

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
February 20, 1995

The Assembly met at 1:30 p.m.

Prayers

ROUTINE PROCEEDINGS

PRESENTING PETITIONS

Mr. Goohsen: — Thank you, Mr. Speaker. On behalf of the residents of Gull Lake and the area around Gull Lake, including Webb and Piapot, I'd like to present the following petition. I'll read the prayer:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to allocate adequate funding dedicated towards the double-laning of Highway No. 1; and further, that the Government of Saskatchewan direct any monies available from the federal infrastructure program towards double-laning Highway No. 1, rather than allocating these funds towards capital construction projections in the province.

And as in duty bound, your petitioners will ever pray.

I'd like to table these now, Mr. Speaker.

Mr. Swenson: — Thank you, Mr. Speaker. Once again it's my pleasure to rise in the Assembly and present petitions on behalf of citizens of Saskatchewan who use Highway 42. And I'll read the prayer, Mr. Speaker.

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to allocate the total amount of funds garnered from the taxpayer for fuel tax, vehicle licence fees, and provincial sales tax on new vehicles toward the maintenance and capital costs to Saskatchewan roads; and further, that the Government of Saskatchewan dedicate any monies available from the federal infrastructure program towards Saskatchewan's road system rather than provide these sums toward capital construction of casinos in Regina and Saskatoon.

As in duty bound, your petitioners will ever pray.

Today, Mr. Speaker, I have citizens from the communities of Brownlee; Riverhurst; Tugaskie; Moose Jaw; Saskatoon; Cartwright, Manitoba; Red Deer, Alberta; Balgonie, Saskatchewan; Stewart Valley, Saskatchewan; Central Butte, Saskatchewan. People all over the place, Mr. Speaker, wish this petition tabled. And I do so.

READING AND RECEIVING PETITIONS

Clerk: — According to order the following petitions have been reviewed, and pursuant to rule 11(7) they are hereby read and received.

Of citizens of the province petitioning the Assembly to allocate adequate funding dedicated toward the double-

laning of Highway No. 1.

And of citizens of the province petitioning the Assembly to allocate funding toward the maintenance and capital costs of Saskatchewan roads.

And of citizens of the province petitioning the Assembly to oppose changes to federal legislation regarding firearm ownership.

And according to order the following petitions for private Bills have been reviewed, and are found to be in order pursuant to rule 11(7).

By Mr. Swenson of the Caronport schools in the province of Saskatchewan praying for an Act to amend the Briercrest Bible College.

By Mr. Cline of Our Lady of the Prairies foundation in the province of Saskatchewan praying for an Act to amend the Act of incorporation.

By Ms. Lorje of the Manitoba-Saskatchewan Conference of the Seventh-day Adventist Church in the province of Saskatchewan praying for an Act to incorporate.

And by Mr. Upshall of the Saskatchewan Wheat Pool in the province of Saskatchewan praying for an Act to amend An Act to incorporate the Saskatchewan Co-operative Wheat Producers Limited.

NOTICES OF MOTIONS AND QUESTIONS

Ms. Haverstock: — Thank you very much, Mr. Speaker. I give notice that I shall on day 16 ask the government the following question:

Regarding the Public Employees Benefits Agency, how many employees are currently contributing to the following pension plans: (1) the public employees superannuation plan; (2) the public service superannuation plan; (3) the municipal employees superannuation plan; (4) the judges of the provincial court superannuation plan; (5) the Workmen's Compensation Board superannuation plan; (6) the Liquor Board superannuation plan; and (7) the Saskatchewan Transportation Company superannuation plan.

I give notice that I shall on day 16 ask the government the following question:

Regarding SaskTel, how many employees are currently contributing to the Saskatchewan Telecommunications superannuation plan?

Mr. McPherson: — Thank you, Mr. Speaker. I give notice that

I shall on day 16 ask the government the following question:

Regarding their Crown Investments Corporation, how many employees are currently contributing to the capital pension plan?

And I give notice that I shall on day 16 ask the government the following question:

Regarding the Saskatchewan Power Corporation, how many employees are currently contributing to the Power Corporation's superannuation plan?

INTRODUCTION OF GUESTS

Mr. Draper: — Mr. Speaker, sir, I've got two groups of guests here to introduce this afternoon. They've been strategically separated, one over in the west gallery, and another group in the north gallery here — the Speaker's gallery — as you'll understand why in a moment.

We have a group of about 40 young lads and lasses, students from my district. Now this is rather complicated. They're from grades 10, 11, and 12. There's a bunch of 40 of them. It's not organized by the school but by the joint co-op youth bus tour sponsored by Assiniboia Credit Union, Saskatchewan Wheat Pool, and the retail co-ops. The students are from Chaplin, from Moose Jaw, from Weyburn, from Assiniboia, from Gravelbourg, Limerick, Torquay — it should be pronounced Tor-ki not Torquay, Tor-ki; I've been there — Willow Bunch, Lafleche, Rockglen, and Killdeer. And I'd like you all to join with me in welcoming them to the Assembly this afternoon.

Hon. Members: Hear, hear!

Mr. Draper: — The second group, Mr. Speaker, sir, from the Assiniboia-Borderland-Gravelbourg-Wood River teachers' convention — this is why they have to be separated, so that they don't fight. Yes, yes, yes. I'm seeing some of the faces up there and I can see that they would fight.

They're here to witness the proceedings and to go on tour, and I hope that you will join with me and I hope the students will join with me too in welcoming these teachers to our proceedings. Thank you, sir

Hon. Members: Hear, hear!

Ms. Bradley: — Mr. Speaker, I too would like to join the member from Gravelbourg in extending a warm welcome to the students from the southern part of the province and to the teachers in for their convention. I see some familiar faces up there.

I've had a privilege to meet some of the students in the classrooms at Bengough, and just on Saturday morning I was down in Coronach for some of the curling playoffs, and I know one of the Bengough teams won the boys'. I'm not sure how some of the other teams did. And my son, his team from

Milestone, they lost on their last rock.

So I want to extend best wishes to the students, teachers. Good luck in the curling championships coming up, provincials, and I'm sure you'll do well and we're really pleased that you're here today. Thank you.

Hon. Members: Hear, hear!

STATEMENTS BY MEMBERS

Snowmobile Rally: Fund-raiser for Drug Awareness

Mr. Keeping: — Thank you, Mr. Speaker. Mr. Speaker, in an effort to raise drug awareness in Saskatchewan schools, it has been given a boost because of a fund-raising event which was held recently in my riding. Two hundred and seventy snowmobile riders braved the temperature of minus 20 at the 5th annual Peace 100 Snowmobile Rally and raised a total of \$44,000 for drug awareness in schools.

The riders rode their snowmobiles from Nipawin across Tobin Lake, through the Torch River area; most of them went on a longer trail which actually took them through Choiceland.

Mr. Speaker, one of the riders on the trail of roughly 100 miles was 83 years old, Eldon Abrey, of Imperial, Saskatchewan. He has taken part in every Peace 100 Rally that's ever been held since they began five years ago. And Mr. Abrey and all the participants, I would like to thank them for their dedication in such cold weather.

There were several riders from out of the province. The one who came the furthest was Mike and Shari Bisson of Peace River, Alberta. They travelled the furthest. And there was more than 20 peace officers came. The furthest of them travelled — two of them — from Ile-a-la-Crosse.

Mr. Speaker, I would like to congratulate the Nipawin Elks, the Royal Purple, and the police, and all the snowmobile riders for another successful rally. Thank you very much.

Some Hon. Members: Hear, hear!

Community Volunteers and Workers

Mr. Toth: — Thank you, Mr. Speaker. Mr. Speaker, I'd just like to take a moment to acknowledge the efforts of volunteers and workers in our communities.

First of all, Friday evening I had the privilege of attending the chamber of commerce dinner in Moosomin and certainly chambers across this province do a lot to promote not only the business community but their community as well.

And yesterday in the town of Kipling the community gathered around a couple who lost their home to a fire about a month ago, to raise some support for the family in rebuilding their lives and rebuilding their home. And I'd like to acknowledge

the work of the community and the program that was put on yesterday. I'd like to thank the Wa-Wa Shrine Temple pipes and drums for giving of their time to come out and be a part of that program, and certainly say a hearty thank you to each and every one of the participants, local participants that participated in this worthwhile endeavour. And thank you to Mrs. Faye Knowles for having put the effort together to bring this function together. Thank you.

Some Hon. Members: Hear, hear!

1995 River Junction Winter Games

Ms. Stanger: — Mr. Speaker, the 1995 River Junction Winter Games were a big success this past weekend in my riding. Many of the games' activities were held in Maidstone at a number of venues in that community, my home town.

These games attracted people from over 20 communities from Pierceland to Meadow Lake, Turtleford, Lloydminster communities, and communities as far south as Highway 40 and communities along Highway 16. This covers a very large area.

Organizers of the games should be congratulated for organizing so many events, such as curling and bowling on Friday and a pancake breakfast on Saturday, along with competitive events which included a hockey tournament, bowling, seniors' pool, shuffleboard, volleyball, cribbage, small-bore shooting, Scrabble, snowmobile racing, wrestling, just to name a few.

Mr. Speaker, these games were important because they brought together people from all ages from the various communities in the region. One of the highlights of the games were the opening ceremonies, which were beautiful, included performances from the Maidstone High School band, figure skaters from the region.

These games are a part of the fabric which makes Saskatchewan a great place to live — people joining together for a common purpose in the spirit of cooperation and generally having a good time. Congratulations to all the game officials, the participants, and volunteers for a job well done. Thank you.

New Library Computers

Mr. Kowalsky: — Mr. Speaker, I'm pleased to advise members in the House here that Prince Albert is joining the information highway. This weekend I had the opportunity of attending a ribbon-cutting ceremony of the John M. Cuelenaere Library where eight computers were unveiled. They will now have access to information around the world on any publications that are on this particular network.

This ceremony was attended by the mayor, Don Cody, of Prince Albert; and also the chairperson, Claude Quinton, of the John M. Cuelenaere Library; as well as a former chairperson, Barb Gustafson, of the John M. Cuelenaere Library. Congratulations go to them and to Eleanor Acorn who was the CEO (chief executive officer) of the John M. Cuelenaere.

Now just what does it mean? It means that any man, woman, or child now has access to the entire . . . to all the information on the network out of P.A. (Prince Albert); and maybe more importantly, Mr. Speaker, is that the people of the world now have access of information that's housed right in Prince Albert, in the John M. Cuelenaere Library.

Some Hon. Members: Hear, hear!

Luther Invitational Tournament

Mr. Lyons: — Thank you very much, Mr. Speaker. Mr. Speaker, I want to report to you the results of one of the most exciting sporting events held in western Canada today, and that's the 43rd annual Luther Invitational Tournament. Now I know the member for Regina Wascana told us about it last week and I thought it's appropriate to report on the results.

Let me first of all give my congratulations, Mr. Speaker, to the players from Sheldon Williams Spartans from the city of Regina who captured the championship game, and more importantly, Mr. Speaker, captured the sportsmanlike award or the team sportsmen's award of the tournament. They exhibited not only a high level of basketball prowess, but also displayed an exemplary attitude when it comes to sportsmanship.

As the proud parent of a Luther Lion, I also want to extend my congratulations to the students and the teachers at Luther High School. They did an admirable job putting on a banquet on Wednesday night, which was attended by 400 people, whose main speaker was the former head of Canada's national team, Mr. Jack Donohue; to the 1,500 and 1,700 fans who crowded the Luther gym during the tournament. It was indeed a spectacle to behold. It's something that the city of Regina, and particularly the young people of Regina, should be very proud of in holding, Mr. Speaker. And so I want to extend my congratulations to all involved and especially to Sheldon-Williams.

If I may say on a personal note, we get to play Sheldon-Williams on the 27th, the Riffel Royals, and we're looking forward . . . as a coach, I'm looking forward to meeting them and taking away their LIT (Luther Invitational Tournament) crown. Thank you.

Some Hon. Members: Hear, hear!

Prairie Region Outstanding Young Farmer Award

Ms. Bradley: — Thank you, Mr. Speaker. I want to take a moment to add my congratulations to a young couple who farm at Milestone and who received a great deal of deserved recognition at the Farm Progress Show and Agribition. Brent and Pam Sattler are both engineers by trade and have active, full lives both in their community and in their professional life. They operate their own soil analysis business to supplement their farm income. This business expanded into farm consulting and research. But their main love is their 1,600 acre farm called Innotech Farms and it is for their innovative approach to

farming that they have been recognized.

Together they were first awarded the Prairie Region Outstanding Young Farmer Award at the Farm Progress Show. They were then named one of three outstanding Canadian farmers at Agribition, a prestigious award indeed. The awards of distinction, Mr. Speaker, deserve our attention. The Sattlers won these awards because of their innovation, their enterprise, and their hard work — the characteristics that have helped put Saskatchewan back together.

Mr. Speaker, all Saskatchewan farmers deserve annual recognition from all of us, and I dare say this award to the Sattlers is, in one respect, symbolic of the recognition our farmers deserve.

Congratulations to Brent and Pam. Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Compact Disc Release

Mr. Kowalsky: — Is it permissible, Mr. Speaker, that I can have another member's statement? Nobody else is standing up.

Mr. Speaker, I want to congratulate Missinipi Broadcasting and Stump Studios who, this weekend — Stump Studios of La Ronge — who, this weekend, released a CD (compact disc) made up of northern music and stories. This unveiling was done in the Gateway Mall in Prince Albert. I had the opportunity to attend that this weekend.

It's part of the entire winter festival in Prince Albert. This is a great weekend to be in our city in P.A. This project was partly funded by the cultural industries coalition, made of funding from the provincial government and federal government.

It's something that is, I think we will find to be, very valuable and very popular because music, as we know, expresses the soul of the nation. And that part of our nation needs to be congratulated and needs to be promoted, Mr. Speaker. Thank you.

Some Hon. Members: Hear, hear!

ORAL QUESTIONS

Proposed Firearms Legislation

Mr. D'Autremont: — Thank you, Mr. Speaker. My question is to the new Minister of Justice. Mr. Minister, the official opposition has been vigorously fighting the Liberals' ill-conceived gun control legislation. We have attended and spoke at numerous rallies. We have designed, distributed and submitted to the legislature over 7,000 names on a petition with more coming in, and we intend to introduce a motion and preparing Bills to fight this initiative.

Mr. Minister, very simply, will you continue to work with us

and Saskatchewan's firearms owners, as your predecessor did, in opposing federal gun legislation?

Some Hon. Members: Hear, hear!

Hon. Mr. Shillington: — I can only say, Mr. Speaker, that the former minister of Justice was there before you were; I expect we'll be there after you are.

Some Hon. Members: Hear, hear!

Mr. D'Autremont: — Thank you, Mr. Speaker. Mr. Minister, I'm not sure if that's a commitment to support Saskatchewan firearms owners, but I hope that it is.

Mr. Minister, your predecessor told the Saskatchewan Wildlife Federation on the weekend that a federal Commons justice committee, which will be examining the issue, will be touring Saskatchewan. The former minister said that it would be very unusual for a provincial government to make a presentation to a federal standing committee and he didn't know if cabinet would agree to do so.

Mr. Minister, will you commit today to take that unusual but very necessary step: commit the provincial government to make a presentation to the federal committee and to do something to stop this Liberal initiative?

Some Hon. Members: Hear, hear!

Hon. Mr. Shillington: — I am struck, Mr. Speaker, by the fact that on the second day after the budget the members opposite are as silent as the hills on the whole subject of the budget. One would have thought that this issue would have lasted a little longer than a couple of days. I may say to . . . I may say there's probably, Mr. Speaker, no more eloquent testimony to the wisdom and the courage of the government in bringing forth a balanced budget than these questions opposite.

May I say with respect to the actual question, we will be . . . I think the question is far more important for what it's not asking about than for what it's asking about, and therefore my comments. With respect to the comment, as the matter unfolds the government will be present and will be discharging its responsibilities.

Some Hon. Members: Hear, hear!

Tax Revenues

Mr. Martens: — Thank you, Mr. Speaker. My question is to the Minister of Finance. The reviews are in on the Premier's performance last night and they're not good. I think the Premier should have bought an hour of air time because in half an hour he only told half the truth.

I was hoping the Minister of Finance might tell us the whole truth. Madam Minister, last night while the Premier was giving only half the story, he mentioned the reduction in the deficit

reduction surtax. What he forgot to mention was the hundreds of millions of dollars in increased taxes that your government has collected over the past three years.

Madam Minister, will you tell the part of the story the Premier forgot to mention? How many hundreds of millions of dollars have NDP (New Democratic Party) tax increases cost Saskatchewan families over the past three years?

Some Hon. Members: Hear, hear!

Hon. Ms. MacKinnon: — Mr. Speaker, the member opposite is correct — the reviews are beginning to come in. And I will read the first one from Nesbitt Burns' response to our budget:

The surplus will remain intact because the province is effectively freezing program expenditures at a time when it has entered the virtuous cycle. Interest rates are now being compounded off a declining debt load. It is refreshing to see a government in Canada post a surplus and, at the same time, reduce the tax burden.

Mr. Speaker, since the budget has been released, I've been around this province and I can tell you the atmosphere around this province is in stark contrast to what's occurring in this House. As I go around this province, people are saying, we're so proud of what we've achieved in this province.

