

The Assembly met at 1:30 p.m.

Prayers

ROUTINE PROCEEDINGS

PRESENTING PETITIONS

Mr. Toth: — Thank you, Mr. Speaker. Mr. Speaker, presenting a petition regarding fuel prices. Reading the prayer:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the federal and provincial governments to immediately reduce fuel taxes by 10 cents a litre, cost shared by both levels of government.

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

And, Mr. Speaker, the petition I present is signed by individuals from the communities of Swift Current and Maple Creek.

I so present.

Mr. Peters: — Thank you, Mr. Speaker. I also have residents of my area that are concerned about the high price of fuel, and the prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the federal and provincial governments to immediately reduce fuel taxes by 10 cents a litre, cost shared by both levels of government.

And the petition is signed by people from Regina, Cut Knife, Unity, and Kerrobert.

I so present.

Ms. Eagles: — Thank you, Mr. Speaker. Mr. Speaker, I stand today to present a petition on behalf of citizens concerned about forced municipal amalgamation, and the prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to halt any plans it has to proceed with enforced amalgamation of municipalities in Saskatchewan.

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

And this is signed by folks from Yellow Creek, and Birch Hills, Melfort.

I so present. Thank you.

Mr. Wall: — Thank you, Mr. Speaker. I rise again today on behalf of people in Swift Current and area concerned about their hospital. Mr. Speaker, the prayer can be summarized in the following way:

The petitioners are humbly praying that this Hon. Assembly would cause the provincial government to assist

with capital funding for the Swift Current Regional Hospital, thereby allowing the Swift Current District Health Board the opportunity to provide improved health care services.

And this petition is signed by residents of Swift Current, McMahon, Wymark and Hodgeville.

I so present.

Ms. Bakken: — Thank you, Mr. Speaker. I rise to present a petition for citizens who are opposed to forced municipal amalgamation:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to halt any plans it has to proceed with forced amalgamation of municipalities in Saskatchewan.

And this is signed by citizens from Melfort and St. Brieux.

I so present.

Mr. Weekes: — Thank you, Mr. Speaker. I also rise to read a petition opposed to enforced municipal amalgamation:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to halt any plans it has to proceed with enforced amalgamation of municipalities in Saskatchewan.

As in duty bound, your petitioners will ever pray.

Signed by the good people of Unity and Wilkie.

Thank you.

Mr. Brkich: — Mr. Speaker, I too have a petition here to reduce fuel tax:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the federal and provincial governments to immediately reduce fuel taxes by 10 cents a litre, cost shared by both levels of government.

As in duty bound, your petitioners ever pray.

Petitioners have signed from Davidson and Bladworth.

I so present.

Ms. Harpauer: — Mr. Speaker, I have a petition from citizens who are concerned about the price of fuel. The prayer reads:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the federal and provincial governments to immediately reduce fuel taxes by 10 cents a litre, cost shared by both levels of government.

And as in duty bound, your petitioners will ever humbly

pray.

The petitioners are from Bruno, Muenster, and Humboldt.

I so present.

Mr. Wiberg: — Thank you, Mr. Speaker. I have a petition today from people who are opposed to enforced amalgamation. Mr. Speaker, the prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to halt any plans it has to proceed with enforced amalgamation of municipalities in Saskatchewan.

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

Mr. Speaker, this petition is signed by the people from Henribourg and Christopher Lake.

I so present.

Mr. Hart: — Thank you, Mr. Speaker. I too have a petition to present on behalf of the citizens concerned about the high tax on fuel, and the prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the federal and provincial governments to immediately reduce fuel taxes by 10 cents a litre, cost shared by both levels of government.

And this petition is signed by citizens of Cupar, Dysart, and Southey.

I do so present.

Mr. Kwiatkowski: — Thank you, Mr. Speaker. I too rise to present petitions to reduce the fuel tax by 10 cents a litre. The prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the federal and provincial governments to immediately reduce fuel taxes by 10 cents a litre, cost shared by both levels of government.

The petition is signed by the good citizens of Carrot River, Arborfield, and Nipawin.

I so present, Mr. Speaker.

READING AND RECEIVING PETITIONS

Clerk: — According to order the following petitions have been reviewed, and pursuant to rule 12(7) they are hereby read and received.

