of the cheques have been sent? How many other agreements is the new government going to break, Mr. Speaker?

Many other questions have not been answered by this government as well, Mr. Speaker. How can you possibly be thinking of what is best for Saskatchewan and make a decision like that? How can you claim to place education as a priority and slash funding at the same time? How can you claim to care about the well-being of our medicare system and at the same time strip services to optometrists and the drug plan, double the minimum in the drug plan? How can you say that and face the public?

How is it that you can claim to care for farmers and home-makers and these people who are self-employed and at the same time cancel the very first pension plan allowing them to plan for their own future? Was it because it was a Tory plan? Everything that has a Tory tinge to it, they want to destroy. And I don't think that's right. I don't think that just because we done it, it should be destroyed. Good or bad, they had to destroy it.

Mr. Speaker, that tells us something about the thirst they have for the Tory blood over there. And how can the NDP claim to have the support of farmers when there are thousands protesting weekly to urge this government to honour the old GRIP? Farmers banded together to sue the government. How can they claim to be helping the farm sector, Mr. Speaker?

The NDP government does not believe in keeping its word. And what's worse, what's worse and bothers me, is they don't think they have to. They don't think they have to. They said, we are government; we don't have to keep our word.

Well, Mr. Speaker, I consider myself a hired man of the people of Wilkie. I went to the door and I asked for a job and they gave it to me. I became the hired man. So how can a government, any government, say, we don't have to listen to the people because we are government. Mr. Speaker, they're the hired man.

A good example of the NDP attitude is proven in the article I have with me today from the *Star-Phoenix* dated April 29, 1992. In it, Mr. Speaker, the Minister of Agriculture is talking about how he will handle the thousands of farmers that have been betrayed by GRIP '92, and I quote:

Agriculture Minister Berny Wiens has threatened to bring in retroactive legislation changing the contracts . . .

That's a quote. That's the way he's going to handle it. He didn't say: I will listen to them, I will discuss it with them, I will offer alternatives — no.

And if going to deem, a letter has been sent to all farmers by the March 15 deadline. Even though a letter has never been sent — not one letter, not to one farmer — that we can find. Does that mean they can also deem the cheques have been paid? Mr. Speaker, this is very heavy stuff.

And can you believe it? That's the next question. What can we believe? What can we believe coming from over there? What can we believe? I want the members over there to ask themselves the same question that I have to answer when I go back to meet my constituents — what can we believe? Well, Mr. Speaker, this government they not only don't think they should honour any contracts, they don't think they have to listen to a contract that's been signed; they just say they'll change them.

Now we have some people over there, Mr. Speaker, in the law profession. Mr. Speaker, we all hear the stories about the lawyers and all the rest of it, but one thing I believe, that lawyers are supposed to uphold the law. Here we have a government, Mr. Speaker, talking about bringing in legislation to make it legal to lie. Make it legal. Deemed to have sent a letter when there was never a letter ever even drafted, not one, not one. How are you people going to stand — and you farmers are going to stand — in your place when that legislation comes forward and you're going to vote yes, that it's legal to lie.

**The Speaker:** — Order. Order. I believe the member knows to use that term in the legislature is unparliamentary. Order. I believe the member knows that it's unparliamentary and I ask him to withdraw the words.

**Mr. Britton:** — Mr. Speaker, I thought . . . I withdraw, I withdraw, but I did believe I was on proper ground.

Mr. Speaker, we have . . . (inaudible interjection) . . . Well, Mr. Speaker, let me say it this way. Let me say it this way. The government not only doesn't think they should have to honour any contracts signed, Mr. Speaker, they say they'll just change them. They'll just change them, signed or not.

You know, Mr. Speaker . . . Mr. Speaker, we've heard the joke about how to double the farmer's income. Well you give him two mail boxes. Well, Mr. Speaker, that's changed. Under this budget this has changed, Mr. Speaker. Now farmers can slash their income in half just by opening the mail from the NDP government. They can slash their income by half.

And, Mr. Speaker, while the government are breaking agreements and contracts with families, farmers, and business men, they are writing them for their friends. They are writing them for their friends.

Well, Mr. Speaker, in fact I would like the NDP to table a few of the contracts they've made with their friends today. Do that today. Let the members of this Assembly and the people of the province know exactly how much Mr. Messer and the member from Riversdale's law partner, Mr. Ching, are making. We know how he . . . we know how much it is.

Okay. Mr. Speaker, let's forget, let's forget about the

verbal agreement. And as one person told me in fun, Mr. Speaker, a verbal agreement is not worth the paper it's written on.

Mr. Speaker, some of the people that I've talked to want to see that in black and white. The question arises, when you have a verbal agreement, the person that makes out the cheques to their own people — how do they do that? How do they do that? How do they know what they get every two weeks or every month or whatever? A verbal agreement. How do they do that? Very interesting. Very interesting.

Now I would like the NDP to take a . . . It's a good line. Open and honest. Open and honest. After all, isn't that what was promised to the public? So how do you get your pay cheque when there's just a verbal agreement? Who knows how to write those cheques? There may be a . . . (inaudible interjection) . . . Yes, how do you do that? I guess open and honest. Well, Mr. Speaker, the NDP are not taking care of the people and they're not being open and honest.

Mr. Speaker, how about the many agreements signed and sealed already? The NDP are forcing people to wait, to put the projects on hold until the government feels like coming up with an answer.

Well, Mr. Speaker, the people don't have time. The province don't have time. Farmers need cash, and the GRIP '91 program needs to be implemented before seeding. I heard the Agriculture minister say that it was bankable, the new GRIP. Well the credit union don't see it that way, Mr. Speaker. They don't see it that way . . . (inaudible interjection) . . . Yes, we have. Credit Union Central sent out a message and I've seen that message, Mr. Speaker.

(1515)

Seniors whose income is being supplemented cannot afford to have the seniors' heritage fund reduced, Mr. Speaker. Taxpayers cannot keep digging deeper into their pockets, and lower income people in this province soon will not be able to pay their power and their phone bills.

And what has the NDP done about it, Mr. Speaker? No answers to their questions, no solutions to their problems, only broken agreements. Along with many others, these problems need to be addressed, Mr. Speaker. And if the NDP were sincere in promising honest and open government, we would all have heard the answers by now.

And in the meantime, while all the NDP reviews and meetings and studies are being undertaken, I say to the members opposite, don't break the agreements that are signed. Don't delete programs that were successful and helpful just because they were not an NDP idea. Look at them based on their merit, Mr. Speaker, especially when the NDP do not have a strategy and they don't have alternatives.

I go back to the pension plan which we're hearing a lot about. Why would they not negotiate a different deal? They didn't have to cut it. They could have made a deal.

People would have understood. But no, because it was a Tory thing that was working good, they cut it. What are you going to do? What are we going to do here to replace the Saskatchewan pension? What are you going to replace that with? For farm women and single mothers, part-time workers, I don't know. It's hard to understand.

Mr. Speaker, earlier in my speech I mentioned some accomplishments that came about under the previous government. These accomplishments happened because we were a party with a vision and a party with a plan. Mr. Speaker, this side of the House still offers a plan, a plan to continue to make Saskatchewan grow and diversify, alternatives to the NDP government's disregard of our rural crisis, and sound alternatives that bring about real results.

The members on this side of the House, Mr. Speaker, will not just sit back and complain. We have some answers and we have some alternatives. Mr. Speaker, we have a plan. We have offered to discuss our plan with the NDP government through means like debating the farm crisis. But, Mr. Speaker, the NDP were not open to ideas. They were not open to solutions.

As I said earlier, Mr. Speaker, the people of this province expected a lot. They expect a plan for tomorrow, not rhetoric and fluff and promises of more reviews and more committees. And they deserve to know. They deserve to know what the plan is. The members beside me today have alternatives to reviews and commissions and endless studies. By the time the NDP are done studying and reviewing, they will no longer be in government. There will no longer be many people in the province to study, Mr. Speaker. As I said in my opening remarks, this budget is a moving budget, and many people will be moving.

Mr. Speaker, I am proud to represent the party that has worked to develop a plan, not a smoke and mirror show just for the sake of politics. And, Mr. Speaker, I refuse to support a budget that betrays the trust of the people of Saskatchewan, betrays the trust that the people in my constituency voted in favour of. Some of them who supported me in other elections supported this government last time because they trusted them, and that trust has been betrayed.

Mr. Speaker, I will not be voting in favour of the budget, and I thank you for the time.

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

**Hon. Mr. Shillington:** — Mr. Speaker, notwithstanding the fact that this is the budget speech in what is really the second session of this legislature, this is the first time I've had an opportunity to speak, and so the first time I've had an opportunity to congratulate you on your election as a Speaker. I'm pleased with both the process, which I think adds an extra measure of credibility to whoever holds the office, and I think I can also say, Mr. Speaker, pleased with the selection in this given case. I think both . . .