Saskatchewan is the first province in Canada to balance its budget. It not only has one balanced budget; it has a sustainable balanced budget. Our first plan has worked. We now have in place the second plan — to reduce the debt, to reduce the tax load, to enhance our quality of life, and to create jobs.

Some Hon. Members: Hear, hear!

Job Creation

Mr. Britton: — Thank you, Mr. Speaker. Mr. Speaker, my question is to the Minister of Economic Development.

Mr. Minister, your Premier told only half the truth last night when it came to job creation. He talked about jobs that are being created by your government. What he forgot to mention, Mr. Minister, was that there was actually 1,000 fewer jobs in 1994 than when your government took office in 1991. He also forgot to mention that the number of people on welfare had climbed from 57,000 to over 80,000. This is since your government took office. And this was the Premier who vowed to end poverty.

Mr. Minister, why was your Premier only telling half of the truth? Will you tell the whole truth and admit that jobs are down and welfare numbers are away up since your government took office?

Some Hon. Members: Hear, hear!

Hon. Mr. Lingenfelter: — Mr. Speaker, I want to say to the

member opposite that far from his gloomy outlook on the economy of Saskatchewan, I think the local newspapers of Saskatchewan tell you quite a different story. I'm not going to bore the Assembly with all of them, but just to read a few headlines, not from the Premier of the province, but from various people and editors and writers in newspapers across the province.

But here's one from the *Star-Phoenix*, dated January 4, '95: Job outlook bodes well for 1995. December 31, 1994, Regina *Leader-Post*: Optimism high for Saskatchewan. Here's one on the Estevan area — the member from Estevan will appreciate this — Upswing for Estevan, boom in agriculture and natural resources. And the story tells about all of the jobs. Booming Drinkwater firm geared up for 1995 expansion. Building boom in Carlyle. And the list goes on and on.

The only people in this whole Assembly that don't understand, or in the whole province who don't understand the great recovery in this province, are the dinosaurs seated over on the other side in the Liberal and Tory opposition.

Some Hon. Members: Hear, hear!

GRIP Premiums

Mr. Swenson: — Thank you, Mr. Speaker. Mr. Speaker, my question is to the Minister of Agriculture or whichever one of these people over there has the courage to answer the question.

Mr. Minister, your Premier was only telling half the truth when he talked about agriculture last night. He completely forgot to mention the \$188 million in GRIP (gross revenue insurance program) premiums he took from Saskatchewan farm families. Why is that, Mr. Minister? How could he possibly forget \$188 million like that. Or did he leave it out on purpose, Mr. Minister?

Mr. Minister, when your government tore up 60,000 GRIP contracts in 1992, we said it was because you were setting up a slush fund for the next election. Your Premier denied it at the time. Well isn't that exactly what happened, Mr. Minister? Will you tell the rest of the story that the Premier forgot to tell last night about that agricultural issue. Will you do that, sir?

Some Hon. Members: Hear, hear!

Hon. Ms. MacKinnon: — Mr. Speaker, I'd like to thank the member opposite for that question. First of all, I'd like to remind him — I keep having to say this over and over again; maybe he'll hear it this time — we took in our share of the GRIP surplus; 70 per cent of that went back to Saskatchewan farmers in the form of farm programing.

The federal Liberals took their share of the GRIP surplus; gave less than half back to farmers. So if you have a complaint, join with us and we'll complain to Ottawa.

Now again I'd like to say to the member opposite, what is his

complaint with the government? Is he saying, my gosh, there's extra money there and you didn't get it out and you didn't spend it? That's what they used to do in the 1980s. Or is he saying we balanced the budget because of GRIP? Because if it is, how did we get the other four balanced budgets? Or is he just confused and not sure exactly what he's saying? Mr. Speaker, . . .

The Speaker: — I'm not interrupting the Minister of Finance, but there is a constant barrage of interruption from the opposite members today. You've got to give the minister a chance to at least answer. So I would ask you, please respect the opportunity for a minister to answer a question that you yourselves are asking.

Hon. Ms. MacKinnon: — Mr. Speaker, perhaps if the members opposite listen to the answer they wouldn't keep asking the same question.

We have balanced the books of this province, not just one year, but for five years out. And we did it not because of any one single event. We did it because of the cooperation and the dedication and the hard work of Saskatchewan people. And we're proud of it and the people of Saskatchewan are proud of it.

Some Hon. Members: Hear, hear!

Gaming Revenues

Mr. Toth: — I have a question here, Mr. Speaker, to the minister responsible for gambling. Madam Minister, your Premier didn't even tell half the true story about gambling. In fact last night he didn't even mention gambling at all. I think that's a pretty major omission, wouldn't you say, Madam Minister? Do you think the Premier forgot the gambling story or was he too ashamed to mention it?

Madam Minister, by your own admission, the budget only tells half the story about gambling. The gambling revenue figure doesn't even include revenue from casinos but you expect to be open by November. Madam Minister, why is that figure left out of the budget, and how much do you expect that amount to be? Will you tell us the rest of the story about your government's gambling policies?

Some Hon. Members: Hear, hear!

Hon. Mr. Lingenfelter: — Mr. Speaker, maybe in response to the member I would say that they're only asking half the question, and if they got together with the Liberal leader, they might get a decent question put together.

But I want to say on the issue of gaming, on the issue of gaming and the recent casino agreement that was developed with the FSIN (Federation of Saskatchewan Indians) and the Exhibition Board here in Regina, I want to say to you that there has been a good deal of support for the policy that has been developed. It includes the local community of the city of Regina. It includes the FSIN, and also it includes a good deal of

business support, something that I can say is sadly lacking in the position that you're taking when it comes to asking the question you put today.

Some Hon. Members: Hear, hear!

Crown Corporations

Mr. Boyd: — Thank you, Mr. Speaker. Mr. Speaker, my question is for the minister responsible for Crown Investments Corporation.

Mr. Minister, the Premier's infomercial last night only told, as we've been saying, half the story. He didn't tell Saskatchewan families about the taxes you have piled on them over the last three years. He didn't tell Saskatchewan families about the . . . that Saskatchewan lags behind other provinces in job creation and that thousands of families have joined the welfare rolls since you have taken over.

He didn't tell the farm families about the GRIP money that you have took from them. He didn't tell families about the addicted gamblers that you, as the Premier, and minister . . . who brought VLTs (video lottery terminal) and government-run casinos to this province. He didn't tell about the money you are hoarding in multimillion dollars fashion in the Crown corporations, the NDP-run Crown corporations, which is now being run by you, the most political minister of all, the Provincial Secretary.

Mr. Minister, why didn't the Premier tell the truth — that he and your government cares a lot more about the family of Crown corporations than he does about the families of the people across this province?

Some Hon. Members: Hear, hear!

Hon. Mr. Tchorzewski: — Mr. Speaker, I'm pleased to answer the member's question, the Leader of the Official Opposition, because, Mr. Speaker, it gives me an opportunity to ask the Leader of the Opposition this question: how does he compare the activities of this government in bringing together a budget in three years, turning around a deficit line of a billion dollars in three years, to the kind of spending that his colleagues did when they were in the government?

And I want to ask him this: why doesn't he make a comparison today on the increases on utility rates with Alberta, like he has been doing in this House for the last several days. Because, Mr. Speaker, he knows that in the last four years in Alberta, electrical rates, power rates, have gone up by 22 per cent but in Saskatchewan they've only gone up 11 per cent. Now, Mr. Speaker, that's why he doesn't make those comparisons, and that's why he makes only selective comparisons from time to time.

The fact of the matter also is, Mr. Speaker, that in the Crown Investments Corporation, because of the bad megaproject deals made by the former Conservative government, money is being used to pay off bad debt. Money has been used to pay off bad

debt which was incurred by the members opposite, and the money that is in the Crown Investments Corporation, if the dividend that is there had not been used to do that, we would have had to borrow money at the expense of the taxpayer to meet the obligations which they committed the taxpayer to in the deals that they put together.

VLT Revenues

Ms. Haverstock: — Thank you, Mr. Speaker. The minister in charge of Gaming says that VLT . . .

The Speaker: — Order, order. I don't want to single out individual members but I think the one member knows who I'm speaking about. He's been interrupting throughout the whole question period, and I ask him please to resist and give other members an opportunity to ask a question, and to answer the question.

Ms. Haverstock: — Thank you very much, Mr. Speaker. The minister in charge of Gaming says that VLTs are not draining the amount of money out of Saskatchewan communities that people fear they are. The Finance minister has said that the government will take a mere \$90 million from VLTs. This equates to \$510 per week per machine.

We have not talked to anyone in the province of Saskatchewan who is sending less than \$1,000 per week per machine to the government coffers. In fact a councillor from La Ronge, Mr. Speaker, says their machines are sending, on average, \$2,300 per week per machine to this government.

This has incredibly serious implications for communities. My question to the minister of Gaming. The community-by-community numbers are the ones that tell the real story, Madam Minister. Will the minister agree to publish all of the detailed, community-by-community figures for VLT revenues for 1994, and then agree quarterly to publish those numbers for 1995 and beyond?

Hon. Mr. Lingenfelter: — Mr. Speaker, I want to say to the Leader of the Liberal Party that the number that I understand for the coming year is \$95 million. And you may argue that we shouldn't be taking that revenue, or the government taxpayers shouldn't be involved in that area. But in saying that, you would then have to say we'd have to increase the sales tax by 1 per cent in order to cover it off or cut programming to health care to make up the \$95 million. The reason is you can't have it both ways.

And the more I listen to you, Madam Member, the more I believe that those former Tories coming over to your operation, like Ted Yarrnton, are actually developing an election platform similar to the one ran on in 1982 by your colleagues to your right. That is, cut taxes, spend more money, and today talking about getting rid of the revenue from VLTs. It doesn't work that way.

And what people are beginning to realize is that in taking a

chance on electing you, you're going to end up with a government similar to what we had with the leader from Estevan when he was in government in the 1980s which would lead the province once again to rack and ruin.

Some Hon. Members: Hear, hear!

Ms. Haverstock: — Thank you, Mr. Speaker. It's most interesting, Mr. Speaker, that we now have a direct confession by the Minister of Economic Development that indeed VLTs are a form of taxation for the government. People across this province are concerned in fact that this a form of regressive taxation and they know that it is a tax on the poor, Mr. Speaker. They know that it is money leaving local economies, Mr. Speaker. We believe that people cannot judge the impact or even judge whether enough is being done in their communities if they have no reliable information from which to work.

My question to the minister is: your VLT revenue numbers are not only out of whack with what Saskatchewan hoteliers are saying, they don't even fit the experience in other provinces. You claim revenues for this past fiscal year of about \$500 per machine per week, while both Manitoba and Alberta admit to substantially higher returns. Will you just put the community-by-community numbers on the table, put them on the table and let the people of Saskatchewan know what they are really dealing with in their local communities?

Hon. Mr. Lingenfelter: — Mr. Speaker, here again we go. The member opposite indicates that we're not getting enough from our VLTs in Saskatchewan; saying that \$500 per machine isn't enough, that they're getting more than that in Alberta and Manitoba. On the other hand, you're saying we should be getting less, that we're taking too much.

And I say to the Leader of the Liberal Party, that just like your numbers on StatsCanada, which you never had the courage to come back to the Assembly and apologize for attempting to mislead the people of Saskatchewan on your job numbers, today you're doing exactly the same thing on VLTs — trying to have it both ways: that there should be more than \$500 per person, but yet, on the other hand, you argue that there shouldn't be any revenue.

And I want to say to you when I made the comparison of the replacement that would be needed in the formation of taxation to take place of the revenue coming from VLTs, it would be about 1 per cent increase on sales tax to take the place of the revenue coming from VLTs.

Now you may argue that that should be more, but you can't have it both ways. You can't say that gambling is bad, although you've got lots of experience with it. But you can't have it both ways. You can't have no gambling and more gambling at the same time.

Some Hon. Members: Hear, hear!

Ms. Haverstock: — It's very, very intriguing, Mr. Speaker,

very intriguing indeed, that the Economic Development minister thinks that what we're saying is that they aren't taking in enough. Mr. Speaker, they're taking in substantially more than what they're willing to put on the books. Where is this openness and accountability that they talk about? They claim to be open and accountable, but they are very selective, Mr. Speaker, in the information that they make available.

In December the MLA for Shaunavon wrote to the very Premier of this province asking the government to release a detailed breakdown of the VLT revenues community by community. In spite of having access to 88 staff in the Premier's office, we didn't get the courtesy of an answer, Mr. Speaker.

The Gaming Authority annual report will not even be available to tell the people of this province about the province-wide VLT revenues until this session is long over. The current reporting system will never give us community-by-community figures.

To the minister once again: can the minister explain why the Premier and his government was unwilling to answer our request? What exactly is it that you're so afraid to let the people of Saskatchewan know?

Hon. Mr. Lingenfelter: — Mr. Speaker, I don't know how much more clear I can make the numbers that the government intends to receive in terms of revenue from VLTs. We have made it very clear that in the coming year we expect to get \$95 million. You argue with that and say that that's not enough, or that it's too much, but that's the best we can do at this point of time at giving you the estimate on the amount of money that we expect to get from VLTs in the coming year.

Now in a few moments I'll be giving you the answer to the question, the written question which you gave in the House. I'll take time to read it now so that you will at least have the information. But your question was, why don't we give out the numbers per community or per machine in community? And I want to say to you that in some communities where there's only one operator of VLTs, it would be very ... (inaudible interjection) ... Unfair to competition; is that what the former premier said?

The point here, Mr. Speaker, is that the member should know that giving out information that would put one hotelier, the amount of money that they're getting from VLTs, on the front page of the paper, is absolutely against the policy of the government. And the member opposite should know that that isn't a proper way to deal with business people in the province of Saskatchewan.

Some Hon. Members: Hear, hear!

Social Assistance for the Disabled

Hon. Mr. Pringle: — Thank you, Mr. Speaker. Mr. Speaker, I would like to respond to a question that was recently taken notice of in my absence. And the question was, asked by the hon. member from Wilkie, was, why does a fully employable

person receive more social assistance than a disabled person?

Mr. Speaker, I think it's very important to clarify that this is not the case. In fact allowances for disabled or unemployable people are considerably higher than for employable people. That's because, Mr. Speaker, this is a needs-based program. Of course you have to take income into account. But the reality is, Mr. Speaker, that at least 225 per month more is available to an unemployed person. Potentially up to 340 per month, depending on the needs.

So, Mr. Speaker, for employable people we attempt to provide a sustainable income. And of course the key is links to jobs and education and training opportunities. So I'd be happy to sit down with the member to go over the allowances. But it's important not to promote what he was trying to do last week in the House.

Some Hon. Members: Hear, hear!

Welfare Numbers

Mr. Martens: — Mr. Speaker, my question is to the Minister of Social Services. Mr. Minister, the minister responsible for Economic Development tried to answer a question earlier that dealt with job creation and the numbers in Social Services and the people on welfare.

Would you please explain to this legislature and the people of Saskatchewan why 80,000 people are on welfare today, and why your Premier didn't talk about that yesterday when he was on the air and could easily have done it — talk about the 80,000 people that are on welfare today and mention the fact that he promised to eliminate welfare in the province of Saskatchewan.

Would you explain to the people of Saskatchewan why he didn't tell the whole truth on that one?

Some Hon. Members: Hear, hear!

Hon. Mr. Pringle: — Well, Mr. Speaker, I want to report good news to the House, Mr. Speaker. From May of 1994 to January of 1995 the case-load is down by 1,300, Mr. Speaker.

Some Hon. Members: Hear, hear!

Hon. Mr. Pringle: — Now, Mr. Speaker, that is ... Mr. Speaker, in Alberta that they like to quote, in Alberta for December the case-load was up 1,000 new cases. January, Alberta was up 1,500 new cases. That's in Alberta, Mr. Speaker.

Mr. Speaker, in 1994 the case-load went down in 8 of our 11 regions. Now that's a success story, Mr. Speaker. Our dependency rate is the second lowest in all of Canada.

What Alberta is doing is driving people out of province. Seven thousand ... they drove 12,000 clients back to the reserves where there's no housing and no jobs. Mr. Speaker, they transferred 10,000 clients over to other dependency programs.

They're playing a sham game.

What we're trying to do is to create the 7,000 new jobs and with New Careers and Future Skills and JobStart and all of these programs, are designed to support the *Partnership for Renewal*, Mr. Speaker, which is working. They're offside on this with the public of Saskatchewan.

Some Hon. Members: Hear, hear!

The Speaker: — Before I call ministerial statements I just want to remind the House, particularly government cabinet ministers, that written answers should not be read into the record. They will be printed in *Votes and Proceedings* and it is not the custom to read them out loud. Of course the tradition of that has been to save time of the House. So I ask cabinet ministers to refrain from reading answers that have been written into the record.

MINISTERIAL STATEMENTS

Heritage Day

Hon. Mr. Goulet: — Mr. Speaker, Heritage Day is celebrated nationally each year on the third Monday in February to recognize the significance of our heritage, our unique identity, our roots, our past, and our present. On Heritage Day, and especially in this year as we are celebrating the 50th anniversary of the end of World War II by participating in the Canada Remembers program, it is fitting to recognize Saskatchewan residents who were awarded the Victoria Cross in both world wars and the Boer War.