These are petitions of citizens of the province petitioning the Assembly on the following matters:

To halt plans to proceed with the amalgamation of municipalities;

To reduce fuel taxes;

To abandon plans to confiscate municipal reserve accounts; and

To provide a \$3,000 exemption of the PST (Provincial Sales Tax) for vehicle dealers.

NOTICES OF MOTIONS AND QUESTIONS

Mr. Heppner: — Thank you, Mr. Speaker. I give notice that I shall on day no. 37 ask the government the following question:

To the Minister of CIC (Crown Investments Corporation of Saskatchewan): what lawsuits are currently pending against CIC and/or its subsidiaries, and for each lawsuit who was the plaintiff and what is the nature of the action and what damages are being sought.

And while I'm on my feet, Mr. Speaker. I'd like to give another question. I give notice that I shall on day no. 37 ask the government the following question:

Again to the Minister of CIC: how much has SGI (Saskatchewan Government Insurance) and/or CIC spent to date on the review of the no-fault insurance program.

Thank you.

Mr. Brkich: — I too have a notice of a written question. I shall give notice that I shall on day no. 37 ask the government the following question:

To the Minister of CIC: how much is SaskPower planning to spend for computers to be installed in company vehicles in the year 2000.

Ms. Draude: — Mr. Speaker, I give notice that I shall on day no. 37 ask the government the following question:

What was the total cost of producing the SaskPower 1999 annual report, Priorities, and what was the total number of copies made of this report.

INTRODUCTION OF GUESTS

Hon. Mr. Nilson: — Thank you, Mr. Speaker. It's my pleasure today to introduce to you and to all members of the legislature the grade 8 class from Davin School which is in your west gallery. They're standing for us. They're accompanied by their teachers Ms. Wynne Edwards and Mr. Glenn Yu.

And I would ask all members to welcome them here to the Assembly.

Hon. Members: Hear, hear!

The Speaker: — Hon. members, I would like to have leave to also introduce a gentleman seated in the Speaker's gallery. He's the former director of *Hansard* who retired 10 years ago yesterday, and I'm told that he was with *Hansard* from the quill to the typewriter and then to the word processor. Please welcome Mr. Joe Melia.

Hon. Members: Hear, hear!

STATEMENTS BY MEMBERS

Kenaston Youth Receives Bravery Award

Mr. Brkich: — Thank you, Mr. Speaker. It gives me great honour to rise today to inform you of a brave and courageous young boy in my constituency. Yesterday I had the honour to be in the city of Saskatoon, where Justin Wipf of Kenaston was awarded the Governor General's Medal of Bravery.

This story goes back to June 30, 1998 when Justin was 12 years old. He'd been swimming with his friends and returned to shore when he noticed one of his friends had disappeared under the surface. Although he was exhausted from swimming, Justin dove back into the water in search of his friend. He surfaced several times for air and after the third time, with all the strength he could muster, Justin pulled the older and heavier boy to the surface. He then dragged him to the shore where the boy's uncle was able to revive him.

Mr. Speaker, the courageous act shown by this young man represents the highest form of bravery recognized by our society today. There could be no greater act than to risk one's own life to save another.

Mr. Speaker, as in most cases of bravery, the courageous individual usually responds modestly to those who thank him. They say that they did what they had to do, or it was the right thing, or they just didn't think about it at the time. But in Justin's case, as in most cases, the individuals acted swiftly and courageously to save someone in a desperate situation.

For this bravery, our province and our country have honoured Justin with this outstanding achievement. And I am sure, Mr. Speaker, that the members of this Assembly will join me also in honouring the courageous act of Justin Wipf.

Some Hon. Members: Hear, hear!

Emergency Preparedness Week

Ms. Higgins: — Thank you, Mr. Speaker. Mr. Speaker, this week we are celebrating Emergency Preparedness Week.

Emergency Preparedness Week is recognized by all provinces and territories across Canada the first week in May. "Together We Prepare . . . The Family, The Community, The Country" is this year's theme. This theme addresses the fact that everyone has a responsibility in emergency preparedness. We can reduce the risk of occurrence or the degree of impact from natural or human-made disasters if we are all better prepared and work together.