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

**Hon. Mr. Shillington:** — I also want to begin by bringing

greetings to this Assembly from my constituency of Regina Churchill Downs. It is nowhere near the constituency of Regina Centre that I represented for some 15 years in the Saskatchewan legislature. It is really in a different part of the city.

I enjoyed getting around meeting them before the election, and formed what was at that time a rather pleasant relationship with them. Notwithstanding the affairs of the last five months, I expect that would continue, although I must say I've not had quite as much time to get around and talk to them in the last six weeks as I would have wished that I had.

I also want to congratulate the Minister of Finance for what was an honest and courageous budget, something this province has not seen in 10 years, Mr. Speaker.

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

**Hon. Mr. Shillington:** — Budgets under the former administration, Mr. Speaker, began steeped in naivety, and in time moved from naivety to cynicism, and from cynicism to budgets that were downright fraudulent. There's no other word for the last budget that was provided, and I think no other word to properly describe the comments of the former minister of Finance on the eve of the election when he said he thought he would be right about on target. No other informed group in the province believed that. Nevertheless he continued to maintain it.

I noted, Mr. Speaker, the comments of the Leader of the Opposition following this budget. I noted his comments that we had rescinded the harmonization of the PST (provincial sales tax) and then gone and imposed taxes which in his words were even greater.

All I can say, Mr. Speaker, is that once again we see that the Leader of the Opposition can't count. He can't count in opposition any better than he could when he was in government.

I want to point out to members opposite that the combined total revenue in the income tax surcharge and the sales tax total is \$125 million. The revenue intake from the PST and the harmonization was in the neighbourhood of \$400 million. There is no comparison in the impact of the two — no comparison whatsoever.

In addition, Mr. Speaker, by maintaining our own taxes, we maintain taxes which we can tailor to meet uniquely Saskatchewan needs. One of the very serious shortcomings of the federal GST (goods and services tax) and the whole process of harmonization is the provinces lose complete control over a very important area of their taxation — absolute, complete control.

And I think it's fair to say, Mr. Speaker, that until the federal government resolves that . . . and I think that's going to take an election and a change in government, because as much as we're going to try to persuade the current administration in Ottawa to change that, to provide more flexibility to the provinces, I think the current administration in Ottawa is simply too set in its ways to recognize the need. And I rather suspect, Mr.

Speaker, that no other province but Quebec is going to join in harmonization until some changes are made.

Quebec's experience might be an example of what other provinces might want to avoid, Mr. Speaker. Quebec wanted to ensure that its publishing industry was protected. One can understand that — a small linguistic group who have no other source of the written word except their own publishing industry. While if its true books are published in French in Europe, in many ways they are not very meaningful to the Québécois. The federal government, however, refused to make any provision for that important segment. Having seen that, other provinces have avoided harmonization, and I think will continue to do so.

Mr. Speaker, we have travelled a long way since the current Minister of Finance delivered his last budget in the spring of 1982. We have travelled a long way indeed. Our accumulated deficit on the operating side is now nearly \$9 billion. That's gone from virtually nothing to \$9 billion.

In addition, Mr. Speaker, we have accumulated a \$5 billion debt to the Crown corporations. Another billion dollars, virtually, in guaranteed loans puts our total debt for this province at \$15 billion — a staggering sum for a province with a population of under a million people, almost all of that accumulated during the years the members opposite were in office.

I want to concentrate most of my comments, Mr. Speaker, on the area of the Crown corporations. Mr. Speaker, when the Progressive Conservatives took office in 1982, Crown corporations were well financed; a relatively modest debt except for SPC (Saskatchewan Power Corporation) which had a significant amount of debt, none of it accumulated I might say, after 1971 — almost all of that accumulated earlier than that to pay for some large power projects. But SPC did have some debt, virtually very little other debt but that in the Crown corporations.

Now we have a situation where taken as a whole, as a group, the Crown corporations meet every definition of bankruptcy within the federal Bankruptcy Act. Their debts exceed the value of their assets. They're unable to pay the interest on their debts.

How on earth did this happen? Well it happened in a number of ways. Firstly, during the 10 years through mismanagement, political interference, and because of some economic development projects which can only be described as bizarre in nature, the Crown corporations lost money.

Even during periods of time when the Crown corporations lost money, Mr. Deputy Speaker, that government opposite continued to take dividends, took dividends from the Crown corporations in the amount of hundreds of millions of dollars even when the Crown corporations lost money. Mr. Speaker, there were years when the Crown corporations had to borrow money to pay the dividends.

Secondly, Mr. Speaker, the Crown corporations engaged

in a series of money losing ventures, some of the most bizarre investment decisions in the annals of Canadian history — GigaText, Joytec, Supercart. It seemed, Mr. Speaker, that every hare-brained idea which passed in front of members opposite was fair game for a very sizeable grab.

There were other bizarre decisions, Mr. Deputy Speaker. Not only did they sell the coal-mines at Coronach, they never completed that project. It was built for four units. Only two were completed in 1982. The other two could have been completed at a relatively modest cost. Was that done? No. Why? Because at the time it was represented by an NDP MLA, Allen Engel.

(1530)

What did these people do whose only thought was their own political benefit? They started another project in the premier's riding, the Rafferty-Alameda project. An enormously expensive project, it is as expensive as it is trouble.

Mr. Speaker, there are any number of questions which we simply can't answer. We know what it cost, but we do not know how much we're going to lose. We do not know whether the project can ever be made to work properly. What we do know is there was a capacity to produce power on a known system at a low cost to Coronach which was overlooked solely because the project was in one of the eight NDP ridings after 1982.

The story, Mr. Speaker, goes on and on. Crown Management Board, the holding company for the Crown corporations, lost \$600 million in 1991 — \$600 million. That includes \$166 million loss on Cameco shares completed just a couple of weeks before the election.

Cameco you'll recall, Mr. Deputy Speaker, was formed in 1988 by a marriage of the SMDC — the Saskatchewan Mining Development Corporation, a corporation which had consistently made a profit — that Saskatchewan Crown corporation was married to a federal Crown corporation, Eldorado Nuclear, which had consistently lost money. The two together made an unattractive package, and they were sold at a time when the market was weak, against the advice of advisors, and rather than reaping a gain from the sale of these shares, we actually took a \$166 million loss on the shares.

It includes \$64 million loss on the Bi-Provincial upgrader. I want to say with respect to this project, Mr. Speaker, the profit potential was always marginal. The project was built, not with a view to producing profits for the partners, but with a view to producing jobs.

The original cost, 1.2 billion, has been bumped up twice. Now it's over \$1.6 billion. To put it mildly, Mr. Deputy Speaker, these cost overruns have not enhanced the possibility of making a profit from the Bi-Provincial upgrader.

This \$600 million loss includes \$50 million given as a grant, not as a loan, but given as a grant to the Meadow Lake pulp mill. It includes a loss on deferred payments from the sale of the Prince Albert pulp mill to

Weyerhaeuser.

You recall, Mr. Speaker, the Prince Albert pulp mill was sold to Weyerhaeuser in 1968. In return, CIC (Crown Investments Corporation of Saskatchewan) received a promissory note for \$236 million; Weyerhaeuser was only required to make a payment in years of very high profit. Weyerhaeuser's profits have never been high enough to make a payment.

And what is more alarming, Mr. Speaker, is that there is no means by which the province can really satisfy itself that the profits of Weyerhaeuser Saskatchewan are not being kept artificially low by the juggling of expenses. We have no way of knowing that. And so far as I'm aware, it isn't specifically prohibited in the contract which Weyerhaeuser entered into.

Another example is the NewGrade oil upgrader in Regina. The deal was that Federated Co-operatives build a Regina refinery worth \$700 million and contributed that . . . the provincial government contributed \$700 million — the provincial governments, I might say, together with the federal government contributed \$700 million — \$140 million in cash, \$500 million in loans. Profits, if any, went to Federated Co-operatives; losses were all absorbed by the provincial government. And the list goes on and on and on.

In addition to these 1991 losses, Mr. Speaker, the Crown Management Board has identified \$875 million in what accountants call "non-recoverable debts." They define that as a debt for which there is no asset which can repay it. In the ordinary language of the people who live in your riding and mine, Mr. Deputy Speaker, it's a bad debt, a debt you can't possibly collect — \$875 million.

The Crown Management Board is paying \$361 million loss from the 1989 privatization of Potash Corporation of Saskatchewan — \$361 million loss. Mr. Speaker, this is one of the most unusual tales in Canadian political history. This was one of the finest mines in the world and the best potash mine in the world. This was a premier mine — rich reserves, the lowest . . . some of the lowest-cost reserves in the world. I won't say the lowest-cost reserves, but virtually the lowest-cost reserves in the world, by far and away the largest supply of reserves in the world. This mine was sold for a \$361 million loss.