The Government of Saskatchewan will recognize these individuals by erecting historic markers at the site of their homes, farms, or businesses. Victoria Cross recipients were ordinary Saskatchewan people doing extraordinary deeds. It is also fitting to recognize the recipients as we celebrate the 90th anniversary of our province.

Four members of the Canadian Forces from the province have been awarded the Victoria Cross. Lieutenant Robert Combe of Melville won a posthumous Victoria Cross in 1917. That same year Sergeant Harry Mullin of the Moosomin area was awarded the Victoria Cross. Sergeant Hugh Cairns of Saskatoon was awarded a Victoria Cross posthumously for actions in 1918, and Major David Currie of Moose Jaw received the Victoria Cross for bravery in the Normandy campaign of 1944.

Two recipients were members of the North-West Mounted Police who joined British military units directly from their service in Saskatchewan. Sergeant A.H.L. Richardson won the Victoria Cross in 1900 for actions in the Boer War; and Lance-Corporal Michael O'Leary was awarded the Victoria Cross in 1915.

Lieutenant-Colonel Cecil Merritt was awarded the Victoria Cross in 1942 for actions in Dieppe; although not a recipient of the Saskatchewan . . . a resident of Saskatchewan, Merritt was

awarded the Victoria Cross while a member of a Saskatchewan regiment.

The Victoria Cross was created by Queen Victoria in 1856 to reward exceptional courage by members of the armed forces. It is the Commonwealth's highest award for valour. In 1993, the Government of Canada established Canadian military decorations for valour. The Canadian Victoria Cross is now Canada's highest honour.

Mr. Speaker, it is also appropriate that we recognize the Victoria Cross recipients in a year that we are celebrating the 90th anniversary of our province. Thank you.

Some Hon. Members: Hear, hear!

INTRODUCTION OF BILLS

Bill No. 15 — An Act to provide for the Enforcement of the Code of Ethical Conduct for Members of the Saskatchewan Legislative Assembly (Anti-corruption)

Ms. Haverstock: — Thank you very much, Mr. Speaker. I move first reading of a Bill, An Act to provide for the Enforcement of the Code of Ethical Conduct for Members of the Saskatchewan Legislative Assembly (Anti-corruption Act).

Motion agreed to and the Bill ordered to be read a second time at the next sitting.

Bill No. 16 — An Act to amend The Freedom of Information and Protection of Privacy Act

Ms. Haverstock: — Thank you, Mr. Speaker. I move first reading of a Bill to amend The Freedom of Information and Protection of Privacy Act.

Motion agreed to and the Bill ordered to be read a second time at the next sitting.

Bill No. 17 — An Act respecting an Economic Strategy for Saskatchewan

Ms. Haverstock: — Thank you, Mr. Speaker. I move first reading of a Bill, An Act respecting an Economic Strategy for Saskatchewan.

Motion agreed to and the Bill ordered to be read a second time at the next sitting.

ORDERS OF THE DAY

WRITTEN QUESTIONS

Hon. Mr. Lingenfelter: — Mr. Speaker, as I inadvertently referred to in question period, I now table answers to questions 3 and 4.

The Speaker: — 3 and 4 are tabled.

SPECIAL ORDER

ADJOURNED DEBATES

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

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

Mr. Martens: — Thank you. Thank you very much, Mr. Speaker. I want to outline some of the reasons why I think this budget is, as the press have named it . . . the budget misses the mark. And I want to point out a number of ways that this budget has absolutely missed the mark.

Mr. Speaker, there is only one point that the government made and that's been their driving agenda through the last three years and that was one single facet — regardless of the cost to people, regardless of how many people are impacted negatively in the province of Saskatchewan, they were going to deliberately deliver more taxes into the government coffers without reducing any spending; in fact increasing spending and increasing taxes, and then say they have the courage to balance the budget.

Mr. Speaker, the Minister of Finance quoted Mr. Mike Duffy earlier last week and made the point of saying that Mike Duffy had given them a great mark for the things that they had done. Well, Mr. Speaker, there's one thing about Mike Duffy, he doesn't have to pay Saskatchewan taxes. No, Mr. Minister, he doesn't have to pay Saskatchewan taxes. Do you know who said it probably right? Mr. Bruce Johnstone, who said it probably is one of the most difficult things to do is that we have to live in the province of Saskatchewan and pay all the taxes.

And why is there a difference between the media in Saskatchewan and the media across Canada? And the media across Canada doesn't have to pay the taxes, Mr. Minister, and that is the big difference between what the media in the province of Saskatchewan are suggesting to the people of Saskatchewan and what the Saskatchewan people are saying to us. And I believe, Mr. Speaker, they're saying it to the people across the way. They just don't want to do it. They don't understand it and they have never understood really the facets of business.

I want to point out how this budget misses the mark. Mr. Mandryk says: "Budget misses the mark."

Finance Minister (and I'm quoting from the paper, Mr. Speaker) Finance Minister Janice MacKinnon has accomplished something that, to me, is a far more amazing feat than balancing this year's budget, putting together a plan to balance the 1995-96 budget or beginning to chip away at the debt.

(That's) Child's play, comparatively speaking.

Her far greater feat — at least in my mind — is she has become the first person who has ever made me wish I was an Albertan.

That's what she has driven the people across Saskatchewan to say. As a matter of fact, Mr. Speaker, when I was speaking in Rosetown just recently, I was speaking in Rosetown and I asked this group of people who were farmers, I asked them this question. I said: what would happen if we could move the Alberta border, take our tractors to the west side and pull that border 150 miles to the east? And one guy in the back said, he stood up and he said: 75 miles is plenty; that's as far as my farm is and I'm prepared to take my tractor and do that.

That, Mr. Speaker, is the attitude across the western part of this province in dealing with how we have to pay taxes and the different things that we have to do in relation to that. That is, Mr. Speaker, why people across the western part of this province say it's time we had a part of Alberta coming to us, because we're giving the Alberta economy a great big boost. And that, Mr. Speaker, is a fact. And I will point that out as I deliver the rest of my speech here today.

The Premier has said over and over and over again that \$4.5 billion is enough. That's enough money being spent on the services to the people of Saskatchewan. And he committed himself, Mr. Speaker, in this Assembly, to the fact that he would not spend more. That, Mr. Speaker, has had some interesting play. And I'll read what Murray Mandryk said about that and I think he's right on the money.

The 5.1-billion we will spend in 1995-96 is going to be the minimum cost of the provincial government for the next several years.

It's not making do with what we can afford. It hasn't been (done) for years.

Minus the 873 million it will cost us to service the debt this year, that's almost \$4.3 billion to run government (Mr. Speaker).

Minus the debt servicing, government in . . . 1991 — (and the member from Estevan ran that government) — cost us \$4.2 billion.

So it was less than what the Premier of Saskatchewan said he could run the government on. And now, Mr. Speaker, the interesting thing is in 1989 it only cost the people of Saskatchewan 4 billion to run the government.

Mr. Speaker, this government has increased spending in services provided to people across the province every year since it got elected. Mr. Speaker, they said that they had enough in waste and mismanagement that they could run the government on 4.5. And have they done that, Mr. Speaker? The answer is absolutely no. And that's why people across this province are saying, it's maybe better that I was in Alberta or that I could be in Alberta.

But, Mr. Speaker, there are many people across the province of Saskatchewan that can't move. Their businesses are located here, their reputation is located in Saskatchewan, their opportunity for service is located in Saskatchewan. And I just have to say, Mr. Speaker, that there are a lot of people who have a lot of real estate, who own a lot of real estate and could not afford to sell it and move to Alberta.

Manufacturing plants, business opportunities that have grown up in the province of Saskatchewan, and that, Mr. Speaker, cannot be moved to Alberta. The ordinary wage-earner, he can go to Alberta and get a job. And they have provided jobs, job after job, in Alberta, in order to do that.

And that, Mr. Speaker, is why we have said to this Assembly and to the people of the province of Saskatchewan that we need to have a taxpayers' protection Act put together in this province so that we could have the government controlled by the taxpayers in the province of Saskatchewan.

It's my belief that that's what the people want to have — that's what they've asked for in my constituency — and I believe that the people across this province are going to recognize that that's an important opportunity for them to regulate and control the government.

(1430)

Mr. Speaker, speaking of higher taxes and doing things in a proper fashion, I was interested in a headline in both papers, in the *Star-Phoenix* and in the *Leader-Post*. And that story had . . . it was a cover story and had . . . this is the headline: Tax-free Alberta crippling businesses in western Saskatchewan. Mr. Speaker, it talks about a businessman from Swift Current and this, Mr. Speaker, is exactly the way it is for the majority of them.

George Kushner calls it the "frosting on the cake. For years, the owner of Robinson's Electronics had complained that taxes were slowly, but surely, ruining his business. Now he had the proof.

So early last month, Kushner loaded his van with brand new television sets, VCRs and "ghetto blasters" that customers bought over Christmas. All were covered by warranty and brought into his store for service when they failed to work properly.

Now that's a good thing to do, Mr. Speaker. Buy your Christmas gifts and if they don't work, take them to be repaired. But what happened, Mr. Speaker?

The only catch was that none were actually purchased in his store, even though all the buyers lived in Swift Current. The sales had been made in Alberta, mostly in Medicine Hat, and arrived on Kushner's doorstep because he was the local authorized dealer to handle warranty work.

That, Mr. Speaker, is what is going on in community after community after community across western Saskatchewan.

I was interested to note on television last week, the day before the budget, on CBC (Canadian Broadcasting Corporation), they had an interview with the mayor of Maple Creek and he pointed out the different locations in the town of Maple Creek where this store is closed and that store is closed and that store is closed. And then they went to the manager of the co-op store and they said, are you suffering any? And he said, any of the appliances that we have that are sold in Alberta do not sell in Saskatchewan.

And that is a fact, Mr. Speaker, across the western part of this province. That happens in Eastend, that happens in Shaunavon, that happens in Swift Current, that happens in Gull Lake, Maple Creek, Leader. And you go all the way up to Meadow Lake, Mr. Speaker, and that's happening across the western side of this province.

Not only that, Mr. Speaker, the people are getting more and more irritated. Last year, the Premier and the Minister of Finance spoke in Swift Current to a meeting of the chamber of commerce. Mr. Speaker, they said to them, they said to the Premier, can't you reduce it to some extent so that you save the people of western Saskatchewan some business opportunities? Can't you do just a little bit of that?

And what did they say, Mr. Speaker? No, we can't. We can't treat any community different than another; one community cannot be isolated, and said, you can't have this and you have to pay.

So what did we have shortly after that? The town of Lloydminster got a special Bill in this Assembly; made precedent, Mr. Speaker, that a Bill passed in this Assembly would have authorization to have special levies made in Lloydminster. That, Mr. Speaker, is the reason why the people in Swift Current were complaining about what they had to pay in taxes and reducing their opportunities in business. It's very, very significant, Mr. Speaker.

You know how significant it is? It's estimated by the Medicine Hat Chamber of Commerce that their city does \$550 million worth of business annually in their city — a huge amount of money. It's almost 10 per cent of what the province spends; that's what the city of Medicine Hat does in business. And that, Mr. Speaker, is very significant.

The other thing that the chamber of commerce in Medicine Hat says, is that 10 per cent of the \$550 million flows out of western Saskatchewan — \$550 million, 10 per cent comes from western Saskatchewan; \$55 million is taken out of retail sales in western Saskatchewan and delivered into the town of Medicine Hat. That's only one community, Mr. Speaker, and there's a whole lot more of those communities along the western side of the province. These people have a serious problem. They have a very serious problem.

You know what else it does, Mr. Speaker? The very fact that sales are up in Medicine Hat because of this extra volume that comes in means that the people there do not have to have discounts. They can in fact increase the price of the retail product, and they can increase the price to the extent of the sales tax to those people in the western part of the province. And so that, Mr. Speaker, is another factor that increases the cost of this tax on the people of the province of Saskatchewan.

So what they're doing in fact is they're building the economy in eastern Alberta and crippling the economy in the western part of the province of Saskatchewan. That is the way that the people of the western side of the province look at what this budget is doing. It is driving out business. It is not providing an opportunity to enhance their retail stores. It is in fact decreasing that opportunity. And that, Mr. Speaker, costs jobs — cost jobs, cost jobs, cost jobs.

And that, Mr. Speaker, is why Mr. Kushner said at one time he had 17 people employed, and now he has seven. That's what the cost is to Mr. Kushner. And if there's a cost in one retail business like that, there's a cost across the retail suppliers and distributors in the western part of the province. And that, Mr. Speaker, is why the people and the media are saying this budget misses the mark, misses the mark completely.

Mr. Johnstone, Bruce Johnstone, had a headline here, here's a few more ways to cut the debt. Some advice that he gave to the Minister of Finance that I thought were of some interest. And one of the things that he says: since the deficit has been eliminated, a tax that generates a hundred million a year to reduce the deficit is by definition redundant. That, Mr. Speaker, is a fact.

Now what could be done to eliminate some of this, this deficit? And if you reduce the tax and put it into place where it should be, is some of the costs . . . no, some of the benefits that have accrued in CIC (Crown Investments Corporation of Saskatchewan) from increased utility rates in power, in telephone, and in energy, that, Mr. Speaker, could have been used to offset the volume of dollars that were required to balance the budget this year.

But you know what they did, Mr. Speaker? They had a surtax to eliminate the deficit, and then they went into the back pockets and picked them. They picked the back pockets of every farmer in the province of Saskatchewan for another \$188 million. And there is a line in the budget that says: other and sundry. Mr. Speaker, they picked the pockets of every farmer in the province of Saskatchewan to \$188 million, and that, Mr. Speaker, is a fact. And the people of the province don't like that. They don't like that.

And that, Mr. Speaker, not only did they take away their contracts, not only did they take away their contracts, but now they picked their pockets for another \$188 million. And do you know what else? By doing that, they worked out an agreement so the federal government could pick their pocket as well. And that, Mr. Speaker, is why the people from across this province

are saying to you and to all of your MLAs (Member of the Legislative Assembly): we need to have some of that money come back to us.

You know what you're doing now? Oh, yes, the Minister of Finance said today, we gave back a whole bunch of this money. Yes, you did, in a new program, Mr. Minister, and Mr. Speaker. And do you know what the people are telling me? They're telling me over and over again that they don't trust this government, so why should they get in on a new program? Because a year down the road, they'll take that away from them too. If they have set the precedent for doing it once, and then doing it the second time, and then allowing the federal government to come along for the third time, are they going to respect the Minister of Finance or the Minister of Agriculture who will continually pick their back pockets until there's nothing left for them to buy?

And are the people in the western part of the province satisfied with that? No, Mr. Speaker, they're not.

You know what? That's not the only place that, in taxes, they're not the only place that they pick the pockets of Saskatchewan people. They pick the pockets on levies. Now that, Mr. Speaker, is an interesting thing. If you were a bonded livestock dealer five years ago, you could get a bond for five years for \$50. Do you know what it costs today? Two hundred dollars.

So you got . . . Sask Wheat Pool is a bonded dealer. It doesn't cost Sask Wheat Pool much to have a \$200 fee for buying livestock. But the ordinary, average guy out in the country who is a bonded livestock dealer — and there are lots of them because of the new program that we brought in that deals with feeder associations; each one of them uses bonded livestock dealers — each one of them, Mr. Speaker, must pay that additional amount of money. And that, Mr. Speaker, is what we have across the province in place after place after place.

You go and ask what did this cost last year? And the price is up this year. The levies across this province have increased. It doesn't matter whether you're talking about registering your firearms. It doesn't matter whether you're going to get your firearms acquisitions certificate. It doesn't matter whether you're getting married. It doesn't matter whether you're having a family. Everything has gone up.

And that, Mr. Speaker, has increased the revenues to the province of Saskatchewan and has irritated people across the board. And that's what Mr. Mandryk again says: provincial taxes and levies have hurt the most.

. . . the biggest problem faced by such middle-class families seems to be the result of taxes that have been dumped on them by governments — specifically, the provincial government.

Sure, the 10 per cent more they now pay in federal taxes, UIC, and CPP than they paid in 1991 doesn't help. But at 19.3 per cent of their total gross income

(that, Mr. Speaker, then starts to make a difference) . . .

And that's talking about a middle class family who have an income of over \$60,000. And, Mr. Speaker, how many people across Saskatchewan have an income of over \$60,000? Not many, Mr. Speaker. That is only a family that has two incomes coming together.

And that, Mr. Speaker, is the reason why it is very significant to the people of Saskatchewan. If you don't have two family incomes, you can't afford to live in Saskatchewan. That's what's happening over and over again.

And what he concludes his remarks — and this is before the budget — what he concludes his remarks by saying this:

Grossing in the mid-60 range, they're just getting by.

And if a family like this is just getting by at around \$65,000 a year, what about those earning \$45,000, \$35,000 or \$25,000?

What about those young people who are on jobs — jobs like mechanics, storekeepers, all of those kinds of things; people that are clerks in retail stores in places like Moose Jaw, Regina, Swift Current. Do they earn \$65,000 a year? No, Mr. Speaker, they do not. And for them the tax burden is getting very, very serious. And what he concludes is:

Let's hope that the NDP government has a kind thought for all such families . . . (on last Thursday's budget).