Everyone, no matter where they live, may be threatened by a natural or human-made disaster. In the past few years, Saskatchewan communities have dealt with floods, forest, and grass fires, train derailments, and severe storms.

Over 500 emergency measures coordinators work in their local communities and mutual aid areas to ensure that an emergency plan is in place and coordinated with service providers and neighbouring communities.

Today we want to recognize the valuable contribution that these coordinators make to Saskatchewan communities. Each of us can support emergency preparedness by knowing the risks, having a family emergency plan, and keeping needed supplies on hand.

I urge all members of this Assembly, and indeed all citizens of Saskatchewan and their communities, to take time to plan ahead and be prepared for emergencies.

Some Hon. Members: Hear, hear!

Governor General's Caring Canadian Award

Mr. Stewart: — Thank you, Mr. Speaker. Mr. Roy Tollefson and his wife Fern are residents of the community of Mossbank. They raised four children, Terry Tollefson, Dr. Laurie Tollefson, Katherine, and their son Tim, who actively farms now.

Mr. Tollefson has been an executive church member for 50 years. He served on the local hospital and wheat pool boards and is a member of the Mossbank Legion Branch No. 11. Mr. Tollefson has served two terms as a governor on the board of the University of Regina and he has been involved with the Mossbank community youth by coaching and managing hockey teams and volunteering with Boy Scouts. Mr. Tollefson was instrumental in starting the museum at Mossbank and since 1985 has been the president of the museum association.

Mr. Tollefson's public record of leadership and community service will make him today a most deserving recipient of the Governor General's Caring Canadian Award — an award presented to individuals who have made significant voluntary contributions to help or care for people in their community.

I hope all members of this Hon. Assembly will join in showing our appreciation for the work of Mr. Roy Tollefson in his community and the greater community of Saskatchewan.

Some Hon. Members: Hear, hear!

Wild Rice Industry Prospers

Hon. Mr. Belanger: — Thank you, Mr. Speaker. More good and great news from northern Saskatchewan. The story for wild rice production was so good last week that I want to say more and I forgot to mention a few facts.

Number one, Mr. Speaker, northern Saskatchewan wild rice growers have produced 75 to 80 per cent of all Canadian production in the past two years.

Some Hon. Members: Hear, hear!

Hon. Mr. Belanger: — I'm also proud to report, Mr. Speaker, that two of my constituents from Athabasca received the Northern Saskatchewan Award of Excellence in Wild Rice presented by the Minister of Northern Affairs.

The proud recipients are Ralph and Marie Laliberte from Beauval. In addition, this year's Northern Saskatchewan Award of Excellent in Fishing went to Oscar Beatty from

Deschambault Lake, and for trapping went to Martin Smith of Pinehouse.

And, Mr. Speaker, more great news. The Deputy Premier sent a powerful signal to the people in the wild rice industry. He attended and presented the award to Kaz Parada of La Ronge, and Dennis and June Christianson of Denare Beach at his attendance at La Ronge supper.

Once again, Mr. Speaker, northern Saskatchewan wild rice producers are the leaders and models of excellence in Canadian wild rice production. And I think all of Saskatchewan should be proud of the wild rice industry. Thank you very much, Mr. Speaker.

Some Hon. Members: Hear, hear!

Partners In Motion Documentary

Mr. Wakefield: — Thank you, Mr. Speaker. I have the distinct pleasure of rising today to inform all members of the Assembly about a television documentary with Saskatchewan connections.

Regina's own Partners in Motion, in conjunction with Single Spark Pictures from California has co-produced a documentary called, *13 Seconds: The Kent State Shootings*. This documentary chronicles the events that led up to the Ohio National Guard firing on a group of unarmed student protesters at Kent State University on May 4, 1970.

The shootings left four students dead, nine wounded, and a nation changed forever. The wounds from the Kent State shootings still run deep. Thirty years later it's still a complex story and the documentary attempts to examine the tragedy from both sides, that of the guardsmen and the students.

13 Seconds: The Kent State Shootings aired last night on History Television and will air at 8 p.m. local time on The Learning Channel this Friday, May 5. Within the Saskatchewan production industry this documentary represents a major milestone for Partners in Motion. They are the only Saskatchewan production company that have programs aired on these two national channels.