What happened? Well PCS (Potash Corporation of Saskatchewan Inc.) was created out . . . in the mid-1970s out of an Act of the government which began as a project to nationalize the mines. In fact, they were never nationalized; they were purchased at a fair market price. So profitable were they, Mr. Speaker, that the cost of acquiring the mines had been repaid out of profits by 1982. These mines were very profitable.

What happened thereafter? While the PCS was forced to stay in the marketing agency, Canpotex, market share dropped very dramatically. PCS lost hundreds of millions of dollars at a time, I want to say, when other potash producers were making a reasonable profit. And then to add insult to injury, Mr. Deputy Speaker, it was sold at less than its value. Why? Because the theory of

privatization as developed by the Thatcher government in England was: you sell assets for less than their market value; as soon as they're sold, they'll rise on the stock market and the people who buy them will think, aha, this capitalism system works rather well.

It does work rather well over a short period of time for the people who buy the shares. But the taxpayer, Mr. Speaker, takes a real hosing, as they did on the potash shares. What has happened, Mr. Speaker, is that we, the taxpayers picking up the cost of this, picking up the cost of \$361 million.

Mr. Speaker, if it weren't for this privatization alone, the gas tax, the tax on the gas could be a few cents lower — this alone. When the public want to know what does privatization cost them, we could tell them it cost an equivalent of a few cents on the gas tax. Because now the bills have come home, we have begun . . . we are forced to begin repaying this, Mr. Speaker. The result has been some of the difficult news contained in Thursday's budget.

But there are many more examples, Mr. Speaker. The Crown Management Board is repaying \$118 million in losses from SEDCO (Saskatchewan Economic Development Corporation). Sask Forest Products has a bad debt of \$24 million. Saskatchewan Diversification Corporation — this one just got started — Saskatchewan Diversification Corporation owes \$14 million in bad debts.

Mr. Speaker, interest on the \$875 million in bad debts is going to be \$93 million this year, \$131 million next year, and that is interest which the taxpayer has to pay.

To put that in its context, were it not for the \$875 million, Mr. Speaker, we could reduce sales tax by a couple of pennies; reduce the gas tax by as much as 6 cents. That's what \$131 million means to the taxpayers of Saskatchewan. This year it means significantly higher taxes. Because this year, Mr. Speaker, we are unable to postpone dealing with these problems.

I want to spend a moment, Mr. Speaker, talking about the Saskatchewan Property Management Corporation. This was a creation by the Devine government in which they converted what was then called the Department of Government Services into a Crown corporation.

The theory was reasonably sound. The theory, Mr. Speaker, was that by converting it into a Crown corporation and sending the departments bills for everything they got, it would improve accountability, so the theory went. Thus if a department decided that they wanted their public servants to have another 10 per cent more office space, it would assist accountability if they got a bill for it and had to take that out of other expenditures.

The theory behind it was not particularly unsound. As was the case so often with the members opposite, the actual practice bordered . . . varied between being incompetent and being corrupt. The conduct of that corporation was truly scandalous.

And this is not, Mr. Speaker, to take anything away from all of the public servants who work there. The vast majority of them are conscientious. The vast majority of them went into the public service not because it was a road to riches but because they genuinely wanted to serve the public in a meaningful way. But the management, Mr. Speaker, of this Crown corporation has torn the heart and soul out of the vast majority of those public servants.

Mr. Speaker, the costs of the Saskatchewan Property Management Corporation just exploded upward. This doesn't appear readily in the blue book, but I recall in opposition, when this corporation was created in 1986, I recall extracting from the blue book figures, the cost of SPMC was \$87 million SPMC spent in its first year of operation in 1986. In 1991, Mr. Speaker, it spent \$171 million. In five years the cost of running this corporation had gone from \$87 million to \$171 million. And I might add, Mr. Speaker, there were fewer public servants to service after that period of time.

There were two main abuses, Mr. Speaker, which went on. The first was using this Crown corporation to pay political expenses. And I want to provide some examples, some of which were provided in the special report of the auditor. Nine people from the premier's office were paid over \$600 million in salaries through SPMC — provided no service to SPMC. These were political staff whom the premier did not want to account for.

Seventy-nine thousand dollars in hidden payments by SPMC to one Dave Black to co-ordinate Grant Devine's tours. Why not pay for it out of Executive Council? Because they wanted to hide it. And there was very, very little information available about SPMC during the years that the Conservatives were in office.

Another \$55,000 for photo services for Grant Devine paid for by SPMC. One would have thought that would have been a proper expenditure of Executive Council; \$437,000 paid for by SPMC to cover the costs of Fair Share Saskatchewan — in fact to hide the true cost of Fair Share Saskatchewan. The list of hidden costs, Mr. Speaker, goes on and on.

(1545)

The second abuse at SPMC was its role as a purchasing agent for Tory suppliers. SPMC was fond of single sourcing. That is they worded their requirements such that only the right person could get the contract. SPMC frequently just ignored even the pretence of tendering for supplies. Millions of dollars went in untendered contracts, and this province did some of the most expensive purchasing of any government in Canada.

SPMC also leased space for government departments — did it without any kind of tendering, and more important, Mr. Deputy Speaker, did it without any regard for need.

In 1988, Mr. Speaker, over 8,000 square feet of leased space was vacant at a cost of a million and a half dollars, and some of that was some of the most expensive office space in Saskatchewan. Some of the vacant office space was in the Ramada Hotel, whose chief attraction must have been the opportunity for senior management to use

the water slide during office hours. I cannot imagine any other reason why one would rent a hotel for public servants.

Before closing, Mr. Speaker, I want to make a comment about the Public Service Commission. Under the Devine government the Public Service Commission had been completely discredited. No one including . . .

**The Deputy Speaker:** — Order. The member should not refer to the names of other members in the House, and should refer to them by their constituency.

**Hon. Mr. Shillington:** — I apologize, Mr. Speaker. Mr. Speaker, under the Progressive Conservative administration the Public Service Commission became completely discredited. No one, not the public, not the public servants, not the opposition, nor the government members believed this was an independent agency whose function was to enforce a merit principle in hiring.

The idea of an independent commission hiring qualified people, promoting on the basis of merit, simply was not part of the former government's approach to government. Hiring, whether it was for summer jobs, for senior management, or for relatively minor jobs within the public service, it was all done on the basis of patronage. The most important qualification, Mr. Speaker, was whether or not you had a Conservative membership.

I'm fond of telling the story of my law partner who was a good trial lawyer and had absolutely no interest in working for this government or any other. He once thought he had some advice for one of the Conservative ministers who's mercifully no longer in the House. Thought he had some advice for him.

So he called him up, called the minister's office. The receptionist said, what is your name? He said, Mr. Tom Dore. She said, who do you work with? And that gave him some cause for pausing. He was afraid that if he said he worked with . . . I'm not so sure I'm even allowed to say my own name. If he said he worked with Shillington Dore, he thought he might have a bit of a problem. So the best he could do on the spur of the moment was to say, well I'm kind of between things.

The minister's receptionist then said, well do you have a Conservative membership? No, he said, I don't. She said, well call me back when you do and we'll fix you up. Goodbye.

And that was the end of the conversation. The conversation lasted a couple of minutes. That was the . . . Mr. Speaker, if that was the comment made by a minister's receptionist over the phone, one can imagine the attitude at the Public Service Commission itself.

Those things have changed, Mr. Speaker. As minister responsible, we're going to restore a public service which is independent, which is professional, and which is free from political interference.

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

**Hon. Mr. Shillington:** — Mr. Speaker, I've discussed

three areas — the Crown corporations, the Saskatchewan Property Management Corporation, and the Public Service Commission. In each case, Mr. Speaker, the legitimate role of the government agency was undermined. And it's been the same throughout the length and breadth of this government — this consistent undermining of the role of government which came because the Conservative Party puts its interests ahead of those of the public of Saskatchewan.

First of all, Mr. Speaker, members opposite believe that government agencies were inherently inferior to the private sector. And just in case there was any doubt in anyone's mind, they hired people to manage them who left no doubt about it.

Secondly, the members opposite tended to transfer from free enterprise the notion that whatever an individual can do to improve his own lot is fair game. I think it was Mr. Dextall the junk bond dealer who coined the phrase, greed is good. That may or may not make sense in the private sector. I think many of those junk bond dealers who are now in legal difficulty would say that the idea wasn't quite as good as it sounded when they said it.