And did they, Mr. Speaker? No they did not. They didn't at all.

Another point I want to make, Mr. Speaker, is a headline that says, "Four-year debt reduction plan not good enough." That's not good enough. We need a plan, Mr. Speaker, in this Assembly in how these people are going to curtail their spending and how they're going to reduce it. That's what we need. That's what we need to have in this Assembly and that, Mr. Speaker, is what these people are afraid to deliver. They're afraid to deliver because they don't know how to do it. And that, Mr. Speaker, is a fact.

They said, in health care we'll reduce the spending. And all they did in health care was cause an irritation across the province of Saskatchewan. They caused an irritation whether it was in Carlyle, Saskatchewan or whether it was in Eastend, Saskatchewan. They caused irritation upon irritation in every health facility. And among the union members and the workers, they caused nothing but irritation across this province. Do they know how to do it? You bet.

And that irritation, Mr. Speaker, cost an added \$10 million last year. And it cost more money this year, that added irritation. And what have we got? Have we got better health care? Are the people in the province of Saskatchewan healthier because of their wellness? No, Mr. Speaker, they're not. They're not at all. And as a matter of fact, Mr. Speaker, you go ask the people that

are living along the U.S. (United States) border about how far they have to drive.

And even your member from Gravelbourg has had the courage to tell you exactly what should be told you. And for that, for that, Mr. Speaker, he's got his nose stuck in the dirt from that party over there. They said, we've got to have an old NDPer come alive, come alive from the riding of Assiniboia-Gravelbourg and he's got to take this thing and move it ahead.

(1445)

Because the member that is there from Gravelbourg who understands health care, I listened to his speech here on Friday. And he said, I might not be able to understand agriculture but I know health care. And he told you, he told you there's a problem. Do you know why? Do you know why? Because Chuck Lowen who lives south of Mankota, 30 miles south of Mankota, told him. He's the vice-chairman of Rolling Hills Health District. He told him. He's got almost 130 miles to drive to Gravelbourg and about 110 to drive to Swift Current.

For what, Mr. Speaker? Because he's got to drive past the hospital in Ponteix; he's got to drive past the hospital in Mankota; he drives past the hospital in Kincaid; and he drives past the hospital in Vanguard. And to what? To get to Gravelbourg or to Swift Current. Four hospitals he can drive past, Mr. Speaker, on his way to get health services.

And you know what? The town of Ponteix doesn't even have an ambulance, doesn't even have an ambulance. They've got just kind of a makeshift operation there now in order to put the whole thing together so they can have an opportunity for health care benefits that accrue there. People across this province are telling us exactly the same thing.

Mr. Speaker, when I got home this weekend, I had four envelopes in my mailbox, and in those four envelopes were about 30 names of individuals who said for the town of Cabri which is 40 miles away from any health service in any kind of a volume, either they have to go to Leader which is 60 miles away, or they go to Swift Current which is 40 miles away. Those people have no access to health care if a serious accident were to occur.

And, Mr. Speaker, an interesting thing happened in Cabri just one year ago. We had snow last winter, and they had a blizzard. And a mother was giving birth to a child. And that mother . . . the husband, they took her into the hospital at Cabri, and they phoned the highway hot line and said, should we drive? And there was an absolute no. The RCMP (Royal Canadian Mounted Police) said no, you can't drive. So what did they do? Mr. Speaker, they delivered the baby in the hospital in Cabri, and the mother was fine, and the child was fine.

Mr. Speaker, that's what happens all the way across this province. Emergencies come up, and then there has to be health services delivered. Whether you're 150 miles away or whether you're 10 miles away, you sometimes can't get to the place

where it has to be done. And that, Mr. Speaker, is the way the people of this province have had to operate.

I'll just point out one other thing. You know why this is a special event for me when this happens? Because in 1955, Mr. Speaker, my youngest sister was born in the house that I live in. She was born in that bedroom in the south-east corner. My father delivered the baby. Why? Because there was a blizzard on, Mr. Speaker. There was a blizzard on. And today that young woman has four children of her own. If anything serious would have come up . . . The plane didn't come. We phoned for the plane but he couldn't come because there was too big a blizzard.

Everywhere across Saskatchewan, when the ambulance from Swift Current is called to go down to Mankota and it's zero visibility, Mr. Speaker, it's zero visibility. And that opportunity for that health care to . . . health care delivery service to access that opportunity is gone. And so maybe, Mr. Speaker, the opportunity to have health and safety and a good way of life.

And do you know what, Mr. Speaker? This is what irritates me the most about this. Those people did two things. Number one, when they moved to this country they decided that they were going to set up hospitals and schools. They worked hard to deliver health care, the kind that would give an opportunity for people to live in some sense of security.

They decided they were going to do it and they did it. They did it with hard work, sweat, and all of those kinds of things. And what have we got today? We've got a government that says that's of no value. That is gone. That's history.

Well, Mr. Speaker, that kind of health care delivered at that time is just as pertinent and as important to the people in those areas today as it was then. And that, Mr. Speaker, is the reason why I think that this government has far outstepped any obligation it has to the society that voted for it.

In fact, Mr. Speaker, there are many, many people tell me that they aren't going to support this government again and they're finished voting for these people. In fact, they haven't renewed their memberships. And I've heard that from individuals in communities that have never, ever voted Liberal; that have never, ever voted Conservative. And in my constituency I've got about four or five of them and they, Mr. Speaker, have said, no, I'm not going to vote for these people. Why? Because they took my health care away.

They did. And that's why you have headlines that say, "Four-year debt reduction plan not good enough." It's not good enough. Why isn't it good enough? Bruce Johnstone thinks that probably some of the taxes collected in utility rate increases should have gone to offset the costs and then the government could have cut their spending.

Mr. Speaker, another headline: "More spending, tax cuts urged." And Mark Wyatt says: when all of this shakes down, government in this province is not smaller, and the future

numbers really are based on luck. This is what people really want to hear. I guess they want to hear.

Not only has this government gambled on video lottery terminals, it's gambled on the very fact that people will forget where they pay their taxes. One of the things that we tried to do this afternoon in question period was to say that the Premier's remarks on television yesterday were only half the truth, Mr. Speaker. And the Provincial Auditor says the same thing: The budget not accurate picture, points out the Provincial Auditor.

I want to point out a number of other things that I think are significant, too, Mr. Speaker. I want to go around this province and talk about a number of areas and investments that have been made in the province of Saskatchewan over the last 15 years. And let's talk about some of them that have been made that would be very near and dear to the hearts of the people opposite.

Let's talk about Sask fertilizer company. Is it a good deal? How much does it provide to the people of Saskatchewan in economic benefits and work, benefits for people all across this province in the gas . . . investment in the province of Saskatchewan. That production of fertilizer is probably the mark of excellence across North America, for not only how they deliver their product, but also how they manufacture it.

And if you haven't had an opportunity to visit that facility, you should go and do it because, Mr. Speaker, that facility operates and sells, economically, fertilizer as far south as Florida. It sells urea and fertilizer. Anhydrous ammonia, it sells that across Saskatchewan. It sells that into United States and across Canada. Excellent opportunity to market thousands and thousands of metres of natural gas. And it does it in a way, Mr. Speaker, that puts people in Saskatchewan to work. It doesn't go down to Minnesota to be manufactured into fertilizer and then delivered to all over North America. No, Mr. Speaker, it's done right here in Saskatchewan.

Let's just go down the road a ways and see another facility. Let's talk about . . . one that comes to mind is Millar Western in Meadow Lake. And the member from Meadow Lake recently stood in this House and he said, Meadow Lake has become the forest capital of Canada. And that's a compliment, Mr. Speaker. That's a compliment coming from people from Ontario, people from New Brunswick, who have trees and always have had trees. But why would a prairie town get to be the capital of the forestry industry in Canada? Why, Mr. Speaker?

Because one person . . . Mr. Speaker, I'll tell you that there are people across Canada that don't even think there's a tree in Saskatchewan. And that, Mr. Speaker, is evident all the way across Canada. They think this is bald prairie, Mr. Speaker, and yet we have the forest capital of Canada in Saskatchewan.

That, Mr. Speaker, is unique, very unique. And why do they get it? Did the member from Meadow Lake or his party have any reason to compliment the former government for any of the things they did in building that plant — totally, Mr. Speaker,

totally environmentally friendly. Totally, Mr. Speaker. It is an example of how to do business in North America. And many people across the world should take some lessons from how they did it up there.

But did they give the former administration any credit for that? No, Mr. Speaker. They just say it's a good thing to do, it's a good thing to do. And now they're trying to take the credit themselves.

Let's go across the province to another facility. Let's talk about the P.A. pulp mill. Was it a good thing to do? It was hemorrhaging money out of this province, something like \$90,000 a day. And what happened, Mr. Speaker? We sold it. And I can recall standing on that side of the House and hearing all the verbiage about how terrible that was. And then we built a paper plant alongside, to balance off the use of all of the material that was harvested in the forests in northern Saskatchewan.

And what happened? We have two plants there instead of one, operating about at a thousand people on a daily basis. That, Mr. Speaker, is very significant, very significant for job creation in the province of Saskatchewan.

Then we got another thing that these people scorned so many times in reviewing how we should do things when we were government. We were told that the oil patch were the slipperiest, foulest people in the history of the world doing business, and you couldn't do business with any of them. That's what we were told over and over and over again. They were the . . . they misused people, they drove business out of the province.

The oil patch, Mr. Speaker, today is booming. And I just saw a headline that said, from the Minister of Energy, who said that this is great; we finally broke a record that was set in the middle 1980s. We broke a record, Mr. Speaker, and these dirty oil men did it to us. We broke a record.

And how did they do it? They did it by paying over \$200 million into the provincial coffers for land sales. That's how they did it — using something very similar to the oil royalty holidays that we had in place. Very similar, almost to the . . . one or two commas difference, that's the only difference between their royalty holiday and the one we had. That, Mr. Speaker, is the reason why there's \$200 million extra in the budget, in the revenue from last year. That's the reason.

People said they could do it, and they can do it if you allow them an opportunity. But who did they use as an example? Well, Mr. Speaker, they used the former administration's example of how to do it in the oil patch.

So now what have we got left? Well how is business handling it with turbines in Saskatoon? How is that going? Does anybody talk about that? That's a good business. In fact the Japanese said that the people in Saskatchewan have a higher work ethic than the Japanese do. That, Mr. Speaker, is why they wanted to build

in Saskatchewan.

And some people say that the turnaround in the history of Saskatchewan's economy is due to these people managing different. Some people say it's because of luck. But, Mr. Speaker, and Mr. Minister, it's not luck when you build an opportunity for yourself. It's not luck when you build an opportunity to develop your resources. It's not luck; it's planning. It's good and healthy, sound management planning.

You know what the problem is on the other side, Mr. Speaker? These people, many of them, have never made an investment beyond their home. They have never made an investment where they take a dollar and put it into an investment and then expect to earn \$1.35 or a \$1.40 out of that dollar investment, and then return not only a labour opportunity to the province of Saskatchewan but an added benefit so that they can live and exist in the province of Saskatchewan and pay taxes.

(1500)

That, Mr. Speaker, is what many of these people have not ever had an opportunity to do. And that, Mr. Speaker, is why they have a very narrow perspective of opportunities like Saskferco; why they have a negative attitude towards the pulp mill. That's why they had a negative attitude towards Millar Western.

And then, Mr. Speaker, you know what these people all have to do? They have to hoard things. Well, Mr. Speaker, they hoarded things in the '70s. What did they do? They said, well we can run potash better than anybody else, and that, Mr. Speaker, was a fallacy just like the pulp mill. It was a fallacy. And what do they do, Mr. Speaker? Over and over again they said potash, we can do it better; potash, we can do it better.

Well, Mr. Speaker, what do I see headline after headline saying? Potash Corporation making money. Who is it making money for, Mr. Speaker? It is making . . . paying royalties to the province of Saskatchewan. It is making money paying shareholders in the province of Saskatchewan, all over the province of Saskatchewan. And we have a company that was formerly named Saskoil; today it is called Wascana Energy. Mr. Speaker, the criticism heaped upon the government of the day that said that we could privatize that business and have it earn dollars for the province of Saskatchewan.

Today, Mr. Speaker, that single resource . . . oil and natural gas resource company is one of the largest in Canada. It is one of the strongest companies in Canada. Why, Mr. Speaker? It is one of the strongest companies in Canada in the resource sector because the people of the province of Saskatchewan know how to manage oil. They know how to run an oil business, and they understand not only how to run it; they know what the oil business is all about. And that, Mr. Speaker, is why the people in the province of Saskatchewan are proud to be shareholders, proud to be shareholders and pay taxes on dividends that return on shares.

So today, what do we have? We have taxes being collected on

earnings by shareholders. We have taxes collected on royalties in the province of Saskatchewan because our natural gas and our oil is being used where, Mr. Speaker? Where? It's being used in a refinery.

I heard the other day that the co-op refinery is probably going to earn one of the highest dollar returns it has ever earned in its history. And, Mr. Speaker, I doubt very seriously that that would have ever happened had not there been a refinery or an upgrader built alongside of it. I doubt whether that would have ever been there.

And so why do we have a hundred thousand barrels of oil coming out of mainly western part of Saskatchewan into Regina here? A hundred thousand barrels a day, delivered to the upgrader so that the refinery can use it after it comes out of the upgrader so that we can, number one, Mr. Speaker, not have to import the oil that we use in the province of Saskatchewan from Alberta, which we did traditionally prior to 1980. We don't have to pay royalties to Alberta so that they can deal with their budget. We don't have to pay taxes into Alberta so that the people who have the freehold can pay taxes in Alberta for the oil that is generated there.

The natural gas that is used in the upgrader and in the refinery is pumped from western Saskatchewan. It's used in western Saskatchewan because for the first time we can use our own oil resources. And you know what, Mr. Speaker? What I find most interesting is all of these people think that it was luck that gave them an opportunity to balance this budget. And I say to you, Mr. Speaker, and to the members of this Assembly, it was not luck. It was financial planning and looking for an opportunity to deliver a way that we could get the benefit of using our natural resources and doing it here; providing jobs here, providing an opportunity for work and providing an opportunity for investment.

Mr. Speaker, over and over again this is the kind of the thing that wasn't luck. It wasn't luck at all. It was in fact, Mr. Speaker, an opportunity for investment the like of which Saskatchewan has never seen in its history. And that is the reason. And I could even go on and talk about Cameco and how they provide to the people of Saskatchewan an economic opportunity. All the way across Saskatchewan we have had these kinds of opportunities to build and to grow.

Mr. Speaker, there's one other point I want to make . . . well there's two I guess. One is that there was a tax reduction. There was a tax reduction in two places. Well there's more but there's two places that are going to impact in economic development in some way, shape, or form. And I want to talk about them a bit.

First one is that airplane fuel is going to have less tax. And I thought it was rather interesting that one of the comments on the street said, you know maybe I can fly to Moose Jaw from Regina and see if I can get some more business down there and see whether it would help me. This whole saving on fuel, fuel tax for aircraft, I thought . . . I almost laughed when the Minister of Finance thought it was important enough to bring

up in this Assembly. I think that that, Mr. Speaker, is the kind of attitude that these people have.

Who pays? Who pays now? Let's talk about balance? Who pays? The people that live here pay the tax. We have the syndrome of Mike Duffy or Bruce Johnstone. Mike Duffy can talk about how good it is in Saskatchewan but he doesn't have to pay tax here. Bruce Johnstone lives here and understands what's going on. He pays the tax. Mike Duffy would likely say that aviation fuel taxes is the wrong things because you know what? His cost of his airplane ticket is going to go down, so he can fly into Saskatchewan. That's what's likely going to happen. But Bruce Johnstone, he's got to offset that in some other tax in utilities that he has to pay. And that, Mr. Speaker, is exactly what we have. We haven't got a balance. These people don't understand what they're doing.

The other thing that I thought was of significance . . . this is really interesting. I live in a community that has some manufacturing. And in that community we have Spar. We have REM Manufacturing. We have the UFR. We have a number of other manufacturing plants. We have a glass manufacturing plant. We have a plastics manufacturing plant in Swift Current. All of these people, Mr. Speaker, paid 9 per cent tax, paid 9 per cent PST (provincial sales tax) sales tax on their equipment when they put it in. That's a fact, Mr. Speaker.

And now all of a sudden we have tax relief, 9 per cent, for those people who are going to build for infrastructure and manufacturing and processing in the province of Saskatchewan. They will get a rebate of 9 per cent. So now you have a competitive advantage, given through taxation, to my competitor in the market.

And what's that going to do, Mr. Speaker? It's going to pit neighbour against neighbour in saying: look, he got a 9 per cent cut in his sales tax; it cost him a million dollars to build that facility, and he's going to get 9 per cent of that back. And the guy that built it last year is going to have to pay it. And for that, Madam Finance Minister, that, we have to thank you?

I'm not sure what they're trying to do. Are they trying to harmonize and in a very selective way try to harmonize? Because that's what they did with Sears. Now Sears is a major company that came into Regina; that's what they did with Sears. We'll give them a break on 9 per cent; we'll be selective.