The Partners in Motion, a well-known Regina based film and video production company really expanded its presence into eastern Canada and has won many national awards and international awards including Grammys.

Please congratulate them all.

Holocaust Memorial Week

Mr. Addley: — Thank you, Mr. Speaker. Today is Yom Hashoah, and while the member from Regina South will be at the Holocaust memorial this evening, on Sunday I had the honour and privilege to speak at the synagogue in Saskatoon on behalf of the Premier and the Government of Saskatchewan to mark Holocaust Memorial Week.

This week serves to help us all remember one of the darkest chapters in the history of humanity and to rededicate ourselves to challenge the forces of darkness in our community and

around the world.

The theme for Sunday's commemoration was "The 21st Century Remembers." This is a fitting theme because as time passes, the voices who wish to deny the existence of the Holocaust grow louder.

We must remember this chapter of history and keep its memory alive so all members of this global community can learn from it. We must also, as a member of society, remain vigilant and ever watchful.

Out of the Holocaust was born the nation of Israel and a renewed solidarity and strength among Jewish people the world over. What was also born was a commitment to decent people everywhere, a commitment that all members of society must ensure that an atrocity like the Holocaust is never permitted to occur again.

Mr. Speaker, let us all reflect upon and remember the Holocaust today in the hopes that the world will never bear witness to a horror of this magnitude again.

Thank you and shalom.

Some Hon. Members: Hear, hear!

Budget Benefits for Seniors

Mr. Wartman: — Thank you, Mr. Speaker. This year's provincial budget contained good news for the taxpayers of Saskatchewan. Record tax breaks and increased spending will aid all of us as our province moves into the new millennium.

These tax breaks and increased spending will benefit all groups in our province, including seniors. This year's provincial budget will provide approximately \$444.5 million in direct financial support and proposed tax reductions for seniors this year.

As a result of this budget, seniors will pay less income tax in 2000 and even less in 2003. As well as a slight increase in the Saskatchewan Income Plan, Guaranteed Income Supplement, and old age security, these will continue to provide additional income to seniors.

Increased spending on health in this year's budget will mean more money for the prescription drug plan, home care and long-term care services.

Also the Saskatchewan Housing Corporation is expected to spend \$16 million for 13,600 subsidized housing units for seniors. This year this will save seniors thousands of dollars in rent and in every subsequent year.

The home adaptation for seniors' independence program will provide nearly half a million dollars to seniors to make home improvements that will enable them to remain independent.

I want to commend the government for taking these necessary steps to improve the lives of seniors. Thank you.

Some Hon. Members: Hear, hear!

ORAL QUESTIONS

SaskEnergy Transmission Capacity

Mr. Heppner: — Thank you, Mr. Speaker. My question is for the Minister responsible for SaskEnergy. Mr. Minister, way back in 1995 SaskEnergy undertook the biggest single pipeline expansion in its history — 325 kilometres from Goodsoil to Rosetown at a cost of \$114 million. Mr. Minister, that's a huge investment. Why don't you tell us, how is this project working out and are you happy with it?

Hon. Mr. Nilson: — Mr. Speaker, the question is obviously about some of the network that SaskEnergy has built in this province to provide very good coverage throughout the province of natural gas. As we know we have the highest penetration of the natural gas service to all of our people throughout the whole province and this is an important part of SaskEnergy's marketing.

Now practically, they end up with a number of different projects over the years and always the goal is to serve the people of Saskatchewan better at a cost that's efficient and a cost that allows us to build our province.

Some Hon. Members: Hear, hear!

Mr. Heppner: — Thank you, Mr. Speaker. Well it was nice to hear that little chat on efficiencies and good use of money so we'll continue. Mr. Minister, 1995 SaskEnergy annual report talks quite a bit about that particular stretch of pipeline. The minister brags about it; SaskEnergy brags about it; and yet when we look at '96, '97, '98, '99 annual reports there is not a word mentioned about that big project.

It's almost like, Mr. Minister, you'd rather not talk about it. Mr. Minister, why is there no mention of this \$114 million project in the last four annual reports? Is there some sort of problem with this project?

Hon. Mr. Nilson: — Mr. Speaker, the project that the member is talking about was obviously dealt with a number of years ago before I took this portfolio. I will endeavour to answer that question and get the information for him.