However whether or not it makes any sense in the private sector, which does have a set of checks and balances, it is a disaster in the public sector. Greed is good in the public sector, meant patronage; it meant ruinous contracts to Conservative friends; it meant waste, it meant mismanagement; it meant that the whole function of government was perverted, as it was perverted.

Mr. Speaker, the only PC ethic in government appeared to be, let's make a deal. All of government was run on a single code of conduct — let's make a deal. And in a bizarre way, Mr. Speaker, the former government reinforced the Tory message, government's only a threat. Government under them did become a threat. It seemed to exist only to prey on people.

Mr. Speaker, our history in this province tells us differently. We know that working together we can do things together which we could never accomplish individually.

Mr. Speaker, in 1908 my father moved out from rural Ontario, lived about as far from Ottawa . . . the area they moved from was about as far from Ottawa as they now live from Regina. A few years after they moved out to Saskatchewan they got telephone service. Why? Because the then premier, Walter Scott, a Liberal premier — but a small "I" liberal as well as a large "L" Liberal — the Liberal premier of the day had instituted a new Crown corporation, Saskatchewan Government Telephones, which quickly brought telephone service throughout Saskatchewan. Had he remained in Ontario it would have been more than two decades before he would have got telephone service in that part of rural Ontario.

Working together, Mr. Speaker, Saskatchewan people were able to bring electricity to rural areas before it occurred in any other jurisdiction in Canada. And indeed, SPC's (Saskatchewan Power Corporation) success in electrifying rural Saskatchewan became a model for the rest of Canada.

Mr. Speaker, these are accomplishments in the past. But, Mr. Speaker, we intend to build on them. We intend to continue working together with Saskatchewan people to do together what we could not do alone. What is more important though, Mr. Speaker, we intend to conduct government on the basis that people and not profits come first.

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

**Hon. Mr. Shillington:** — We intend to put humanity first.

Mr. Speaker, it must be obvious that I will be voting in favour of the motion supporting this budget.

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

**Mr. Wormsbecker:** — Mr. Speaker, I rise today to speak in support of the budget presented by the Hon. Mr. Minister of Finance on May 7 in this Assembly.

The throne speech of April 27 gave a general blueprint of the direction and vision this government has for the province of Saskatchewan in the days ahead. As an aside, Mr. Speaker, I must say with a great deal of pride — and I emphasize pride, Mr. Speaker, and I also emphasize confidence, Mr. Speaker — I have pride and confidence in Premier Romanow and his cabinet colleagues for demonstrating the necessary leadership and courage needed to guide our province into the 21st century.

As I stated previously, Mr. Speaker, the throne speech provided the blueprint for this budget, and now this budget provides the financial details chartering the course to be followed in addressing the major goal of our government, which is getting a handle on the deficit amassed over the last 10 years by the previous government.

Yes, Mr. Speaker, this budget addresses the central theme of the throne speech — a mandate for change, a mandate for change not just for the sake of change, but a mandate to restore the fiscal integrity of the province of Saskatchewan for the sake of our children and our children's children. In restoring fiscal integrity to this province, coupled with fairness and compassion for the needy, we'll be able to build a strong Saskatchewan in a strong Canada.

Mr. Speaker, before I address this Assembly in defence of this budget, I would like to give a few general comments on the events leading up to the budget — events which dictated the kind of budget needed to change the course of doom and destruction set by the previous Tory financial magicians, the former Tory ministers, Messrs. Lane, Andrew, and Hepworth.

In my constituency of Weyburn, the overwhelming number one issue in the past election was the fiscal mismanagement of the public purse. As has been so often and ably stated by others, the provincial treasury under the Tories was a public trough where many of their friends gathered to satisfy their greed, leaving behind very, very few crumbs for the needy. And perhaps, Mr. Speaker, I'm being overly kind in my characterization since the



majority of people may state that no crumbs were left at all for the needy. The outcome of this insatiable greed, Mr. Speaker, is a legacy — a monumental legacy of debt, more debt, and more debt, as each year passed under Tory rule.

We can today only appreciate the irony of the words by the former premier from Estevan in addressing this Assembly on March 27, 1984 in support of his government's spring budget, which words are as follows:

And I say to the members opposite: mark that budget down on the calendar, and look a year later, and a year later . . . and so on down. Because the people of Saskatchewan, indeed the people of Canada, have not yet really understood the impact and the significance of what that budget is going to do.

The public now fully understands the economic devastation of the accumulated deficit of the past 10 years, Mr. Speaker. The people of Saskatchewan on election day stated very clearly and unambiguously that this waste and mismanagement must stop, and that a New Democrat government must get a handle on this deficit. And that is exactly what this government intends to do.

(1600)

But unfortunately, deficit reduction does have a cost. As one of my constituents stated to me over the weekend, and I quote: I don't mind short-term pain for long-term gain. End quote.

On May 7 the Minister of Finance introduced this budget. Over the past several weeks there has been much speculation as to the content of the budget. This speculation was fuelled by the press and the members opposite. There was and indeed there was some bitter medicine in the budget for all of us.

But let us not forget who was the cause of this financial malaise facing our economy. Yes, Mr. Speaker, the fine lot of Tory members sitting across from me as representatives of the former government was the cause. And as the budget was being presented on May 7, I'm certain the people of Saskatchewan will not forget what circumstances necessitated the bitter medicine being prescribed by the Minister of Finance.

The Tory opposition will be reminded and continually reminded of their 10-year record of record deficits that have pushed this province precipitously close to bankruptcy. The prophetic words of the former premier from Estevan recorded in *Hansard* on April 17, 1985 warrant repeating:

. . . I believe the kinds of things that we've initiated in this budget will be talked about for decades to come."

Need I say anything more? For the past several months the public has had the benefit of hearing from the Gass Commission, the Crown Management Board, and the Public Accounts Committee. We've had some very interesting facts come to light from these reports in

explanation of why we are where we are today with an accumulated deficit of 15-plus billion dollars. There is no need to repeat the litany of misguided expenditures over the past 10 years. I am certain the members opposite do not wish to be reminded of their misdeeds.

To use the words of the member from Wilkie, the deficit expenditures were indeed foolishness on the part of the then Tory government. The member from Wilkie spoke these words in this Assembly on June 27, 1987, and I quote from *Hansard*: We could spend more money, borrow more money until, like we could owe 10 billion, Mr. Speaker, we could do that, but we won't. We won't do that, Mr. Speaker, because it would be foolish. End quote. Mr. Speaker, my opposition Tory colleagues engaged in unquantifiable foolishness over the past 10 years.

The disturbing fact, Mr. Speaker, is the Tories' unrepentant tenacity to hold firm to their conviction that there is no causal connection between the past 10 years of Tory rule and the present 15-plus billion dollar deficit. It boggles the mind of how these members opposite can maintain such an unrealistic perception of the events over the past 10 years. But perhaps it should not be surprising that the blind refusal to accept responsibility for this deficit is the same character trait that got them on the deficit treadmill in the first place.

It is time for the Tories to claim ownership of this staggering deficit, Mr. Speaker. The Tories put this monkey on the backs of the Saskatchewan people. Together the people and the present government face the challenge of getting the deficit under control. I'm confident that this goal is achievable.

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

**Mr. Wormsbecker:** — In preparing the budget, Mr. Speaker, the Minister of Finance had several options. The first option was to do nothing and stay the course of the present Tory government. This was not a realistic option. The people of Saskatchewan elected the present government to clean up the sad and sordid mess of woe left in the wake of 10 years of plundering the resources of Saskatchewan through unbridled privatization.

The second option was to reduce expenditures to bring the deficit into check. Forty per cent of public expenditures are to third-party non-government department agencies like school boards, hospital boards, and municipalities; 21 per cent of public expenditures are to individuals. For example, doctor and medical services, agricultural support to farmers, and social assistance and income support for the needy.

Fifteen per cent of public expenditures are for government operations; 5 per cent of public expenditures are for pension and other employee benefits; 4 per cent of public expenditures are for capital projects; and the remaining 15 per cent is required to service the public debt through payment of interest. This is a staggering percentage in comparison to the overall budget, Mr. Speaker.

Solely reducing the expenditure side of the budgetary

equation would have sent shock waves through our economy and would have risked a downward spiral of unemployment and negative economic growth. These consequences were too severe to risk foolhardily.

The third option, Mr. Speaker, was to increase taxes to meet the prior year level of expenditures. This was obviously out of the question.

The fourth option, Mr. Speaker, was to provide a combination of increasing expenditures and increasing revenues. This was the most logical option and the option chosen by the Finance minister.

Notwithstanding that the budget projects an overall deficit of \$517 million, Mr. Speaker, the provincial treasury does have an operation surplus of \$243 million prior to an expenditure of \$760 million to service the annual interest on the accumulated deficit.