So we have Lloydminster who doesn't have to pay the tax of 9 per cent sales tax. We have different, isolated islands in the province of Saskatchewan that don't have to pay sales tax because they're developing marketing for resource development or processing. They don't have to pay tax.

Now, Mr. Speaker, a person comes in and builds a new resource manufacturing facility in the province of Saskatchewan. He'll get a 9 per cent cut. If he builds one for the meat-packing business, he'll probably get a 9 per cent cut.

But, Mr. Speaker, all of those abattoirs in my constituency will

have to pay the 9 per cent. And because they've paid the 9 per cent, they will have to ask their purchasers or their consumers, they will have to ask those people, for that amount of money to offset that 9 per cent that they had to pay for the increased cost in building their facility. The new abattoir coming in, he doesn't have to pay for it, Mr. Speaker. He doesn't have to pay the 9 per cent sales tax.

So we have an island that is being developed, and all of the kinds of things that people are very hesitant to even suggest are coming to pass in fact. And these islands are being built, and they're tax shelters. They're tax islands in the province of Saskatchewan. And big airplanes coming in and landing in Regina or Saskatoon, they get a tax shelter. Manufacturing and processing building new in Saskatchewan, they get a tax shelter.

Why, Mr. Speaker? Is it to create jobs? Would it be possibly in the framework of their imagination to create jobs? And if it would be good for an isolated few, why not give it to everybody? Why not give it to everybody and then see them use the 9 per cent of the province of Saskatchewan as an opportunity to make an investment.

And do you know what, Mr. Speaker? We are at the crossroads in this province on processing and manufacturing. Because you know what? This year some time the federal government is going to have to make a decision on what they're going to pay the Crow, and where they're going to pay it, and how much is going to be paid. When that decision comes forward, Mr. Speaker, there's going to be an immense amount of responsibility placed on those people who will have to pay more freight. And then what are we going to have? We're going to have to look for places to process those things that were formerly moving by an extra cost to the freight.

And that, Mr. Speaker, is going to be very, very serious. At some point in time the \$300 million is going to have to be addressed, that these people are looking at. They're not sure that they know what they're doing. And at some point in time, Mr. Speaker, processing and manufacturing is going to have to be done for our agriculture products. And that, Mr. Speaker, is why I think isolating this 9 per cent on a rebate to those people that are increasing their processing and manufacturing is not enough. Why not give it to those people who in an ongoing basis have developed this province over the last 75 to 100 years? And that, Mr. Speaker, is a reason why those two things are very, very incidental to the value of the people of the province of Saskatchewan. Those are islands, Mr. Speaker.

I want to point out another island, and that's in the gaming side. People in the province of Saskatchewan are going to have to live with islands. There's going to be an island built around every video lottery terminal that is on an Indian reserve. There's going to be an island of no tax on every casino that is built in an Indian reserve.

And what is that going to do, Mr. Speaker? When you go there to gamble, you go there to buy groceries, all of those islands,

Mr. Speaker, are going to represent a loss of tax dollars to the people of the province of Saskatchewan, because everyone will be able to buy in those islands, not just the people who are living there. And that, Mr. Speaker, is why these islands of protection are going to cause a serious problem for the economy in Saskatchewan.

You've got an island in the 9 per cent sales tax given back to those people who are starting up processing and manufacturing or adding on. You've got an island built by casino development. You've got an island built by aviation fuel rebate in fuel tax. You've got islands all over this province.

Mr. Speaker, the question that is being asked over and over again: why not make Swift Current an island? Why not make Maple Creek an island? Why not make Leader an island? Why not, Mr. Speaker? It's because those people have asked over and over and over again for some consideration as it relates to tax, and this government says no, I can't afford to do that.

And over and over again the people of the province are doing as the headlines have suggested. They don't have a plan. They don't understand what they're doing. They don't . . . (inaudible interjection) . . . the Minister of Economic Development says it isn't right. Well take the people who wrote about you, and we'll point that out.

(1515)

"Agriculture feels used"; "GRIP surplus made a big difference," almost enough to make this year's and next year's surplus accountable for. The auditor says, "Budget not accurate picture." "More spending, tax cuts urged"; "Four-year debt reduction plan not good enough"; "Most job creation left to the private sector", and that's an interesting one too, Mr. Speaker.

In a provincial budget that proclaims its commitment to job creation, the only hard evidence of new jobs are 180 additional positions within the provincial government itself.

Well another headline: Provincial taxes and levies have hurt the most. Here's a few ways to cut the debt. Medicine Hat mall targets Saskatchewan shoppers. "Budget misses the mark." All over the place, Mr. Speaker, we are finding people who have a great deal of difficulty understanding why this minister would do what she did.

You know, and another thing that concerns me, she said we're going to take one-third and spend it on new projects. We're going to take one-third and make jobs. We're going to take one-third and pay down the debt. And when the people of Saskatchewan heard that there could have been a surplus last year, Mr. Speaker, they told me over and over again, why doesn't the Premier of the province pay down the debt? Pay down the mortgage. Why doesn't the Premier pay down the mortgage?

You know what the headline in Alberta said? You know what

the headline in Alberta said? The budget surpluses will be used to pay down the debt. What do we hear in Saskatchewan? No, no we can't do it that way. We can't do it that way, Mr. Speaker.

And so over and over again, I believe these people could take some lessons from the economic development that's taking place in Alberta. Over and over again, they could learn how to do it if they'd only get their mind or their head out of the sand and look around them, because there are other places that are substantially ahead, substantially ahead, Mr. Speaker, I say, than the people of the province of Saskatchewan in the government's eye.

One of the things that I think needs to be said here and that is very important. Alberta is setting the track for themselves, Mr. Speaker. Low taxes, high employment — they are, in fact, Mr. Speaker, they are ahead of everybody in Canada in putting new jobs together. New jobs, Mr. Speaker — they're ahead of everybody.

So, Mr. Speaker, where is economic development going to take place in western Canada? Where is it going to take place in western Canada? It is not going to be in high-taxed areas. It won't be. Would any of these individuals invest dollars in Saskatchewan if they had a choice between Medicine Hat and Swift Current? Lloydminster on the east side of the border or the west side? Edmonton versus Saskatoon? Calgary versus Regina? Where would you put a major investment, Mr. Speaker, when it comes to taxes? Would you put it in Saskatchewan? No, you would not. You would not put it in Saskatchewan.

So where are companies from western Canada going to set up? They're going to set up in Saskatchewan? Never, never. They won't set up in Saskatchewan because the taxes are too high, Mr. Economic Development Minister. They are way too high. And that, Mr. Speaker, is the reason why they will go to Alberta. They don't pay the PST on manufacturing development. Resource development, they don't pay taxes on that. And that, Mr. Speaker, well there's some people that have this imaginative kind of thing that floats across their eyes every once in a while, and says that we don't pay taxes. Well, Mr. Speaker, take a look at it — utilities, telephones, power, energy — all of those taxes, Mr. Speaker, plus highest income tax, highest sales tax in western Canada.

Mr. Speaker, would people build processing and manufacturing plants in Saskatchewan? And the answer is no. Where do they go? They go into Alberta; increases their opportunity for development. When we take a look in agriculture and where things are going in the next 10 years, Mr. Speaker, they are going to go into Alberta. There is . . . (inaudible interjection) . . . Oh, I'll tell you about Spar industries sometime when we have a time to talk behind the bar, Mr. Economic Development; I will tell you.

Mr. Speaker, I want to tell the Minister of Economic Development that there are a lot of things that the community of Swift Current are talking about Spar about that are very, very

negative. And I will tell you that day that the owner of Spar was on national television and said he couldn't get jobs out of the people of Swift Current was the day that he and my office got a lot of phone calls that said, why? Why are there unfair labour practices in that job opportunity?

An Hon. Member: — Step outside and say that.

Mr. Martens: — Mr. Minister, I'll tell that person himself.

An Hon. Member: — You go outside and say that.

Mr. Martens: — No, I'll tell the person himself, Mr. Minister, because those people have . . . and actually the people that got laid off after 80 days will tell him themselves. They have told him in spades, Mr. Minister.

That's what's happening at Spar, Mr. Minister. And when he said that on national television, I heard of an individual who called from New Brunswick and said, I want to go down there and find a job. And then they told him — do you know what they told him? — don't bother to come. Don't bother to come because I have enough people working here.

What he said on television didn't actually fit the facts, Mr. Speaker.

An Hon. Member: — Oh boy, you're in big trouble down there now.

Mr. Martens: — No. No, I'm not in trouble; he is.

Also, Mr. Speaker, I want to tell you that manufacturing across this province — I just got deflected there for a bit, Mr. Speaker — manufacturing and processing in agriculture across this province is going to have to take a second seat to Alberta. It's going to have to because of taxation in this province.

And that's why they put islands up, so that their people can get the 9 per cent sales tax back, to make a level playing-field. And that, Mr. Speaker, is going to have to be done across this province in order to have an opportunity to compete, to compete with the people in the province of Alberta.

That, Mr. Speaker, is the reason why I will not be voting for this budget. I will not be supporting this budget at all. Because, number one, it doesn't address the real needs of real people in the province of Saskatchewan. It does nothing to waylay the concerns that people have in gambling. It does absolutely nothing to waylay the concerns that people have in health care. It does nothing to waylay the opportunity for economic development in the province of Saskatchewan. And their job creation is dismal to say the least.

That, Mr. Speaker, is the reason why I won't be supporting this budget. Because every year from the time that these people were elected, they have said more jobs, more jobs, when in fact they are at a thousand less today than they were when they got elected. And that, Mr. Speaker, is what the Statistics Canada

has said. They revised their numbers and that's what they've come up with — a thousand less today than they had in 1991.

Mr. Speaker, that's why this member from the constituency of Morse will not be supporting the budget.

Some Hon. Members: Hear, hear!

Mr. Whitmore: — Thank you, Mr. Speaker. Mr. Speaker, I'm very proud to talk about today a new day dawning. It's very interesting to hear the words from the opposition when we talk about a new day dawning. And the positions of their seats face east and it's a wonder they're not wearing sunglasses to be blinded by the sun that's coming up in the east.

It's very interesting too, Mr. Speaker, when the member from Morse talked about that he would not be supporting this budget. Not a surprise. Not a surprise. Because it contains a word I think that is new to the official opposition, one that they, we, had not heard in this province for 10 years.

An Hon. Member: — What's the word?

Mr. Whitmore: — The word is balanced budgets. Balanced budgets.

But we've gone beyond the balanced budget. We've gone to surplus budgets. Two years in a row in terms of a surplus budget, Mr. Speaker. This is a new day dawning.

Again the province of Saskatchewan and the people of Saskatchewan have risen to the difficulties that are out there and have become new and innovative. We are leaders. We are leaders in terms of financial responsibility in this province. And as I will outline, we are leaders in health care and education with this budget, and we are leaders in agriculture, Mr. Speaker, in terms of this budget. We are leading the way. The people of Saskatchewan are leading the way in terms of this budget.

I also would like to talk about, Mr. Speaker, later on, is how the Liberals and the Tories and the other parties, the third party and the official party, talk about the Alberta plan. Well I want to talk about this so-called Alberta plan, its relationship to what we're doing in the province of Saskatchewan.

Well let's talk about the surplus budget and our plans for this surplus budget, Mr. Speaker. A surplus last year \$119 million — Mr. Speaker, this is amazing; this year a surplus of \$24 million. And the plan continues: '96-97, \$65 million surplus; '97-98, Mr. Speaker, 80 million surplus; '98-99, Mr. Deputy Speaker, \$120 million surplus. Truly we are on the road. Truly we are on the road.

And when we do it, Mr. Speaker, in a balanced approach, when we take that surplus and try to share it around in terms of what we're trying to do, to deal with the problems that we've faced as a province, one-third of that paying down the mortgage, Mr. Speaker. This is very significant to be paying down the mortgage.

And we say, if we continue on this path, which we will, from April 1, 1994 to March 31, 1999, using the surplus funds, we would have paid down this debt by \$1.2 billion. That's not interest. That's principal, Mr. Deputy Speaker. That's principal. The less interest we have to pay outside this province . . . that is significant. That's why we're leading in the nation, Mr. Deputy Speaker.

We talk about the other third, the question of a tax reduction. And this is where it's very interesting when you talk about the Liberals and the Conservatives or the Conservatives or the Liberals or whatever. They said we should have done more, we should cut more taxes.

The question becomes, what is sustainable in terms of a tax? We have done something in terms of the reduction of the surtax for many people in this province that provides a benefit to everyone. I would like to outline some of the things that will take place in terms of this tax relief for individuals in this province.

Individuals earning up to \$20,000 will pay no surtax, Mr. Deputy Speaker. Single income families with two children earning up to \$28,000 will pay no surtax, Mr. Speaker. Dual income families with two children earning up to \$34,000 will pay no surtax. Two income families earning up to \$65,000 will see their surtax reduced by more than 50 per cent, Mr. Deputy Speaker. This is innovative; this is new — a tax reduction.

But what would the opposition parties have us do? They talk about, well one suggestion was moving the Alberta border over, you know, a few hundred yards to include some other communities. Reduce the PST by 2 per cent or 3 per cent, Mr. Deputy Speaker. The question becomes, Mr. Deputy Speaker, what would they cut then if you took \$200 million out of the government revenue? What would they cut? What would they do?

I guess the question becomes, would they make the kind of cuts that they refer to in Alberta under King Klein, the reduction in terms of health care and the closure of hospitals, a change to the health care system with no plan? I guess, would the Leader of the Opposition stand up in his community of Kindersley when they cut \$200 million and close the hospital in Kindersley? Because that's the kind of things he would have to do.

But at the same time we have the Liberals making promises in tax cuts that add up to \$350 million, Mr. Deputy Speaker. And where would they cut? Where would they cut?

An Hon. Member: — And he says they've just begun.

Mr. Whitmore: — They've just begun. Yes, they've just begun.

And they also look to Alberta as the economic model in terms of what they would do there. Now in health care, would the Leader of the Third Party then talk about the question of health care premiums, something we don't pay in this province, Mr. Deputy Speaker?

Do you know, Mr. Deputy Speaker, what health care premiums are for a family of four in the province of Alberta? \$1,350 per family. And there's no taxes in Alberta, Mr. Deputy Speaker. There's no taxes. Then what is this, Mr. Deputy Speaker? What is this?

(1530)

An Hon. Member: — Tax.

Mr. Whitmore: — Exactly right. It is a tax.

These are the questions that the third party and the official opposition have to answer in terms of how they would beat their targets. We have delivered a plan. We continue on the plan and we deliver the target to say, this is what we're going to do.

In the area of social services, Mr. Speaker, we have continued even through these tough financial times of increasing our contributions to those people least able to survive in terms of the present day economy. We have not done our budget budgeting on the backs of the poor, Mr. Deputy Speaker. I'm proud to say that we have not done that. But the members of the third party and the official opposition, they talk about the Alberta model and how they deal with welfare there.

But you know what they do in the province of Alberta, Mr. Deputy Speaker? They have puréed it. They have fought the war of fiscal responsibility on the backs of the poor. And in this war you know what they've created? They have created welfare refugees, welfare refugees. Those people least able to survive are kicked out of the province. That's how they deal with the problem — a one-way ticket out of the province.

I know people that have come to the community of Biggar that are now examples of these welfare refugees. That's how you deal with the problem? You simply send them away?

And as our Minister of Social Services has outlined today, an increase in terms of the social welfare rolls in Alberta. So I guess then that means that the business for Greyhound is going to increase out of the province in light of this. I suspect that the province of Alberta is buying bulk tickets in terms of sending people out of Alberta. And, Mr. Deputy Speaker, that is not fair. That is not fair to do it in the . . . doing on the backs of those people least able to survive.

But you know I hear nothing from the third party and I hear nothing from the official opposition on how they would deal with the problem — absolutely nothing — put them back to work you know, do these kind of things.

That's exactly right, Mr. Deputy Speaker; as a government we are dealing with those questions. We are providing one of the most intensive job training programs and innovative job training programs in all the country. This is very important, Mr. Deputy Speaker, and we will get those people that are able to work. We will be able to find them sustainable jobs in the

future, Mr. Deputy Speaker.

This is important — that's how you deal with people on welfare rolls. You don't give them a one-way bus ticket. That doesn't solve the problem, that simply just sends it away. But that's the model that the third party and the official opposition hold up and they advocate, as they did today, moving the Alberta border farther over.

The area of education, Mr. Deputy Speaker, here again we are leading the nation in the area of distance education outlined in this budget and the commitment we have made to distance education, which will allow those communities to be served, with greater services to provide them with greater information in terms of providing those educational resources. We're leading the nation in this area.

We have also tried to be very careful in terms of dealing with education in terms of post-secondary education and primary and secondary education in terms of funding cuts. And, Mr. Deputy Speaker, these boards have risen to the occasion. These boards have, in their wisdom, continued to develop a quality education system and I applaud them for that.

And now because we're coming out of it and we're seeing the new day dawning, we can say to these school boards in the next year coming up, that they will see an increase, Mr. Deputy Speaker, an increase of 2 per cent to their budgets. This is very important in terms of the new day dawning.