Some Hon. Members: Hear, hear!

Mr. Heppner: — Thank you, Mr. Speaker. Well there's quite a large number of questions that we have on that so we'll be looking forward to the answers. That particular pipeline resulted in a massive expansion of SaskEnergy's capacity. That single project increased SaskEnergy's transmission capacity 18 per cent — 18 per cent, Mr. Minister — in one year.

I guess that means you should be expecting about an 18 per cent increase in transmission volume in the years ahead. How much has your overall transmission volume increased as a result of that \$114 million you spent?

Hon. Mr. Nilson: — Mr. Speaker, when SaskEnergy provides service for the province it makes a careful study of what some of the needs are. What we do know is that the whole system that we have in Saskatchewan, plus the one-year buying system that

we use, provides our customers with a stable price throughout the years. And it provides the lowest price; it's worked out that well in over quite a number of years. We're able to deal with many of the ups and downs that come to our neighbour to the West by saying no, we have an annual price.

What we want to do with our energy company is provide a very good service that goes to as many people as possible, and we're doing that in an efficient . . . in as efficient and cost effective way as we can. Thank you.

Some Hon. Members: Hear, hear!

Mr. Heppner: — Thank you, Mr. Speaker. Well, Mr. Minister, I'm sure some of these questions will be enlightening to you. You obviously thought that other gas companies that used your pipeline transmission system were going to be using it to increase the amount of gas that they were delivering.

In fact Ron Clark's message in the 1995 annual report says, and I quote correctly, "the result of the long-term commitments from natural gas shippers queuing up for TransGas services."

Mr. Minister, you said at that point you had commitments from gas shippers to increase the volume of gas they were delivering. So I repeat the question: how much has your overall transmission delivery volume increased as a result of the \$114 million on that project?

Some Hon. Members: Hear, hear!

Hon. Mr. Nilson: — Mr. Speaker, the specific answer to that question I don't have with me, and I will get that for him, and we'll provide that.

But I will say is that with the system that we do have, TransGas and SaskEnergy, we're able to provide gas to all the people of Saskatchewan. We're also able to provide service to Alberta gas companies that want to ship gas down the west side of the province and some of that is happening. And we will continue to provide the best service for the people of Saskatchewan and we will also continue to provide a service for other people in Western Canada.

Some Hon. Members: Hear, hear!

Mr. Heppner: — Thank you, Mr. Speaker. Well, Mr. Minister, I'll give you some of the information you apparently didn't know.

It turns out your transmission volume hasn't increased by 18 per cent. In fact, it hasn't increased at all. In 1994, before you started this project, total transmission volume was 9,593 million cubic metres. In 1996 it was 900 . . . 9,523 million cubic metres. And every year since then, it has been under 9,000 million cubic metres. That includes your projection for this current year.

In other words, you're actually transmitting less gas now than you did in '94, before you put a single foot of that pipeline into the ground.

Mr. Minister, how do you explain that? Why did you blow \$114

million on a new pipeline when all the pipeline you had in the ground in 1994 would have served all of those needs and today's needs?

Some Hon. Members: Hear, hear!

Hon. Mr. Nilson: — Mr. Speaker, as with any corporation, you continue to look at and try to anticipate what the markets are and deal with those things.

What we know is that this company has done a very good job providing us with the lowest natural gas prices in Canada on a consistent basis.

Some Hon. Members: Hear, hear!

Hon. Mr. Nilson: — We also know that they have been working together with the producers to make sure that they have pipelines in places where they can be used.

And what we do know also is that they will continue to anticipate and work with the industry to make sure that we continue to provide the best service possible for all the people of Saskatchewan.

Some Hon. Members: Hear, hear!

Mr. Heppner: — Thank you, Mr. Speaker. Well we'll give the minister some more information to underline what he's trying to say.

The people of SaskEnergy and the people of the province both know this was clearly a mistake. You spent \$114 million on a pipeline there was no need of.

Mr. Minister, this was a massive project: 325 kilometres of 20-inch pipe — the only 20-inch pipe in the province — \$114 million. You expanded your capacity by 18 per cent and yet your transmission volumes and your transmission revenue, Mr. Minister, has fallen since this particular pipeline was built. Volume is down 13 per cent; revenue is down 16 per cent.