Mr. Speaker, no one likes to pay taxes, including myself. But there are no other choices. The budget is overall fair, in my opinion. This budget was bitter medicine for all of us. As one caller stated on CBC (Canadian Broadcasting Corporation) open line show: This budget was surgically administered without the benefit of anesthesia.

The budget fairly but adversely affects all of us. We all share in the financial costs and the human costs of deficit reduction. However, Mr. Speaker, if there is any unfairness in the budget, the unfairness is in the fact that the Tory members opposite have left the burden of this \$15 billion deficit reduction on the backs of all Saskatchewan taxpayers for many, many long years to come. It is a tax burden that we must gradually unload ourselves rather than passing the burden to our children and our children's children. The opposition members are trying to put the worst possible spin on this budget to further their own political self-interest.

The introduction of the 10 per cent deficit surtax is just one small part of the bitter medicine administered to all taxpayers of Saskatchewan. Saskatchewan now has the highest provincial income tax rates in Canada. The opposition members continue to remind the government members of this fact.

However, I would like to remind the opposition members that in comparison to other provinces, provincial taxes, utility rates, and insurance premiums paid by Saskatchewan residents is the third lowest in Canada. This comparison includes provincial income tax, provincial sales tax, gasoline tax, car insurance, telephone, gas and electrical charges, and health care premiums charged by our sister provinces, British Columbia and Alberta.

It would be more acceptable for Saskatchewan, Mr. Speaker, to have the lowest ranking in the combined category of taxes and other charges I have just referred to. But the third lowest ranking confirms that Saskatchewan taxpayers are better off than their provincial counterparts in seven other provinces.

Mr. Speaker, I was pleased to hear the Minister of Finance address the needs of low income families, children, and

families in crisis. In particular, Mr. Speaker, I'm referring to increased funding for the child hunger program; 25 per cent increase to the Saskatchewan child tax reduction credit for lower income families; increased grants for child-care centres; changes to the social assistance rates; measures to address the problem of family violence; and counselling for expectant teen-age mothers. Increased funding and services to the latter groups demonstrates that this government is very cognizant of its moral obligation to help the disadvantaged.

During tough economic times there is a temptation, Mr. Speaker, to respond to those groups who are best able to get the ear of government. However the poor, the impoverished, the families in crisis are groups which do not articulate their needs very well. Therefore government must remain vigilant in not overlooking their needs. This government has responded in a compassionate way in redressing some of the injustices of the past.

Mr. Speaker, I'd like to spend a few minutes responding to some of the criticisms being directed towards this budget by the members opposite, for example, criticisms like the following.

Criticism number one, the 1 per cent increase in the provincial sales tax is nothing more than the Tories' GST harmonization which your government vehemently opposed during the election and which your government subsequently repealed when elected. And criticism number two, the budget deficit of \$517 million isn't deficit control. And criticism number three, the budget tax increases shall seriously restrict economic growth or employment. And criticism number four, the changes to the drug plan and chiropractic services are an attack on the medicare system.

In dealing with some of our critics equating the PST 1 per cent increase to disguised GST harmonization, I have the following comments to make in defence of the provincial sales tax.

Point number one, the provincial sales tax does not have as great an impact on family purchases. GST harmonization would have applied to all purchases whereas the provincial sales tax exempts some of the essential family purchases such as food, children's clothing, adult clothing of purchases less than \$300, restaurant meals, prescription and non-prescription drugs, just to name a few items that impact upon a family budget.

Point number two, businesses, non-residents, and the public sector pay provincial sales tax on all taxable items whereas the GST applies to the last purchaser who consumes the product, and therefore it applies to people like you and me, Mr. Speaker, the consuming public.

In response to the criticism being levelled at the size of the budget deficit, one must take into consideration the previous Tory '91-92 deficit of approximately \$960 million which was reduced sizeably to \$850 million by steps taken by this government within the first few months of being elected to office.

During the past 10 years the average yearly increase of expenditures was 6 per cent, Mr. Speaker. For the current fiscal year of operations under this budget, the expenditures are being decreased by 3 per cent. This government is moving in the right direction.

The deficit of \$15 billion was not created overnight, Mr. Speaker, and nor shall it be eliminated overnight. The right approach is to chart a corrective course and to stay on that course. The objective of this government is to balance the budget within four to six years.

The standard stock criticism, Mr. Speaker, to tax increases is that the economy shall be adversely affected, job creation shall be restricted, and business competitiveness shall be dampened. I say, Mr. Speaker, that the most serious threat to our economy is the deficit spiralling out of control. It is important for this government to send a signal of fiscal restraint and fiscal responsibility to the business community.

(1615)

New businesses will not wish to locate in Saskatchewan or present businesses will not wish to expand if the deficit goes unchecked. The major consideration for any business doing business in Saskatchewan is confidence in the economy of Saskatchewan. There is no confidence with runaway deficits year after year which was the hallmark of the previous Tory government.

Expanded taxation does have some restrictions on the profitability of businesses. But this deficit was designed so that every sector of the economy, including business, labour, agriculture, and resources would bear part of the deficit reduction burden placed on our back by the previous Tory government.

Mr. Speaker, this government recognizes the importance of job creation by small business. Today approximately 70 per cent of new jobs are being created by businesses with fewer than 50 employees. In recognition of the stimulus role that small business plays in job creation, the small business corporate tax rate has been reduced from 10 per cent to 9 per cent. This government is very conscious of the importance of employment, and over the next months this government has given its commitment to re-evaluate and rationalize all government programs and services in support of economic development.

With the introduction of changes to the drug plan and chiropractic services, Mr. Speaker, our government is being accused of abandoning the principle of universal medicare. This couldn't be further from the truth, Mr. Speaker. Tommy Douglas and Allan Blakeney pioneered hospitalization and medicare, and at the same time exhibited fiscal responsibility.

Today we have to take the necessary steps to protect the future of medicare and to develop improved health care services emphasizing effectiveness and efficiency. The biggest threat to medicare, Mr. Speaker, including all of our social programs, is the accumulated deficit and mismanagement of the previous Tory government.

In closing, Mr. Speaker, I will address the issue of fairness,

budgetary fairness. As I previously stated, and as the Minister of Finance stated in his budget presentation, the previous government left very, very few options for the present government in addressing this deficit.

Fairness, like beauty, Mr. Speaker, is in the eye of the beholder. At least during the budget debate, fairness is perceived subjectively through the eyes and minds of the elected representatives gathered in this Assembly. However as time passes, a more objective standard of fairness shall form as the dust of political debate settles.

I am confident, Mr. Speaker, that history will be kinder to this government than the opposition members in describing the fairness of this budget. I will leave it to the historians to write the final commentary on this budget for the fiscal year 1992-93.

And on this note, Mr. Speaker, I shall sit down. Thank you.

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

**Mr. Upshall:** — Thank you, Mr. Speaker. Mr. Speaker, it is a pleasure for me to stand in this House today in support of a budget. A budget that I might add, is the first budget we've seen in many, many years in this province that has in it, taken upon this government, the responsibility to create an atmosphere in Saskatchewan that will provide a program and planks of a program to build us into a new generation the year 2000 and beyond.

It has never been done in the last 10 years because, Mr. Speaker, the last 10 years have been full of budgets with one objective. And that objective, Mr. Speaker, was the preservation of government, not the preservation of a society or a province. And the members opposite know that.

And technically speaking, that probably was good politics for the political party in power. But, Mr. Speaker, I tell you, it wasn't a good atmosphere in which to live in this province, and to have the mounting debt finally come up from behind us and swallow us into a position now where we have to have very, very tough measures, very, very tough budgets in order to try to re-establish a balance sheet, re-establish an economy in a province that is in such very, very difficult times.

Mr. Speaker, I want to start today by talking a bit about agriculture, as I normally do. The other day I started talking, in the few minutes that I had, about the process that we went through in establishing an agricultural sector in Saskatchewan.

If you remember, Mr. Speaker, the process began by this government going to Ottawa and developing a GRIP program. I won't make this story very long, but the number of issues and items that the farmers in Saskatchewan were asking for simply were neglected. They did not put a cost-of-production formula in. They did not put in a spot-loss yield program. They did not produce a program that was going to be delivered at the elevator. They put a very short three-year actuarial program, therefore dictating that the premiums were going to be very high. And they did not adjust the crop

insurance premiums as they went along. The process, Mr. Speaker, was flawed right from the beginning.

Then when we took government the people demanded changes. We struck a committee. The committee went out, received about 300 submissions, and every submission, Mr. Speaker, said we should change the program. There were people from all parties made submissions, and they said we should change the program.

Then through a long process of political manoeuvring, basically from Mr. McKnight and his friends on this side of the House, we had stumbling block after stumbling block after stumbling block, until finally on March 12 the decision was made in Ottawa to approve the new GRIP program. On March 13 we announced the program. And now, Mr. Speaker, we're involved in a court case saying that the farmers weren't notified in writing by March 15.