But what do they do in terms of the model that they talk about in Alberta? What are they talking about there in terms of the model that the third party and the official opposition like to hold up under King Klein — that being, Mr. Speaker, where fees are charged for those children attending kindergarten. But we don't have taxes in Alberta. There are no taxes in Alberta — \$450 per student to attend kindergarten in the province of Alberta and that's not a tax? What does the Alberta government do in terms of the school boards and their ability for taxation? They take away their powers. And it all goes to the provincial government.

So at the same time they take away the control that the school boards have in terms of administering what's going on in the school system. Well, that's an interest . . . I would like to know how the Saskatchewan Trustees Association would react to that.

But that's the model that the third party and the official opposition like to hold up, and it's a very flawed model. These are the kind of things that are going on in this province that they hold up beside us. And the way they talk, this is the model that they're going to use. Well I tell you, Mr. Deputy Speaker, the people of this province will not stand up for that model. That is not the model they want.

Mr. Speaker, I now want to deal with the question of agriculture and rural life and how it relates to the budget. Again, Mr. Speaker, we are leading the nation in terms of what's going on in terms of farm income programs. We are the first province in

this country to sign with the federal government under a new safety net program.

And outlined in our budget, Mr. Deputy Speaker, on page 35, for the third party and the official opposition to see, reference under item 9, farm income stability and development, the budget from this year from last year increases for farm income commitment by this government of \$14 million. An increase, Mr. Deputy Speaker, an increase.

And do you know what's going on in the province of Alberta, Mr. Deputy Speaker? That right now the Minister of Agriculture in Alberta is approaching the farmers in Alberta to see if they want to get out of GRIP early. They want to get out of GRIP early. And he feels the farmers will say yes, that they want out of GRIP.

An Hon. Member: — Give him McPherson's plan.

Mr. Whitmore: — Well I don't think that the Alberta government would care for the plan that was proposed by the member from Shaunavon.

But, Mr. Deputy Speaker, it shows that we are leading the way. The Manitoba government is doing the same thing with their producers, talking about getting into this new, whole-farm program. They're jealous that we're in it. But they're also faced with another problem. As we committed 70 per cent of our GRIP dollars, of the provincial government GRIP dollars, to the new program, to create this program, Alberta and Manitoba are faced with no money for a new program and massive deficits that their farmers will have to pay for, and their taxpayers.

We are on the leading edge. We are on the leading edge. In the question of value added industry and research, we have committed a further \$9 million to the ag equity fund . . . or ag innovations fund. We will continue to fund those areas where we are seeing growth and potential for growth in this province.

Biotech. We are the world's leaders in terms of biotech, Mr. Deputy Speaker — leaders. This is clearly an important role for us to be taking. We are leaders in the area of minimum and zero till seeding in the world, Mr. Deputy Speaker. Bourgault and Flexi-Coil and many other smaller manufacturers in the province are showing that.

And, Mr. Deputy Speaker, when the member from Morse talked about companies leaving the province, Flexi-Coil has stayed and expanded. Bourgault has stayed and expanded, Mr. Deputy Speaker.

In an area that's dear to me, in the town of Biggar, in terms of value added processing, I want to talk about two things that are going on there that just fit into this; things that are not going away. Last Wednesday, we announced a venture, the opening of a venture that's taking place in Biggar: the largest greenhouse in Saskatchewan, which will provide materials for the greenhouses in Saskatchewan and western Canada. This is phase 1, Mr. Deputy Speaker.

And, Mr. Deputy Speaker, this is a program that was done in partnership. It was done in partnership by the community who raised \$350,000 to invest. It is done by 13 of the major greenhouse owners in the province of Saskatchewan as partners, Mr. Deputy Speaker. It is done also with the contribution by the ag equity fund, as they see this as a potential to invest in it also. This is clearly on the leading edge, Mr. Deputy Speaker. And this is phase 1.

Phase 2, hopefully next year, will be the construction of the lab. Phase 3 will mean an additional construction of the greenhouse and expansion.

Mr. Deputy Speaker, this will employ in the community of Biggar seven full-time people. And the spin-offs will continue, Mr. Deputy Speaker. And the community did it, the community did it, Mr. Deputy Speaker.

The other one is Prairie Malt, Mr. Deputy Speaker. Prairie Malt has a long history since it was this government in the '70s that was involved in attracting a malting company to the community of Biggar. The Prairie Malt has continued to survive, and under the partnership of Saskatchewan Wheat Pool and Schreyer Malt of Shebowgan, Wisconsin, continues to expand. They've entered into a major expansion program by which they will increase their exports by 25 per cent. That was phase 1.

Phase 2 is now under construction, Mr. Deputy Speaker. More expansion, more good news. This same company has signed a joint venture with the Chinese to provide malting barley to them. Looking at new horizons, Mr. Deputy Speaker, the question of a new day dawning; again on the leading edge.

Mr. Deputy Speaker, when I look at the plan that we have outlined and the direction that we plan to be going and the future that we're seeing that is bright for the province of Saskatchewan, and then I look to the plan or the non-plan that's being offered by the official opposition and members of the third party, Mr. Deputy Speaker, I am confident to know where the people of Saskatchewan will stand in support in terms of a budget like this.

And, Mr. Deputy Speaker, it is with that kind of support that we know that we are on the right course, because it has been the people of Saskatchewan that have supported us through the decisions that we've done, and they're now seeing that new day dawning, Mr. Deputy Speaker.

Mr. Deputy Speaker, it is with a great deal of pride then that I will say that I will be supporting this budget, and am very pleased to be part of this history-making in terms of providing the surplus budget to the people of Saskatchewan. And I think the people of Saskatchewan will believe the same thing. Thank you again, Mr. Deputy Speaker.

(1545)

Mr. Kluz: — Thank you very much, Mr. Deputy Speaker. Indeed it is a new day dawning for Saskatchewan. Bright days

ahead, no doubt about it.

I just want to take some time to look back into '91. Flashback into October, November of '91, just how things were just three short years ago, three and a half short years ago.

Before I entered into the political field, as many of my other colleagues, we all had a wish list, some of the things that we wanted to do, some of the things we wanted to accomplish. But once we took power, Mr. Deputy Speaker, we soon realized how bad the financial position was in this province. The picture certainly was bleak.

In fact it was so bad that back in October, November of '91 when myself and yourself, Mr. Deputy Speaker, or anybody else could have borrowed money at 8 or 10 per cent, 8 or 9 per cent, the province was having a hard time borrowing money for day-to-day operations and was getting offers at 13 per cent. That's what a risk Saskatchewan was at that time.

This province couldn't borrow any money and it was on the brink of disaster, on the brink of default. It was at that time we realized as social democrats and as politicians that that wish list is going to have to be put on hold for a little while.

Mr. Deputy Speaker, to accomplish that, yes, we had to add to the taxes, and we had to reduce some of the programs that we had in this province. But there's no politician that wants to do that. I mean your popularity definitely goes down. Nobody wants to increase taxes and reduce programs, but it was out of a matter of necessity. It was out of a matter of need.

I wonder why that happened, why we had to do those things, why the province was in such terrible shape? Well think back to the '80s and the Tories' years. They never balanced a budget; in fact they added to the debt of this province \$1 billion for every year they were in power. Lots of mismanagement, there's no doubt about it.

But today, just three and a half years after October '91, as I go on the doorstep there's a new line of questioning. There's a new line of questioning. Instead of them asking me why we raise taxes or cut programs, they have suggestions. They have suggestions on which taxes we could cut or which programs we could add or enhance. And there's only one reason that they're asking those questions. And that is, Mr. Deputy Speaker, because we have announced the first balanced budget in this province in 13 years.

How did we do that? How did we do that, Mr. Deputy Speaker? Through sound financial plans, no doubt about it. But one thing that accomplished this was the people of Saskatchewan. We set the targets and put a plan together, and the people followed through.

And I just want to explain what kind of people we do have here in Saskatchewan. I want to talk about my neighbour. His name is Jim Rose. He has some cattle, and of course I don't on my farm. And last summer he asked if he could cut some hay on

my farm, and I told him, go ahead. While he was out there cutting hay, I was out there doing summer fallow one Saturday afternoon. And being overworked and lots of time to contemplate life, I was just feeling a little down on myself and wondering why I had to be out there. I was sitting in an air-conditioned cab, climate-controlled, and I looked at Jim out in the creek, and he had an old mower and a old tractor, no cab. And he was out there, and he was having fun. And I thought, boy, I sure got a lot to complain about.

I talked to him just two weeks ago. He talked to me about two years ago when they had Heritage Days up in Leslie, how he seeded with his team of horses and how he was running the binder and they used a threshing machine. Brought back a lot of memories for him.

He also told me that he wakes up every morning, it takes him three hours to do his chores. He's calving out 34 cows this year. Every morning he hitches up his horses, he cuts wood, and every weekend he goes to old-time dancing. But the point here, Mr. Deputy Speaker, that Jim is 77 years old. It's quite amazing for someone of that age, a terrific amount of strength and stamina Jim has.

But it's people like him, it's people like him, Mr. Deputy Speaker, that contribute to Saskatchewan — strong, ambitious Saskatchewan people. And that's how and why Saskatchewan can and will rebuild. Once again, Mr. Deputy Speaker, thanks to the people of this province.

I also want to make a comment that the member from Wilkie made last week on his debate on the throne speech. And he talked about how these debates, Mr. Deputy Speaker, are a waste of time. Well I think it's to the contrary. That member was sitting here for 10 years, could have said that when they were in government for 10 years; never had once said that in the '80s, now he's saying it's a waste of time.

Mr. Deputy Speaker, I do not agree. I agree this is a very important part of this institution. The people of this province deserve to hear our debates, deserve to hear our plans, our future plans, what we plan to do in Saskatchewan. And I know there's a lot of interested viewers out there watching TV right now. In fact I'd like to pay tribute to a couple of my neighbours from Bankend, who moved to the city — that's John and Doreen Kuyak — who I know are watching right now with great interest. And I'd just like to say hi and take care out there.

Mr. Deputy Speaker, this budget must be difficult for the members of the opposition and the members of the third party — the Liberals and the Tories. It must be awful difficult for them because I know full well — some members have spoke already — that they're going to vote no on this budget. They're going to stand up in their place and vote no. But what are they going to vote no to?

They're going to vote no to jobs; new agriculture programs, agri-food innovation fund; they're going to vote no to new health care initiatives; they're going to vote no to a balanced

budget. They're also going to vote no to reduced taxes. It must be very difficult for those members sitting there across the way.

And we talk about jobs, and in the last two years we have something like 7,000 more jobs here in the province of Saskatchewan. One of the new initiatives is through JobStart. It's going to help people that don't necessarily have post-secondary education, don't have a job. It'll help get them off social assistance and find them a job. A new program, it shows some compassion, Mr. Deputy Speaker.

There's also new ag programs. One, as I mentioned before, is the new agri-food innovation fund which is going to put money into research and diversification. It's very important, Mr. Deputy Speaker, that we do this in the province of Saskatchewan, especially now at a time when the federal Liberals are going to change the method of payment. We know that's going to happen. We know that the federal Tories cut the method of payment for a number of years, and now the federal Liberals are going to eliminate this method of payment.

And regardless of how it's paid, the more important part is going to be Saskatchewan's entitlement. And you're going to see those dollars reduced drastically, thanks to the federal Liberals. Former Tory cut-backs and now Liberal cut-backs — and yet the opposition sits quite silently on these two issues. I think I know why, Mr. Deputy Speaker. But it's going to be very difficult for Saskatchewan farmers, and that's why this new agri-food innovation fund is going to be so important to help farmers diversify through research.

I want to take a minute to talk about GRIP — GRIP versus Alberta and Manitoba. There's no doubt in my mind, and everybody knows that in 1992-93 that our neighbouring provinces . . . or the neighbouring farmers in the neighbouring provinces got more money than Saskatchewan farmers. There's no doubt about it, Mr. Deputy Speaker.

But look at today. Look at what's happening today. Take Alberta, for example. There's a large deficit in that program, and the program was set up that it had to be actuarially sound or self-funded. That would mean any deficit in this program had to be paid back by producer premiums. Today the premiums in Alberta are between 10 and \$12 an acre. They're probably going to rise more. They would have rose last year, but according to the formula, they only could rise so much per year.

Plus there's no pay-out there this year at all. And you take that 10 to \$12 an acre premium, on a 1,000 acre farm, that's \$12,000 per year to those Alberta farmers.

Recently I talked to an Alberta farmer who's complaining about what had happened. And I told him, now you as farmers in Alberta, you also have a production loan, like our farmers had under the Tory administration.

Another thing that happened is that our specialty crop acres in canola and flax acres in Saskatchewan rose dramatically; in Manitoba and Alberta stayed quite flat. It's very important,

looking at today's prices, Mr. Deputy Speaker — canola reaching \$9 and flax at seven and a half dollars, specialty crop prices are up, our farmers taking advantage of that because they diversified.

They do what they do well; they know how to farm here. In Alberta and Manitoba they didn't do that; they stayed with traditional crops. Now that the prices are high for specialty crops, canola and flax, it doesn't help Alberta and Manitoba farmers one little bit.

Our farmers got money from the market-place. Never mind that, Mr. Deputy Speaker, they have technology in place on how to grow these crops. You just don't learn how to grow them overnight. They also have machinery in place. Our farmers will continue growing these crops in large acres. Our neighbouring provinces won't be able to do that till they learn how and get that technology and machinery in place.

So just look at the difference between Alberta and Saskatchewan. Alberta has large premiums, they've got a large deficit, no specialty crop in canola and flax acres, no money from the market-place. Yes indeed, Mr. Deputy Speaker, those Alberta farmers do have a production loan.

There's also other new programs on the agriculture scene. And this new program we have, the new safety net, is a three-tiered process. One is the sector program, which will ensure that farmers will be paid if the prices drop below a certain level. That is, if the prices go down in the elevator, our farmers will be getting a cheque. There's no premium attached to this, Mr. Deputy Speaker.

We also have the continuation of the crop insurance program. And in Saskatchewan you can get crop insurance at 80 per cent; Manitoba and Alberta is at 70 per cent maximum.

We also have the farm net income stabilization account, or the new NISA. And, Mr. Deputy Speaker, this is a lot like the old western grain stabilization program. When I'm going door to door and farm gate and talking to farm families, they tell me they really would like to see something like the western grain stabilization program brought back.

And we have something very similar to that now — very similar. There's only a few differences. One is that the premiums aren't deducted at the elevator, something that we wanted to achieve but couldn't through our negotiations with the federal government. So you have to pay the premiums on your own merit.

But the more important part of this new NISA program is that it's in your own account. The very important part of being your own account, Mr. Speaker, is the fact that governments won't be able to manipulate a pay-out like they had in the past. They manipulated pay-outs from the federal government just for politics. When there was a federal election coming, you could see there was a payment coming from the western grain stabilization program, but it eventually was the demise of that

program.

Farmers said they wanted that program back. They've got a very similar program now. But the more important thing is it's in their own account and they get a chance to access those funds if need be. If they don't need those funds it stays there and they can use it for their retirement, or it can help them transfer land to their children because they won't have to use all their capital assets to retire on.

I want to talk about one of my neighbours, Mr. Speaker, and it relates to agriculture and it relates to this program. The point being that this neighbour of mine, he's married to my cousin, he's a Liberal. He never would vote New Democrat. And when he talked to me about '92 GRIP and what had happened in the new programs, I sat down with Pete and I explained how the new farm program worked, what's happening in Alberta and Manitoba, and the vision we have for our Saskatchewan farmers.

(1600)

I can tell you, after talking to him for 20 or 30 minutes, he was glad that I got the message across to him. He said, after all, that's what we put you there — to do a good job. I believe you're doing a good job. And at the end of those comments he also said, I just pray that the New Democrats get back into power to continue this.

Some Hon. Members: Hear, hear!

Mr. Kluz: — The most important thing is this was a Liberal talking to me, Mr. Speaker, telling me that I hope you guys get back into power. And, Mr. Speaker, that was before we balanced the budget. So imagine what he's thinking now.

We can talk about the GRIP surplus for a little bit, Mr. Speaker. Three-quarters of this government portion — of course the farmer portion went back to the farmers — three-quarters of the provincial government portion is going back into new programs, going back into new programs. It's programs that Alberta and Manitoba can't participate in.

And they can't participate in them because they got a big deficit in the old GRIP program. And if you listen to the media, you read the papers, the farmers in Manitoba and Alberta and Quebec and Ontario are upset with Saskatchewan because they have a new farm program and they can't participate in it.

Well if the other farmers are mad and would like to participate in our program, it tells you one thing, Mr. Speaker; they like our program and they would like to belong to it but they can't because they've got a big deficit in their pool.

So with this money going back, this three-quarters of the provincial money, it's going in to develop some of these new programs. But at the same time, Mr. Speaker, the federal government is only giving about a third of that money back to farmers, the rest they're clawing back. Sitting here in the last

few days in question period, I haven't heard the Liberals ask that once because they know, they know that Saskatchewan gave a good chunk of that GRIP surplus back to ag programs, and they know the federal Liberals clawed most of it back.

You take the provincial share that went back to general revenue, is about \$50 million, Mr. Speaker. I know it sounds like a lot of money but when you think about it, and 60 million acres in Saskatchewan, that's less than a dollar per acre. That's less than a dollar per acre back to farmers if we would have put all the money back. But instead, some of that money went to enhance some of the programs that exist elsewhere in society. And those programs too, will benefit farm families.