Mr. Minister, these figures clearly show SaskEnergy overestimated the need for the new pipeline. The demand simply wasn't there. You spent \$114 million on a pipe . . .

The Speaker: — Order, order. Order, I would ask the hon. member to kindly go directly to his question.

Mr. Heppner: — Thank you, Mr. Speaker. Mr. Minister, will you admit this project was a mistake?

Some Hon. Members: Hear, hear!

Hon. Mr. Nilson: — Mr. Speaker, as all of the people of Saskatchewan know, over the last two winters we have had some of the warmest winters on record. And one of the net effects of that is that the use of natural gas goes down and therefore the flow that goes through the various pipelines is down.

So what we also have to recognize is that . . .

The Speaker: — Order, order. Hon. members on both sides of the House, kindly allow the minister to answer so that he may be heard.

Hon. Mr. Nilson: — Mr. Speaker, SaskEnergy has done a very . . .

The Speaker: — Order.

Hon. Mr. Nilson: — Mr. Speaker, SaskEnergy has done a good job for the people of Saskatchewan. They will continue to do a good job for the people of Saskatchewan. They will continue to go ahead with capital projects in the appropriate places so that we are ready for all of the markets as they come down the course, and we will continue to provide the lowest prices for natural gas in Western Canada.

Some Hon. Members: Hear, hear!

Mr. Heppner: — Thank you, Mr. Speaker. Well the minister and members over there should know that two good winters do not half a decade make so you'll have to do some more math on that.

In 1994 your transmission revenue was \$94 million. Last year it was 76 million. That's an \$18 million drop in revenues. Mr. Minister, you're overbuilt and you're driving down your own prices by doing that.

When transmission capacity is limited, Mr. Minister, gas companies compete with each other to have the product delivered. That drives the price up. But since you built this pipeline, Mr. Minister, you have too much capacity. As a result you've depressed your own price. You're overbuilt, the demand is not there, you wasted \$114 million on a pipeline you didn't need. Isn't that right Mr. Minister?

Some Hon. Members: Hear, hear!

Hon. Mr. Nilson: — Mr. Speaker. I invite the member to ask further questions along this line of the officials when they come to the Crown Corporations Committee. What I would say though is that the SaskEnergy has done a very good job of building out a network that provides our people with very good natural gas service. The coverage is better than in any other part of North America and I think we all should be very, very proud of that.

Some Hon. Members: Hear, hear!

Government Funding of Film Festival

Ms. Draude: — Thank you, Mr. Speaker. My questions are also for the minister responsible for CIC, more specifically the minister responsible for SaskTel.

Mr. Minister, SaskTel has long been a good corporate sponsor here in Saskatchewan, a proud sponsor of many worthwhile community events. However, their choice to fund the Queer City Film Festival is questionable due to the fact that one segment of this festival will feature pornography.

There is no other term for it. The organizers of this festival are

calling it pornography. They're bringing in activists, film producers, and porn stars to promote it. This will not be a discussion on how to stop pornography or even its effect on society. It is a promotional session.

Mr. Minister, how do you explain a publicly owned corporation under your jurisdiction providing sponsorship for this festival?

Some Hon. Members: Hear, hear!

Hon. Mr. Nilson: — Mr. Speaker, I think it's very clear from my previous role as minister of Justice and my role now, that there is absolutely no quarter— we do not condone in any way pornography. And I think that should be absolutely clear.

Some Hon. Members: Hear, hear!

Hon. Mr. Nilson: — But we also know that it's very, very difficult in our modern society to deal with the question of pornography and its definition and how the courts will define that. We know that there are cases in the Supreme Court now that deal with that.

SaskTel is an organization that obviously supports the community in many different ways. They supported the film festival that is called . . . the film festival that's involved here. They've done that on the basis that it's a community organization that's been involved with this, but they're clearly not supporting pornography.

Some Hon. Members: Hear, hear!

Ms. Draude: — Mr. Speaker, to the minister. If you don't support pornography then pull the funding. That's what we're asking for. Pull the funding.

The sponsorship of this pornography is not sitting well with taxpayers in this province, especially in light of the special rate increases you've seen now at SaskTel. Government members yesterday talked about *American Beauty* and *Eyes Wide* . . .