Well to me that seems like a Tory tactic. Because the point here is whether or not they were notified in time or not. That's an important factor farmers have to know. But the point here was that Tory politics that Bill McKnight was playing in Ottawa, that were played by the Tory opposition politics party here in order to delay a whole process just so they could come back and say: well, you guys didn't give the farmers enough notice.

That is typical Tory politics — thinking more about themselves and the politics and sustaining their party's image than about the needs and wants of Saskatchewan farmers. And, Mr. Speaker, right through my remarks today, you will see how this will flow through the priority list of the Tory politician: you first after me. In every instance that happens.

Mr. Speaker, we had created a program with three lines of defence. Farmers' production was the first line. The GRIP and NISA (net income stabilization account) programs were the second line. And the third line of defence was monies from Ottawa to equalize any major cash losses from droughts or grasshopper infestations or any disasters in Saskatchewan.

Since that time all we've seen is lip service to third line of defence. We've seen nothing come out of Ottawa except Mr. McKnight saying: yes, well we should have a third line of defence. We have seen this party vote against third line of defence. Well, Mr. Speaker, what we plan to do is start new. We are beginning now the process of trying to think about how we create a new committee to resolve the problems that are so inherent in the GRIP program. And we know that these problems are there, and we admit that they have to be corrected.

We will be watching the GATT (General Agreement on Tariffs and Trade) negotiations because GATT's going to be very important in the whole realm of how we deliver programs, what a subsidy is going to be determined and defined as, and it's going to play great consequence upon the type of structure program that we have.

Mr. Speaker, the farmers want a simple program. They want a program similar to the American program where you have a target price versus a market price, and the

difference is paid. It can be paid through the elevator system — be paid through the elevator system on the basis of so much per bushel per variety of grain. That once, old, tired, Tory government knew that when they created the GRIP program, Mr. Speaker.

I can remember going out to meeting after meeting in the country, and this was the funny part of it. The Tories had 5- or 600 farmers at the meetings in the spring when GRIP was being designed. They thought, wow, what a wonderful program; we've got everything going for us. What they didn't understand is that in order to have everything going for them, they had to listen to the farmers.

The farmers were demanding a simple program — a program that was delivered through the elevator, a program that was delivered on the basis of the difference between market price and target price per bushel. That was a simple program. And the other thing is with a cap on it. That's what the farmers wanted, and that's what this government did not deliver.

And now they stand in their place and criticize our government for trying to create positive changes. And I say, Mr. Speaker, many positive changes were created, but to make positive changes to a flawed program. That is why we are going to start from the beginning again. This will be a new era in agriculture because the fact of the matter is that in order to sustain yourself, the reality is you better think about the people who elect you and not about yourself. In the short term, as this past government found out, it will work; but in the long term it simply does not sustain itself.

Mr. Speaker, I want to turn for a moment to the rally that was held on the lawn of this legislature a few days ago when the session opened. Mr. Speaker, there are very, very many concerned farmers out there. Not as many as some of the newscasters reported, but let's say there's 2 or 300 people out there. And I say for the most part, they were concerned about their livelihood.

But I have a bit of a problem because when you think through the whole process that went on on the lawn on that Monday, you can ask yourself: who was leading the charade? Well, Mr. Speaker, I think most people know that a man by the name of Mr. Al Kormos was leading the parade. But I think what most people don't know, Mr. Speaker, is that Mr. Kormos had his hat in the ring in the Saltcoats constituency for the last election. You think there's a little bit of politics going on here, Mr. Speaker.

And we saw the members of the opposition running around out there, you know, very happy that the farmers are angry. Think about that for a minute — the Tory opposition very happy that the farmers are angry, supporting an organization. But do you think maybe there's a little bit of politics running through it when one of the key people of the organization had his hat in the ring in the election past? Maybe just a little bit of politics.

I'll tell you, Mr. Speaker, the sad part of this is, again instead of looking towards the problem and trying to come together to fix the problem, we see a Tory opposition playing politics with the lives of those people

who are out there. And that is shameful, Mr. Speaker. Farmers are in crisis, we know that. But using them for political purposes is obnoxious in my opinion.

And I just want to say one more thing. I noticed the premier today, many of you may have noticed the premier had a little button on, and I couldn't read it from here, but I know what it said. It was referring . . . and it was received at the farm rally out there I presume, because that's where they're passing out all these little buttons. And it said: don't blame me, I didn't vote NDP. It's very similar to don't blame me, I voted NDP last time — not very original. But still again do you think there's a little bit of politics running through here? You might ask yourself who printed the buttons.

My point, Mr. Speaker, is this: this opposition can't let go of the tactics of the past and try to come forward after being defeated severely in this province, come forward and say: look, we will co-operate, and we will make sure that we work towards improving the farm problem.

Did they do that, Mr. Speaker? No, they did not. Mr. Speaker, the Tories out on the lawn, the Tory politicians out on the lawn, were saying yes we need some improvements. But you know what they did after they came in this House? You remember the 90-minute emergency debate we had on agriculture where we had a motion and an amendment to the motion. Out on the lawn the Tory, the good little Tory politicians, were running around saying, oh yes, we support farmers, we want to help you. They come into this House, Mr. Speaker, and in a resolution, amendment that we put forward . . . I will read it. It goes like this. We asked:

(1) to call on the federal government to meet its outstanding commitment to provide farmers with the \$500 million deficiency payment for the 1990-91 crop year as soon as possible and to deliver on its commitment for a third line of defence program this year as agreed to at the recent first ministers' conference;

That was one. Calling on a \$500 million payment for 1990-91, an additional third line of defence for this year.

(1630)

And what did the people who were standing out on the lawn saying, we support farmers, do? They voted against that motion. What kind of hypocrisy.

The second part of the amendment, Mr. Speaker, is, and I quote:

(2) to extend with the federal government's consent the deadline to a date which is mutually agreeable for farmers, the provincial government, and the federal government;

Extending the deadline for the GRIP program. Standing out there on the lawn where many of the farmers, most, in fact, were saying yes, we should extend the deadline — and I would think the Tory politicians out there would be nodding their head — coming into this legislature and doing exactly the opposite, exactly the opposite, Mr.

Speaker.

And thirdly:

(3) to accept the request of farmers to establish a review commission to design a long-term farm income stability program based on the needs of farm families and the actual cost of production.

Again, I think I've made my point. Mouthing their support on the lawn with the farmers present, coming into this legislature and completely reversing their stand.

And I just want to add one more comment, Mr. Speaker, just to show you the hypocrisy of this opposition and a major reason why they lost the government, and why people of Saskatchewan asked the New Democrats to try to put forward a new plan for Saskatchewan.

The member for Rosthern just before, during the speech — or sorry, just before the vote — stood up, and I'd like to quote what he said to this House:

In the spirit of compromise, I'm going to make a suggestion, and I'd like to have that reaction from the government, and that is that essentially the amendments that are being proposed by the government is something that we feel in tune with and we would not primarily have too many objections to those amendments.

He stood up in his place, and he said that about the amendments that I quoted and within a few minutes, when the vote came, did exactly the opposite.

You wonder what the motive is, Mr. Speaker. The motive is pure, blatant politics, as it was when they began government, as it was when they ended government. But, Mr. Speaker, I guarantee you that it will be many, many, many years before the people of this province ever give that group, that band of terrible Tories, the opportunity to govern this province again.

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

**Mr. Upshall:** — Mr. Speaker, we are very serious about fixing the agriculture problem in this province. And I just want to make a . . . and I want to also say, Mr. Speaker, that I for one am not going to be apologetic about being part of hard decision-making. So I want to talk about the FeedGAP program and the industry livestock cash advance program.

And I'll tell you, Mr. Speaker, the last government again, I say, had one thing in mind. Just find some money and throw it out anywhere and hope that they'll vote for you. Well that didn't work. It worked for a while but not for long.

Mr. Speaker, the point behind all the moves made by this government is that you have to plan for the future. The FeedGAP program was a response to a program changing the livestock stabilization program and the SHARP (Saskatchewan hog assured returns program) program to a national tripartite program.

The national tripartite program was a flop, and most farmers will tell you that because this government didn't have the . . . does not have their heart in a stabilization program for the livestock industry. So as a response, and a very good little political ploy, they bring on the FeedGAP program. And for six years, Mr. Speaker, the livestock producers of this province had an interest-free cash advance to the tune of about \$145 million a year that they didn't have to pay interest on. And those programs when they were started, I did not argue against. The members opposite know that.