One of those programs, Mr. Speaker, that comes to mind is health care, new health care initiatives. We're talking about added money going into health care, and it's going to create 460 new jobs — 460 jobs for nurses, home care aides, therapists, and counsellors.

But the more important thing — never mind jobs for people — but it's added health care for society, added health care for people.

Yesterday morning, at 9 o'clock in the morning I got a phone call. I was still in bed sleeping in, Mr. Speaker. And the call was . . . the first thing she said to me was, it certainly is a nice day out, isn't it? And I had to tell her the fact that I was relaxing a bit.

But none the less, we as politicians are accessible, regardless if they phone us in our homes or wherever we are phoned. We don't mind the phone calls because we really believe that people are important.

So in talking to this lady, she started telling me about home care. She said that her father needed 24-hour care. And she had no trouble sitting there with him because after all it was her father and he devoted a lot of his life towards her. So she had no trouble sitting there with him. She had access to two 12-hour shifts of home care. For the rest of the time and weekends, she had to go sit with her father. She had asked if it would be at all possible to get some more 12-hour shifts during the day because her and her husband were busy calving. They were busy showing cattle. She said, I would be even willing to pay if I could access some of this, but it would certainly help us out. And I had told her at that time, a new important initiative that we were recently embarking on had some more money for home care. In fact my staff and I are working in trying to help this lady right now access more of this home care.

That's where some of these new initiatives — this 460 new jobs — is going to take place. It's going to help people like Lydia and her dad to access more home care. It's going to help him stay in his own home. Yes, there's a cost saving to society by staying in your own home, but this gentleman wants to stay there. That's some of these new initiatives.

And if some of that money from that GRIP surplus, the

government portion, the provincial portion, had to go into new programs or help start these new programs, I have no problem with that, Mr. Speaker, because it helps all of society out. It helps farm families. And it's certainly helping somebody like Lydia and her father out.

Mr. Speaker, with this balanced budget, there also comes with it a surplus, something I'm sure the officials in the Finance department had trouble wrestling with because they probably didn't even know what a surplus budget was after all these deficits that were racked up. But with this surplus, we're going to be allocating some funds back into society. Of course one-third, roughly one-third is going to go to debt retirement; one-third is going to go to new initiatives, new programs or enhancing programs; and the other third is going to go into tax reduction.

When you talk about reduced taxes, 80 per cent of those tax reductions in this budget year are going for personal taxes — personal tax reduction in the form of the surtax deficit reduction. There's not a lot of time explaining this because it's the one reduction we have on the personal side. But, Mr. Speaker, there's a lot of dollars involved because it involves all people of Saskatchewan.

There's another 20 per cent reduction going for business — very important reduction as well, Mr. Speaker. Some of these reductions are, for example, the fuel tax for airlines. It's going to help create jobs even if we cut that fuel tax in half, because now we're talking about new companies coming into Saskatchewan; about more planes fuelling up in Saskatchewan. The industry is saying that it's going to add about 500 to \$600 million in tax revenue for the province because of added activity. Even though we reduced the taxes, there will be more money coming in and more jobs, Mr. Speaker.

We've also introduced a 9 per cent investment tax on machinery purchases, Mr. Speaker, for manufacturing and processing firms. We've also reduced their business tax from 17 to 10 per cent, and are proud to say it's the lowest tax west of Quebec. Mr. Speaker, it's lower than Alberta.

And what's this doing for jobs? It's attracting people into this province. I talked to a Saskatoon businessman this weekend who said that he was contemplating moving to Alberta. Not no more. He's staying here. He's talked to some of his acquaintances in Alberta, are contemplating moving into Saskatchewan because it's a good place to do business and it's going to create jobs; it's going to get people working.

Since I mentioned Alberta quite a bit today, Mr. Speaker, it's because Alberta has been in the news a lot about the Alberta model versus the Saskatchewan model — Alberta with no PST, less fuel tax. That may be the case. That may be the case. There are some other things that people don't realize, and one is health care premiums.

My brother and his family just moved back from Alberta. They were paying about \$1,350 a year in health care premiums for

their family. If that isn't a tax, Mr. Speaker, I don't know what is. Their vehicle insurance was outrageous compared to Saskatchewan. And with Saskatchewan's new plan for vehicle insurance, we have virtually guaranteed no increases for the next three years. And do you know what's happening in Alberta? Insurance rates are going up and up. Utility rates went up twice as fast as Saskatchewan's did.

What about tuition for kindergarten children? If you live in Calgary, it costs you \$700 for your child to go to kindergarten. But the worst thing this has done to that society, regardless if you believe in funding kindergarten or not, but the worst thing it has done in Calgary is developed a two-tiered system. Approximately one-third of those kindergarten children aren't going to be going to kindergarten. Very, very unfair, Mr. Speaker, and what it's doing is developing a two-tiered system. I guess that's the Alberta model.

So there's lots of different parallels between Alberta and Saskatchewan. And if you take everything into consideration, it's less expensive to live here in Saskatchewan than it is in Alberta. And we're done our cuts, Mr. Speaker. In fact we're reducing taxes, we're adding new programs, where Alberta is going the other way.

Mr. Speaker, I would like to talk about oil and our oil royalty structure for a minute. When we were first elected in October of '91, a friend I went to school with was a part owner for Williston Wildcatters. And I can tell you, he was just wild, he was livid that we were elected. I asked him, why are you so excited? He said, the New Democrats are going to kill the oil industry. Those were his very words.

But you know, Mr. Speaker, I had the privilege of sitting down with him last fall and having a lengthy discussion. And you know what he told me? He said that the old structure that he thought was so good, that was designed by the former premier, the member from Estevan, the old program that was designed, all it did was cater to the large companies, the large companies from Calgary and the large companies from Edmonton, and it was choking out the Saskatchewan producers. It was choking them out. It was good for the big people from Alberta, and the companies in Saskatchewan were going broke.

All we did, Mr. Speaker, was sit down with Saskatchewan companies. And through negotiations with the former minister of Energy and Mines, the member from The Battlefords, who did a lot of work, through him and his department and through caucus negotiating with these small Saskatchewan companies, all we told them was we believe that the royalties and some of these resources belong to the people of Saskatchewan. We're social democrats; that's what we believe, and we believe that some of this money has to stay with the citizens of the province.

We told them how much money we need, and we asked them what do they need. We sat down and negotiated, Mr. Speaker. We come up with a new royalties structure designed for the companies of Saskatchewan, and I can tell you they went to

work.

And after that discussion, this friend I went to school with — I can tell you he wasn't a New Democrat, he was a Tory; he was friends with the member from Estevan; in fact, they golfed together — today he's saying, I just couldn't believe; I couldn't see in front of my eyes the system that they had designed.

In fact he said, thanks for designing that new program; pass thanks on to the Minister of Energy and Mines, and keep working and stay elected because you guys are doing a good job.

Mr. Speaker, just a short, brief history here on my comments that I've made for the last few minutes. And before I close, remember some of the things I talked about.

You know, the members opposite, there's no doubt in my mind they're going to vote no against this. They're going to vote no. Like I said before, they're going to vote no to a balanced budget — first one in 13 years, Mr. Speaker.

They're going to vote for a new government initiatives. They're going to vote no for tax reductions. They're going to vote no to our four-year plan which has further initiatives and further tax reductions, and it's going to start paying down that massive debt. And it was paid down over \$500 million last year alone just to get restructuring and good management, Mr. Speaker.

And before I close I can tell you I'm going to stand in my place and I'm going to be very proud of what this government and the people of Saskatchewan have accomplished in the last three and a half years. I'm going to be voting yes, Mr. Speaker, yes to this new budget; yes, to this new direction; and yes, because definitely a new day is dawning in Saskatchewan. Thank you very much.

Some Hon. Members: Hear, hear!

(1615)

Mr. Kowalsky: — Well thank you very much, Mr. Speaker. Well my first remarks ought to be to compliment the member from Kelvington who has served his constituents very well in this Assembly, Mr. Speaker, and has really analysed the current fiscal and political situation here in Saskatchewan and brought his feelings to it. And mine reflect very closely to what he said. And I will be saying a lot of the similar things, but I will be using my own examples from my own constituency.

I want to follow in the direction set by the member from Kelvington in saying that, Mr. Speaker, we have accomplished our first priority, the priority that we set back in '91 when we first got into government. And that priority was to get the books in order so that we could do the things that we feel that government should be doing.

That was not an easy task, Mr. Speaker, and I really have to give credit, and I think credit is due to my colleagues in the

cabinet, my caucus colleagues, those of them who sit in cabinet and made the difficult decisions, went out and promoted the need for everybody to work together.

And work together the people of Saskatchewan did, worked together to accomplish the monumental task of bringing down a deficit which was projected to be originally in '91, about 1.2 billion, down the first year to about 800 million, and then in subsequent years, down to a smaller and smaller number till just last week we learned that we now no longer are working on a deficit budget but that we actually have accomplished a small surplus. And that is definitely a relief to all of the people in Saskatchewan and certainly a relief to the legislators in whom the people of Saskatchewan placed their faith.

Mr. Speaker, we have a new set of priorities as a result of having achieved that particular goal. And I want to address these in a minute. But I'm just reminded of a little analogy, Mr. Speaker, about what has to be done in order to achieve a target such as we've achieved. We achieved it a little sooner than we perhaps expected because the revenue came in, from the oil revenue, as the member from Kelvington has just mentioned, came in very well. There was additional revenue from agriculture and additional revenue from VLTs, Mr. Speaker.

But this was not an accident. It was because of the new royalty structure that the government put into place. It was because we saw that there was an opportunity for farmers to look and make a great deal of money where money wasn't being made before, by diversifying.

Farmers responded, have always responded in Saskatchewan, and responded once the negative programs were removed. And as a result, the tax dollar came into the Saskatchewan coffers a little faster than might ordinarily have been expected.

Mr. Speaker, you've got to have the bucket there underneath the drain spout when it rains. Our government showed that it was prepared. It had the bucket put into place so that when it did rain, the bucket would fill.

I'm reminded, Mr. Speaker, of my grandmother who, when I was a little child, I remember always had a beautiful, beautiful garden. And this is in Saskatchewan. Whether there was a drought or not, she always had a good garden. And the reason she had a good garden is because she had a great big barrel underneath the drain spout. And any time it rained, it would collect this. And then from there she would take the water every morning and carry it, distribute it through her garden, and it flourished.

Mr. Speaker, that lesson can be applied to the finances of Saskatchewan. You know the Tories kicked holes in the buckets. Matter of fact, they were taking and they were dipping into the bucket and they were double-dipping in some cases, my colleague says, and spilling the water all over the place, so that when the drought came and the tough times came, there wasn't anything there.

The people of Saskatchewan are relieved that the policies have changed. We have some new priorities, Mr. Speaker, and those are the things that I want to address in my remarks today. Our new priorities have been outlined by the Premier. He outlined them yesterday in his address to the public.

Our Premier mentioned that our new priorities will be: number one, to go after jobs and economic development for Saskatchewan; to continue with tax reduction is the second priority; health is the third priority; and go after debt reduction as a fourth priority.

I will be dealing with each one of these, Mr. Speaker, in a moment or two. But before I do, I want to just go back for a moment. I didn't have an opportunity to rise in the throne speech debate and I did want to acknowledge some of the changes that have taken place in the time since I last spoke in this legislature.

And the first thing that I want to acknowledge is to welcome to the legislature Ms. Margaret Woods, the assistant to the Clerk, who is new to the legislature. I wish you a good work situation here, Ms. Woods, and I know that you've got some good people to work with in the name of Greg Putz, who has been sitting here for a while, and our Clerk as well, Mr. Speaker.

I want to congratulate the new Leader of the Opposition, the member from Kindersley, for taking on what is a momentous task for him, and I'm sure that he will be challenged. And I wish him the best in his new ambition.

On this side of the House, Mr. Speaker, we have some new cabinet ministers and ministers who have taken on some new duties. And I certainly want to congratulate my colleague, the member from Regina Centre, who has taken on the task of working in the area of Gaming and the Liquor Board.

Some Hon. Members: Hear, hear!

Mr. Kowalsky: — I had the pleasure of working with the member from Regina Centre on the Health, Social Policy and Justice Committee for the last three years and she certainly proved that she is a very diligent and hard worker, represents her constituencies. And I know that her constituents will be just as pleased as I am that she received this appointment.

Mr. Speaker, I also want to congratulate the member from Athabasca who has been given the new position of Associate Minister of Economic Development. Coming from the North, Mr. Speaker, this is important to us, to have a Minister of Economic Development. The North is developing. I know that the member from Athabasca has the best, or if not the best, then certainly one of the best handles on the economic situation in the North and I wish him the best in his work. And I pledge him my cooperation in his endeavours as he works for the people of northern Saskatchewan.

Mr. Speaker, my colleague, the member from Prince Albert Northcote, has now become the Minister of Energy and Mines.

I know that he's looking forward to this challenge. All of Prince Albert and the constituents in both Northcote and Carlton congratulate him and wish him the best in that new job.

Mr. Speaker, I have a new seat mate as you know; the member from Moose Jaw Wakamow is now the Minister of Health. I know that he has worked hard as well. He knows the field of health. He is trusted by the workers. He is trusted by the administration. He is trusted by those people in the health field; I know he is trusted by his colleagues. This task of carrying through this next phase of health reform will be up to him. I know he's up for it, and I wish him just the best, and again I know that the committee that I am now chairing will continue to work with him closely.

I want to thank the member from Hillsdale for the work that she had done on her job as former Health minister. She has certainly made history, and I hope to hear more from her in the House in the future when she will have an opportunity to summarize some of the things that have happened in health care. And it's my understanding, Mr. Speaker, that the member from Hillsdale will have an opportunity to go international and visit a few places on their invitation to explain how Saskatchewan is leading in health care and health care reform in Canada. And I have to say, Mr. Speaker, that we're all very, very proud of her and her representation of us.

I want to extend also best wishes to the former associate minister of Finance who is resigning due to health reasons, who has resigned due to health reasons . . . no, I'm talking about the member from Swift Current. And I was going to congratulate the new associate minister of Finance who is, I think . . . I call him our utility person because the member from Regina Churchill Downs has certainly done that; he's worked in every field in this legislature. And anytime I know that I want to find where to go to get certain kind of information, I go to the member from Churchill Downs, and he usually is not reluctant to tell me where to go, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Kowalsky: — Mr. Speaker, in mentioning these, I am somewhat shocked and disappointed at the requirement of having to even mention that the current minister of Justice had to resign from the cabinet. I hope it's only temporary, Mr. Speaker. I know the people of Saskatchewan and a lot of people that I've talked to even on the phone just today expressed their dismay. But I know that being an honourable person, he felt that was his only move at this point. And I guess that's all that needs to be said about that at this time, Mr. Speaker.

Now, Mr. Speaker, what I want to do is go back to our priorities in this budget speech, in this budget debate — our priorities of jobs and economic development, our priority in tax reduction, our priorities in health, and our priorities in debt reduction.

Let me talk briefly, first of all, about jobs and economic development. Over the past half-year, as I've gone and visited constituents and gone to coffee row and talked with people, I

found that there was a resurgence and people were telling me, yes, things were getting better. One or two places I'd go and they told me they were expanding or they were hiring a person or two, and I felt that, well this was proof that we were on the right track.

And yet when I went to the statistical bank and asked whether or not we were on the right track, something was rather perplexing. The statistics were not reflecting that. And so while I was feeling quite good inside, I was rather amazed that this wasn't being reflected. Naturally the opposition parties were also doing the same thing; they were looking to the statistics, but they weren't bothering to check with their own people back home. Because they were rubbing their hands with some glee that somehow the job numbers in Saskatchewan just weren't increasing — rubbing their hands with glee, looking at these statistics.

Mr. Speaker, I checked also not only with business people in my own constituency but I checked with my colleagues in the legislature. And I asked them if they were experiencing the same thing. And pretty well every part of Saskatchewan that my colleagues were representing, the same thing was happening. They were telling me that yes, there seemed to be a job increase.

Well, Mr. Speaker, lo and behold, what happened? About two weeks ago we got some news. That is we got the news that StatsCanada was updating its statistics. They were changing the way that they were going to record their stats. And overnight Saskatchewan's employment increased by — what was it? — 7,000 people, I believe, this revised data. That's because they revise it and they were no longer going to use the '86 basis but the '91 basis.

Well, Mr. Speaker, I don't expect the opposition members to acknowledge that this has actually happened but I do take some satisfaction in knowing that the people that I talked to were telling me the truth, in knowing that my contacts were saying that yes, that there was an increase in activity and now know it is a fact because it has been borne out by the new stats that have been released.

(1630)

In fact, Mr. Speaker, the revised data indicates that employment in Saskatchewan was 450,000 in '92. This increased to 455,000 in 1993 and then to 457,000 in 1994. And all of this time, while this increase was going on, the unemployment rate in Saskatchewan remains at the lowest in the country at around 7 per cent.

It's kind of interesting to note, Mr. Speaker, that this employment growth of 7,000 since 1992 coincides with the *Partnership for Renewal* paper which was presented by the Minister of Economic Development. This paper, a well-thought-out paper, is something that has been read by leaders — economic leaders, business leaders — around the province. They applauded it as a good plan when it came in. It's

reassuring, Mr. Speaker, to know that the plan is working.