But my point, Mr. Speaker, is this: in the cattle industry today things aren't too bad — a lot better than they have been in the past. And, Mr. Speaker, if we don't recoup some of the expenditures that we've made in the past, for the next downturn in the cattle cycle there won't be any money. And this is what I call planning for the future.

If we don't plan for the future, Mr. Speaker, we will be asked to put money on top of money that we don't have, and we will be of no use to those producers. And the members opposite know that. But that type of planning never enters their mind. They could not plan any further than the end of their nose, and that's why we got ourselves into this terrible, terrible situation.

But as I said, Mr. Speaker, we are serious about fixing the problems. As soon as we got into government we put forward a moratorium — a short-term moratorium that was agreed to by the institutions and by farmers. And I'll tell you, Mr. Speaker, while we were doing that, the opposition sat over there and were becoming the very negative people that they are today. Because they do not . . . I say in this House, outside the House they say one thing but in this House they say another. Hypocrisy in action.

We put on a moratorium to stop the people, the farmers who were in severe financial crisis from being pushed off the land. Following up the moratorium, there was a committee put together, Mr. Speaker, where we looked at the debt situation, and now we'll be bringing into this House legislation that addresses the debt, a recommendation of a six-year lease program. And now the members over there say, well there's going to be problems with it. Well I'll get to that in a minute, Mr. Speaker.

But the GRIP program, as I talked about, we're going to have a committee to build to the future. They could have designed the program. They refused to design a good program. Consultation process that they went through was absolutely useless because they didn't listen to the people.

Mr. Speaker, we also eliminated the CAFF program, counselling and assistance for farmers. The main reason that was eliminated, Mr. Speaker, it was because it was only a guarantee that the banks received their money, and that was the problem with the CAFF program. The guarantee could be made to a farmer where the provincial government would guarantee a loan to the bank for the farmer, but within six months the bank would call the loan, and you know what that meant? It meant that the farmer was still off the land, and the banks got their money. That's a typical Tory program.

Were they concerned about the farmer? No. Were they concerned about the institution getting their money? Obviously yes. That is one of the major reasons, Mr. Speaker, that the counselling and assistance for farmers program was terminated.

Mr. Speaker, the member for Kindersley says, how did we correct it? Well I'll tell you, Mr. Member, when we bring in the legislation on debt, there are provisions. There will be provisions so that farmers can achieve operating capital. And I'll bet my bottom dollar that you will stand over there and tell us that that's not right. You know, I can just see it now. And I'm sure the member would like me to explain the details of the legislation, but unfortunately, Mr. Speaker, I don't think that's . . .

**An Hon. Member:** — You don't know it.

**Mr. Upshall:** — Well the member says I don't know it. You wait and see, Mr. Member. And I can certainly tell, Mr. Speaker, when it hurts the Tory government to have clear logic put forward before them because they understand that they were defeated on personal priorities and not the priorities of the people of Saskatchewan.

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

**Mr. Upshall:** — Mr. Speaker, I want to talk for a minute now, Mr. Speaker, about the debt committee. The whole time we were in government — the Tories were in government rather, 10 years — there was never any emphasis put on actually keeping farmers on the land. In the six months, Mr. Speaker, that we've been here, there have been two initiatives. First of all, the short-term foreclosure moratorium, and secondly, the recommendation from the debt committee that the Minister of Agriculture put in place a few months ago that was brought forward to the minister and will result in legislation.

Two in six months, Mr. Speaker, that will do much to keep farmers farming their own land. Ten years those people did nothing, absolutely nothing.

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

**Mr. Upshall:** — As I said, incentives for lenders to keep lending farmers money because there are situations where farmers need operating capital. It has to be addressed. It was addressed in the past by that government with the home quarter provisions.

Those types of things when we bring forward, Mr. Speaker, will certainly show the people and the farmers of Saskatchewan that we have a real desire to try to create an atmosphere of stability and predictability in the agriculture sector.

And we can talk about ACS (Agricultural Credit Corporation of Saskatchewan). ACS now has a new board. There is a complete policy review taking place. We are going to be looking at criteria. We'll be looking at many of the programs that are involved.

And some programs were . . . the one program, Mr.

Speaker — I'll give the members opposite credit — one program that could have been a good program was the vendor mortgage guarantee program. But you know, in two and a half years, I believe, that that program was in place, you know how many people — and the member from Morse who was at the time the associate minister of Agriculture — do you know how many people got into that program? Twenty. Twenty in two and a half years.

You would think in two and a half years the members opposite would ask themselves, why isn't this working? Or else maybe they were saying, this is working very well. This is working very well because on paper it looks like a good program. But I'll tell you, once you get into the criteria you won't qualify. A typical trait of every Tory program in this province.

Mr. Speaker, I go on. Our government will stand fast and has stood fast on the grain transportation issue much to the chagrin of the members opposite, I'm sure.

Remember in 1982 we were fighting the Crow rate battle and the big Tory slogan was: keep the Crow; let Blakeney go. Well I'll tell you that's where it began and that's where it ended. Because the members opposite, Mr. Speaker, did absolutely nothing to protect grain transportation.

Since we took government six months ago, we have presented briefs, we have organized information pamphlets on behalf of the people of Saskatchewan . . . sorry, mailed out to the people of Saskatchewan in order that they can understand fully the implications of losing the grain handling and transportation system.

And what are these Tory cousins in Ottawa doing? They're trying to eliminate the Crow benefit, and they're giving us every reason why. And do I hear one of those members, Mr. Speaker, do I hear one stand up and defend maintaining the Crow benefit as it is today being paid to the railroads? Not one.

And they know the cash implications. They know the problems that's going to be created. But, Mr. Speaker, our government is and will be maintaining that fight.

Another thing, Mr. Speaker, that our government will be doing is stopping the off-loading from Ottawa. Under the GRIP program designed by those members opposite, 60 per cent of the dollars of the GRIP program came from within the walls of Saskatchewan — 60 per cent. And that resulted, Mr. Speaker, in \$175 per capita — \$175 for every man, woman, and child in the province of Saskatchewan — simply because the last government could not and would not design a program that Ottawa should have the most responsibility for.

Mr. Speaker, we've been watching the GATT negotiations. The GATT negotiations are very important because the supply-management issue, working and fighting for the lives through the feather industry and the marketing boards of this province in order that they might maintain their industry.

Mr. Speaker, when I talk about supply-management . . . when I was writing some notes down for this little talk today, I remembered something that I'd read and I went

back to my file and I picked it out. This is the *Business Review* in the winter of 1977. This is fairly old, but I think it makes a point, because if you think and if you've watched politics and you've watched the last premier, the current member from Estevan, work over a number of years, you'll understand.

And I want to make a quote. *Business Review*, 1977. This is from, and I quote: Dr. D.G. Devine, Professor of Agriculture and Economics, University of Saskatchewan. And he says:

The manipulative power inherent in the marketing board legislation enables agricultural producers to limit supplies and to control individual and aggregate commodity marketings in efforts to increase prices and incomes. In short . . . monopoly privileges.

That's the current member from Estevan's writings. And, Mr. Speaker, anyone who has watched him operate over the last 10 years will know, even though he's paid lip-service to the marketing boards, even though he's paid lip-service to article 11 in GATT that puts marketing boards in great jeopardy, he has done actually nothing to maintain the marketing board industries in Saskatchewan and supply-management industries.

Mr. Speaker, we will work and we will fight. We're asking to have input into the GATT negotiations as we are into the NAFTA, the North American Free Trade Agreement. Again I want to refer to this clipping, Mr. Speaker, because it's an attitude — an attitude that has transcended this province over the last 10 years.

From the same article, Mr. Speaker, I quote, from the same Dr. D.G. Devine, Professor of Agricultural Economics, University of Saskatchewan, saying:

Realizing that most of our food is produced by less than 20 per cent of the farmers, who tend to be good businessmen as well as producers, society may not wish to support higher food prices or "producer security" so that the non productive 80 percent of the farm population can live in the country — at a profit.

That was the writings of the former premier, the member from Estevan, Mr. Speaker.

(1645)

And as I said before, even though he's paying lip-service to agriculture, in the end he has devastated the agricultural industry because his heart simply was not in it.

Mr. Speaker, our government will plan and is planning for the future of agriculture in this province. And as the days and weeks and years unfold, I think the members opposite will be very hard pressed to criticize any of those plans.

Mr. Speaker, I want to turn now away from agriculture to some of the other issues that are currently in this province. We have seen, Mr. Speaker, in this government, after the

Gass Commission where we opened the books and saw the terrible trail of devastation left by this previous government, there were a number of issues that came up. And I want to make some comparisons as to how this government will be different than the last government.

Remember the food banks' ever increasing line-ups? Well, Mr. Speaker, as the food bank line-ups were increasing, we found out through opening the books in this province that as the food bank line-ups were increasing, the members opposite were lining up their glasses in their offices to partake of some \$17,000 worth of free liquor paid for by the people of this province.

Isn't that a wonderful image, Mr. Speaker? The working poor paying taxes, the working poor paying taxes, other people taking their hard-earned money to try to raise families, lining people up at food banks, while the members opposite sat in their offices partaking of \$17,000 worth of free liquor. Mr. Speaker, there is a difference with this government because I can guarantee you, Mr. Speaker, that will never ever happen as long as a New Democratic government is in power.

And it goes on. The payments to the Tory ad agencies — I think there was something like \$28 million annually that we cut out completely. We cut the wasteful spending out and increased spending to home care by 20 per cent. That is one of the things that we've done, Mr. Speaker.

They were making payments to employees who did not even exist. They can't find them — 19 employees. My seat mate calls them the ghosts, where the Government of Saskatchewan were paying 19 employees and nobody seems to know where they are. Paying people who . . . they didn't know who they were, while other people in this province had to leave their jobs and leave the province. Another nice little picture, Mr. Speaker, isn't it?

Also, what we did as soon as we got into office, or very shortly after, Mr. Speaker, was cut out the five-year, no-cut contracts that many of the Tory friends received. Remember the George Hill five-year, no-cut contract? So we cut those out, made settlement with those people at a much lesser price than they were supposed to get, but being a responsible government, we did that.

At the same time we added \$28 million to the social assistance plan, Mr. Speaker. That's another reason this government is different than the last.

Also, Mr. Speaker, one little, cute little thing — and I say cute in the most bizarre sense of the word. Because of ideology this government separated mailings. Remember when they were going to privatize SaskEnergy? They separated the mailings, and they had a SaskEnergy mailing bill and a SaskPower bill. Simply because of ideology. In one small move we saved the taxpayers of this province \$725,000 by mailing SaskPower/SaskEnergy bills together — \$725,000. And at the same time, Mr. Speaker . . .

**An Hon. Member:** — That's not true.

**Mr. Upshall:** — The member says that's not true. Well I think I'll put my credibility against his credibility any day.

Mr. Speaker, at the same we saved \$725,000 in mailings, we increased the child hunger funding by 35 per cent.

**An Hon. Member:** — Would you allow a question?

**Mr. Upshall:** — Mr. Speaker, the member opposite has asked me if I'll allow a question. I'll tell you that's the problem with this government — they don't listen. So I'd encourage the member to sit in his place, open his ears and listen, and for once in their lives just think that maybe, maybe you made a mistake. Maybe.

Mr. Speaker, another initiative taken by this government is that we closed the Prince Albert premier's office in Prince Albert — \$150,000, Mr. Speaker, saved every year by closing the premier's office in P.A. At the same we increased the child tax credit by \$50 a child. Those are some of the differences.

And this government, when they had mounting, mounting debt, mounting up to \$14 billion, did not do one of these things — not one of them. In total, Mr. Speaker, I think we saved \$128 million, which allowed single parent families, working poor, people at the food banks, will allow those people to be lifted up a little bit and to be able to partake in society and to live a decent life. But that previous government wouldn't even think of that.

We also closed trade offices in Hong Kong, Zürich, and Minneapolis, saving \$2 million a year. At the same time that allowed us to increase the Saskatchewan Assistance Plan by 25 per cent and the Saskatchewan Income Plan, up by \$120 per year and also allowed us to double the northern food allowance.

See, Mr. Speaker, my point is this: 10 years of government with the blinkers on, looking straight ahead, looking in the mirror and saying, how do I preserve my position in this province. Not thinking about how they can preserve the working men and women of this province and make sure they had jobs, not by increasing the northern food allowance and cutting the trade offices, not by closing the premier's offices, cutting out wasteful advertising, and increasing payments to the working poor. Did not even enter their mind, Mr. Speaker.

But there is a difference. There is a difference, and we will prove it. Already in this budget — I say a very fair budget — we're proving that changes can be made in order to maintain this economy and rebuild this economy of the province.

Mr. Speaker, I want to talk just for a minute now about the civil servants and other people who work for this government. In the past we saw two standards. We saw the George Hill types, who are the presidents of Crown corporations, making millions of dollars off the government over a period of years with five-year contracts, no-cut contracts. But on the other side, we saw the civil service with premier and cabinet ministers looking over their shoulders, basically having a gun at their head and say, one false move and you're gone, walking up to civil servants and say, can I see your membership card — threatening, overbearing, throwing



the civil service into disarray.

Mr. Speaker, that has changed. Because what the members opposite do not understand is that the civil service and the other people who work for this government are in the front lines for the public. They're the people who have to respond to the public on a daily basis. And if they have no confidence in what they're doing because the government is cowering over their shoulder, then they will not be able to perform.

And we have seen, we have seen . . . And I use Mr. Jack Messer as an example where his predecessor, he's getting \$300,000 less — \$300,000 a year. And what does the member for Kindersley have the gall to do? Stand up in this House and say, how come you spent \$27,000 redecorating Jack Messer's bathroom.

Well, Mr. Speaker, that simply . . . after we cut the predecessor by \$300,000, after the predecessor spent \$150,000 redecorating, I mean . . . And the other thing, Mr. Speaker, that really annoys me is that it seems that the press are no better because we have seen in the press the issues focusing around very, very petty problems as opposed to the major, major disaster — the give-aways, the patronage that the previous government bestowed upon its favourite people.

Mr. Speaker, I see some of the members getting a little irritated over there, and they should be really irritated because, as this province was dwindling and as the debt was building up to the billions of dollars that it is today, they were frittering away, wasting our money on their Tory friends. And that is hypocrisy, Mr. Speaker, in the highest degree.

We will build upon fairness, building up the civil service, defending the people who work for this government. It doesn't matter if the opposition or the press or whoever are going to attack this government. We will be defending the people who work for us because we have one rule: fairness and compassion. And in order to achieve that, you have to defend the people who work for you. You can't destroy them as the previous government destroyed the civil service and the attitude in this province. Many good men and women, many of them who are still around but were not allowed to fulfil their position, their job, because the directions came directly out of the premier and ministers' offices to tell them what to do. That was changing, Mr. Speaker, and in order to build this province that is one of the things that we're going to have to do.

Mr. Speaker, another little point that I want to make before I close here is the point about question period. And I find this a bit humorous . . . (inaudible interjection) . . . If the member from Rosthern would listen, Mr. Speaker, I could . . . I'll ask, why do the members on the opposite side want to keep the deficit? Every question period since the budget the members are getting up and saying: why did you do this, why did you cut that, why did you increase taxes, why did you do something else?

Mr. Speaker, what they were saying is: keep that deficit. And I ask the members over there: why do you want to keep the deficit?

You know it's just like the story about the little boy who was taken out behind the wood-shed because he did something wrong. Well he came back in the house and mended his ways. But not these 10 little terrible Tories. No, no, they got a thrashing behind the wood-shed from the people of this province and only left 10 of them. And they come back in this House, Mr. Speaker, with the same attitude — why do you want to keep the deficit?

Mr. Speaker, this is blind Tory logic. We see the Tory math saying, all we have to do . . . In fact, as an aside, Mr. Speaker, I want to say that I saw just briefly a part of the premier's interview last night on one of the television stations and I'm not sure which one it was.

**An Hon. Member:** — The Leader of the Opposition.

**Mr. Upshall:** — The former premier. The former premier, the Leader of the Opposition, rather. Right.

And he was saying . . . they were talking about deficits and creating money to supply services to the province. And you know what he said? Well all they have to do is issue some more shares. That's right. All they have to do is issue some more shares. What the former premier, the member from Estevan, doesn't realize — and I say, even after a good thrashing would not listen — a debt is a debt is a debt is a debt.

With an attitude like that, Mr. Speaker, they will be in opposition — if there's any of them left — for a long, long time.

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

**Mr. Upshall:** — They took this province, Mr. Speaker, in 1982 — a province with assets of \$9.2 billion and liabilities of 6.6 billion, and in 10 short years the assets dropped to 4.4 billion and the liabilities went up to \$9.9 billion. And they still don't realize, with a \$14 billion debt, they don't realize how things could be different.

Well, Mr. Speaker, I say things will be different. We have been given a mandate to clean up the mess. We have been given a mandate to be responsible. This budget is the beginning. And it's obvious that the members of the opposition haven't listened, haven't learned, and still don't understand.

Mr. Speaker, it's hard to turn around the Queen Mary on Wascana Lake. It's very hard. But I'll tell you, Mr. Speaker, if there's a will there's a way. This budget, Mr. Speaker, shows clearly that the Government of Saskatchewan has the will. And by looking through the budget and following through, we will show the people of this province the way to prosperity again. Thank you very much.

The Assembly recessed until 7 p.m.