I would sooner, Mr. Speaker, have employment increase steadily but slowly than increase in spurts, only to falter at some time. It's a false economic theory at this stage to put a lot of money into creating jobs, short-term jobs for the . . . just for a purpose of bringing up the stats on a temporary basis. We know that that kind of money just doesn't stay in the country any more.

Our plan, according to the *Partnership for Renewal*, is to set up an infrastructure, to set up the conditions in such a way that the jobs will be made by small-business people. The record shows very clearly that small businesses in Saskatchewan are where the job creation is at, and we want to assure . . . do everything we can to have this continued.

Mr. Speaker, I have before me here a piece of paper which says a survey shows a jump in jobs and refers to the same gain I just mentioned, the 7,000 jobs in three years. But it's kind of interesting to take a look at the graph of this, Mr. Speaker, because it shows that the job decline in Saskatchewan started about 1987. Now these things you can't turn around very quickly; it started in 1987 and bottomed out in '92, and are on the rise and have been since then.

These cycles, there are things that government can do and should do. And one of the big factors, of course, in the case of the province of Saskatchewan, was that the businesses were afraid that the province itself might go bankrupt. And it was the good fiscal management of our Minister of Finance and our Premier and entire cabinet that really has caused businesses to become optimistic and decide to stay in Saskatchewan rather than moving out.

Mr. Speaker, I have done a little survey, had a little survey done in my own city, the city of Prince Albert, about business openings, what kind of businesses opened, what kind of businesses closed, and the numbers from '92. And I found that in 1992 there were 51 new businesses that officially opened in Prince Albert and district.

Prince Albert serves about a population base, a trading area, of about 70,000 people. Of those . . . you wouldn't expect every one of them to stay open, but of those businesses there were — of those 51 — there were five businesses that we know have closed. There probably are a few more but we were only able to identify five that closed. But let's say even double that number, but that's still quite the thing, to have 51 businesses open in '92 and only five to ten close.

In 1993 there was an additional 51 businesses opened, according to the registrations in Prince Albert, and all but nine remain open to this day. In 1994 there were 53 businesses that opened in Prince Albert and all but six are . . . there were six that we know have closed, put it that way, Mr. Speaker. There may be even double that number, but out of 53, even if 40 stayed open, that's very significant, Mr. Speaker.

So what we have in my own city, Mr. Speaker, if I add them up and if I'm rather cautious, if there were say 40 per year out of the 50 that remained open, that's 40 per year for three years, that's well over 100 businesses, new businesses, in three years opened in Prince Albert.

Now as I mentioned earlier, that Prince Albert has a trading area of about 70,000 people. That's about 7 per cent of the province of Saskatchewan. So if you multiply that by the appropriate factor to extend it over the entire province, multiply it by approximately 15, I would estimate that there would be, just on that projection, about 1,500 new businesses, new small businesses, in the province of Saskatchewan.

Now when I see this happening at home, that explains to me how come the statistics show that there are 7,000 new jobs. Because when you look at the small businesses, you should add to them not only the new ones that open, but you should add the jobs that have come from existing businesses which have already been there before that.

These businesses have come not in just one or two areas, Mr. Speaker, but it's quite a wide variety. There are some that have just opened up offices to help with bookwork; there are second-hand and pawn shops; there are clothing shops; publication shops; grocery stores; restaurants; auto shops; automobile dealers or associated with automobile dealerships or parts or services, and as well as others, Mr. Speaker. So this points to me that there is a general increase in activity that's broad based.

Let me give you a couple of specific examples of the type of businesses that will open in my city of Prince Albert. There was a funeral . . . one is funeral chapel, although they had two others in business there before, Mr. Speaker, and in this case it's a father and son operation. The son decided he wanted to come back to Saskatchewan, and he presently employs two full-time and six part-time employees in this business, this service business.

In other case, it's a food service business. This case, the person came to Prince Albert from Winnipeg. He surveyed business opportunities right across country. He thought that the steady payroll in Prince Albert made up from education, from Weyerhaeuser, from first nations people who spend and make up a large part of our economy, and the correctional institutions, were a good place to set up a fast food business. And this particular business now employs 20 full-time and 30 to 50 part-time employees, Mr. Speaker. It's really a sign of what is happening in Prince Albert and in Saskatchewan.

I'll give you another example, Mr. Speaker, of a person who employs eight full-time employees in a rent-to-own business. This entrepreneur used to operate a furniture-appliance business, and he had an outlet, one outlet, for seven years. And this year he added an additional outlet because of his faith in the province of Saskatchewan.

There is an agri-business that has opened in our city. He sells retail farm supplies, chemical feeds. This business operates six

full-time and one part-time employee.

I'll give you one more example, Mr. Speaker. No, I'll give you two more examples. One is a small-engine repair shop. It is a business comprised of one person. But the reason he went into business is because he opened and operated a business next to Christopherson's welding who recently expanded into the forest service industry and they needed somebody to do their small-engine repairs; so he opened a business right alongside them. So we have a case where resource-based forestry business goes into a spin-off of two or three layers of business.

Another example — and this one is a production business, Mr. Speaker — where a company, a family who wanted to remain in Saskatchewan and remain in Prince Albert, saw a potential use for flax. And after doing considerable research, this business opened up a mill which produces flax seed and flax flour for the retail market and most baking needs.

They employ five full-time people and five part-time people. They do their own packaging. They use a vacuum-pack system. It's a new product. They hope to distribute it across the nation and find international markets as well.

It's a case of Saskatchewan entrepreneurship, Saskatchewan entrepreneurship at its best, Mr. Speaker. Saskatchewan people using their knowledge to do value added work. They will . . . through their work not only their employees and them will benefit, so will the agricultural industry in total.

Well, Mr. Speaker, I mention these examples to show that in my city of Prince Albert, like in many other locations in Saskatchewan, people have a renewed confidence in the economy and in the business world. They have a renewed economy because they feel that Saskatchewan is a good place to live — they always have felt that way — but more importantly than that, they feel that the Government of Saskatchewan is going in the right direction. They no longer feel threatened that they're liable to lose their livelihood due to other people moving out or due to the catastrophe of the province going broke.

Because we were headed in that direction, Mr. Speaker, and we all know the trying times that our Minister of Finance and our Premier went through as they were looking for ways of renegotiating old loans, sometimes at interest rates which ordinarily we wouldn't want to have to face in our own private lives.

Mr. Speaker, jobs and economic development are the first thrust for us as we're going . . . and a first priority to us as we move into this new budget and into the next three- or four-year plan.

In order to continue to entice business and to encourage businesses to come to Saskatchewan, to open up in Saskatchewan, our government has put into place strategies involving training and strategies involving tax reductions. In her address to the people of Saskatchewan, her address called *A New Day Dawning for Saskatchewan*, the Minister of Finance

outlined tax reductions for business people and for individuals in Saskatchewan. Mr. Speaker, I never thought I'd live to see the day when there would actually be tax reductions proposed by a government.

Some Hon. Members: Hear, hear!

Mr. Kowalsky: — And I must say, Mr. Speaker, I am very, very proud to be part of a government which has been able to accomplish this, Mr. Speaker, which has been able to accomplish this.

Let's take a look, Mr. Speaker, of how these tax reductions will affect the small-business people that I had just talked about. What will happen in their case is, they will be . . . their small-business tax rate will be lowered from the existing 17 per cent to as much as 10 per cent, depending on how much of the company is Saskatchewan owned and operated.

The whole concept here, Mr. Speaker, is to have Saskatchewan products being useful and being used to create jobs right here in Saskatchewan. I thought that was a very brilliant way of reducing the taxes. So in Prince Albert companies like the flax company of Randolph & James that I just mentioned, and Weyerhaeuser, who's the manufacturer, will be able to take advantage of that particular reduction — a reduction in corporate tax for small businesses from the 17 per cent level to the 10 per cent level.

When you compare that tax in Saskatchewan with other provinces, you see that Saskatchewan will come in as low as 10 per cent and B.C.'s (British Columbia) is about 17 per cent, Alberta is around fourteen and a half, 15 per cent, Manitoba is — I'm approximating at about 17 per cent, according to the chart — and Ontario's is about 14 per cent.

So come on businesses, come on to Saskatchewan. By locating here, you can have a tax rate that is very, very competitive compared to other places.

(1645)

There is a tax that's been reduced for . . . a fuel tax that's been reduced for airplanes that come and land in Saskatchewan. This is rather important for me in Prince Albert. We have an airport, one of the airports that's slated for closure by the Liberal federal government, and our city is doing whatever it can to try to keep it in place. This will certainly be an assistance because it will encourage more airplanes to come and land and refuel there. If we're able to do that, we'll be able to retain employment and perhaps even increase employment with that particular reduction in tax.

There's also a reduction in the corporate income tax rate, Mr. Speaker, for small businesses, which is very encouraging to all small business. And that small business tax rate is now 8 per cent, which is the second lowest provincial tax west of Quebec, Mr. Speaker — second lowest.

Mr. Speaker, I know that these businesses will also appreciate the reduction in the gas charges, the natural gas charges, especially companies which use a lot of natural gas in their businesses. And in this country, in this province, although we've had a rather mild winter this year, the usual case is that a great deal of money is spent, expended, just to heat the businesses and business places in the wintertime. I know that they will be . . . that this reduction, which was made possible because the spot price of natural gas decreased, will be rather welcomed.

Of significance to business and to individuals in Saskatchewan is the income tax reduction on the deficit surtax. As a result of this new decision, Mr. Speaker, starting effective July 1, people who take home a pay cheque will find that their take-home pay will be increased. Their take-home pay will be increased by \$75 between July 1 and the end of the year, and the following year it'll be double that. It'll be double that; it'll be \$150.

The reduction of this surtax will result in 6,000 lower income taxpayers no longer having to pay a Saskatchewan income tax. And two income families who earn up to 34,000 will no longer pay the surtax as well, Mr. Speaker. And those two income families who earn up to \$65,000 will see their surtax removed by more than 50 per cent, Mr. Speaker.

I mentioned, Mr. Speaker, that our priorities are jobs and economic development, tax reduction. I've spoken briefly about both of those. The other two priorities are health, and debt reduction, Mr. Speaker.

First of all I want to just mention something very briefly about debt reduction. In the current budget year, this government has for the first time reduced the amount owing by paying \$119 million into the mortgage against Saskatchewan. The plan put forward by the government is to take approximately one-third of the surplus over the next four years and apply it to reducing the debt. If we have an extraordinarily good year we might put in more; if you have a poorer year, of course then you can use that to draw upon to keep your program stable.

Some people have said, why are you taking off the income tax and not the sales tax? Mr. Speaker, we would all love to reduce the sales tax. Every one of us would love to reduce it, but we would want to make sure also that whatever tax reductions take place, that those are sustainable. This year we were fortunate enough to have an increase in retail sales in Saskatchewan of 10 per cent. So although we know that there is some leakage along the Alberta border, it's wrong to say that sales tax is holding back consumer spending because clearly the statistics . . . and speaking to any business person they will tell you otherwise. So I believe that to be a good plan, Mr. Speaker, to work on reducing the debt of Saskatchewan so that our children and our grandchildren and those that plan to live in Saskatchewan in the future will not be burdened, overly burdened by the mess left by the Tory government previous.

In the last few moments that I am going to speak, Mr. Speaker, I want to spend a moment just talking about health and the

health reform package in Saskatchewan. Mr. Speaker, there are some rather amazing things happening in health even though when you drive into the city, any city or any part of Saskatchewan, you might not notice what's happening. But you can . . . if you just ask around and talk to people in the medical field, talk to people in the Department of Health, talk to people who are experienced going to the hospital or involved in home care, they will identify this for you very quickly.

I want to give you a couple of examples, Mr. Speaker. It used to be that we went to hospitals -- if you felt you were not well you would go into a hospital and you would receive your diagnosis and you would stay there until you were healthy. Sometimes while you were in the hospital you would actually catch another illness because of some of the things that happened in hospitals because it becomes a sanctuary for certain bacteria.

But that whole thing was based on the premiss that you had to have somebody to take care of you. But as medical technology and the ability of the medical profession changed, we found that people were able to take care of you at home just as well as they were in hospital. And at the same time, we find that we're having a rising population . . . an ageing population, Mr. Speaker, meaning that more and more people need health care and have a requirement for health care.

So we find that what is happening is we needed to adjust the system, the health system, to be able to provide for people to be able to convalesce at home. In many cases it's a healthier place and a better place to do it. And many of us who have to have . . . have needed some type of hospital care or health care have found that we simply would prefer to do it at home if we could.

As an example, Mr. Speaker, I was advised just recently that mastectomies used to take about seven or eight days. And quite often during that time there was the threat of infection. Nowadays, mastectomies take at the most three days. There's a follow-up to the home by nurses and a follow-up to the home by home care. And I want to emphasize that point, because people . . . it's something we have to get used to, something new that we have to get used to.

Quite often, under the new conditions, a person might be sent home even though they might still have a bit of a pain or a scar that's not completely healed. But there's good reason for it. And the reason is that it will probably heal faster at home, and also the bed you're occupying needs to be used by the next person that's coming in.

The key to this whole operation working and the key to the entire system working is the follow-up work. It is up to the home care assessment unit and the doctor and the medical workers in the hospital to make the assessment and to make sure that the nurse arrives on the doorstep shortly after or even with the person leaving the hospital. If this happens, everything works out well. If it doesn't happen, that's when people should phone their MLAs or phone their hospital boards and make sure that that kind of thing does happen, because sometimes you get these little slips, Mr. Speaker. We're working into a new

system, and the follow-up is definitely required.

But it's through that major change that's going to enable us to continue to be in the forefront of health care. Go into CAT (computerized axial tomography) scans; use MRIs (magnetic resonance imaging); have dialysis machines accessible; have a 911 system accessible to all parts of the province; have a health care system which is second to none in the world, Mr. Speaker.

I want to close, Mr. Speaker, after having mentioned that our priorities are jobs and economic development, tax reduction, health, and debt reduction. I want to close, Mr. Speaker, by just saying very briefly, spending a moment very briefly on talking about why Saskatchewan and Canada are a good place to live. There are numerous articles and data supported by a UN (United Nations) declaration that identifies Canada as a very, very good place to live, Mr. Speaker. And many of us prefer it to even our neighbour, who living — say in our neighbour country, the United States of America. The human development index reported by the United Nations used as the reasons . . . the three broad factors of why this is a good place to live. The factors they used are longevity and life expectancy, knowledge as measured by adult literacy in years of schooling, and standard of living determined by average income compared to the cost of living.

Now I know that Saskatchewan scores very high on all of those, Mr. Speaker. And the reason I'm mentioning this is because there is a current move, political move, afoot in the United States of America; in parts of Alberta — we see lots of it in Alberta — and somewhat in Saskatchewan. And that move is that government is bad. There are people in the province and in the country that are trying to model themselves after Newt Gingrich and Ralph Klein and saying that government is bad.

It is my contention, Mr. Speaker, and it is the contention of the New Democratic Party and it is the contention of this caucus, that government can be used for the common good of the people. That is our mission, Mr. Speaker. That is the purpose of government -- to use it to be able to create a country and a province that can continue to be number one.

The factors, Mr. Speaker, of longevity have everything to do with health care, medicare started by New Democrats and continued by New Democrats; that has everything to do with schooling and literacy, which is a government function, Mr. Speaker, a function of people working together; that has everything to do with the standard of living and the distribution of income which has to do with labour laws and business opportunities, Mr. Speaker.

I close on that point, Mr. Speaker, that I think we must be vigilant about what we think government should do and what we shouldn't do, and we should continue.

And we know we can depend on the New Democratic Party; I know I can depend on my Premier and my cabinet to work towards using government for the good of the people of Saskatchewan. Mr. Speaker, I know that my colleague, the

member from Saskatoon, would like to speak next. I'll take my place so that he can take the floor.

Some Hon. Members: Hear, hear!

Hon. Mr. Pringle: — Thank you very much, Mr. Speaker, and good afternoon to you. It's my pleasure to rise today to enter this budget debate and to first of all commend my colleagues who have spoken this afternoon for their very creative and stimulating comments with regard to the fine work that's been done by the people of the province to get us into position today where we're debating this budget, which I might say is quite historic, which the vast majority of Saskatchewan people support.

Mr. Speaker, this is my seventh year in the Assembly and it's been my pleasure for seven years to represent the people, my neighbours in Saskatoon Eastview. They're wonderful people; they've been very supportive to me. And I would say that my constituency, Mr. Speaker, probably represents fairly well the mix of the Saskatchewan population. And it always surprises some of my colleagues to know that there are, I understand, about 1,200 farmers in my riding. So that's farm families who farm outside of the city. So a number of young people, seniors; of course working men and women, business people, unemployed people; and so various levels of income.

It's a typical riding in the province and they have given me, Mr. Speaker, and our party, two very strong mandates. I suspect, Mr. Speaker, that we'll soon be able to enjoy a third mandate in that constituency, a third consecutive mandate, because, Mr. Speaker, we are doing what we promised to do. We promised to restore the financial integrity to this province . . .

The Speaker: — It now being 5 o'clock, this House stands recessed until 7 o'clock this evening.

The Assembly recessed until 7 p.m.