The Speaker: — Order, order. Order please. I would again appeal to all hon. members to kindly allow the hon. member on her feet to be heard.

Ms. Draude: — Thank you, Mr. Speaker. The government members yesterday used the films *American Beauty* and *Eyes Wide Shut* as an analogy, but, Mr. Speaker, this is totally different. Those films were not funded by Saskatchewan taxpayers. And they were not deemed as pornographic material either.

Their argument is absolutely absurd, Mr. Speaker. But that's typical of this government who doesn't want to admit that they are actually funding dollars — giving dollars to fund the promotion of pornography here in Saskatchewan.

Mr. Minister, how much funding did SaskTel contribute to this festival? And do you support SaskTel's sponsorship of a film festival that will be promoting pornography in Saskatchewan?

Some Hon. Members: Hear, hear!

Hon. Mr. Nilson: — Mr. Speaker, I very much appreciate the question of how much money. The amount of money that SaskTel contributes is \$500. And the \$500 is given to this film festival because the requests that come in for sponsorships to SaskTel are treated fairly and equally as is set out in the laws of this province and in this country.

They do not want to discriminate against different organizations, and so they for . . . give the money to these organizations. The sum of money is \$500. It's the kind of money that they would give to other film festivals, arts festivals, that are in the province. Other funders of this organization include the Canada Council for the Arts.

Some Hon. Members: Hear, hear!

Ms. Draude: — The members opposite make light of saying it's only \$500. Well to a lot of people in Saskatchewan \$500 is a lot of money — plus how much is it when we talk about the logo of SaskPower and all your sponsorship.

An Hon. Member: — SaskTel.

Ms. Draude: — And SaskTel. The bottom line here is that SaskTel and other government agencies funded by the provincial government are contributing taxpayers' dollars to a seminar to promote pornography.

That's wrong. The taxpayers know it's wrong. And you should know it's wrong as well, Mr. Minister. The provincial government has asked the Arts Board to reverse funding decisions before, and I'm sure SaskTel would reconsider if you'd ask them to.

In fact, there seems to be some questions from some of the sponsors as to whether the original grant application from the festival even indicated that a session on pornography was going to take place.

Mr. Minister, will you take responsibility for how taxpayers' dollars are being spent? If you don't support the funding . . . support funding of pornography, will you step in and withdraw all taxpayers' funding for the support of this event?

Some Hon. Members: Hear, hear!

Hon. Mr. Serby: — Mr. Speaker, I want to say to the member opposite because I've now received the full briefing on this event. I want to say to the member opposite — and she should pay attention — that what's happened here is that this is a cross-section of six North American artists, filmmakers, and curators of which they have come together to talk about a public and community services in the fields of race relations, Aboriginal art, and AIDS (acquired immune deficiency syndrome) research.

They say this, Mr. Speaker, this is not a pornographic film festival. What this is, is this is a film festival, in fact, that was provided . . . that deals forthrightly with the prevalence of erotica in gay and lesbian films which, in fact, divides the community.

During this workshop, Mr. Speaker, they're going to be talking

about whether or not there should be any further erotica filmmaking in that community. That's the discussion that they're having.

And what we may see in the future — a decision by this group of men and women no longer to have this kind of filmmaking.

Some Hon. Members: Hear, hear!

Municipal Amalgamation

Mr. Bjornerud: — Thank you, Mr. Speaker. Mr. Speaker, the Minister of Municipal Government keeps telling us he really has nothing to do with the Arts Board. Well apparently he has nothing to do with municipalities anymore either.

Mr. Minister, we heard that you are to have nothing to do with amalgamation talks between SUMA (Saskatchewan Urban Municipalities Association) and SARM (Saskatchewan Association of Rural Municipalities) and the government. You weren't even allowed in the room when the Premier met with SUMA and SARM. And now they don't want you within 100 miles of the negotiations.

Apparently you were a no-show at a recent SAMA (Saskatchewan Assessment Management Agency) convention as well. And now rumours have it, you aren't going to attend the RMAA (Rural Municipal Administrators' Association of Saskatchewan) convention as well.

Mr. Minister, is it true that you've screwed-up this issue so badly that the Premier, that the . . .

The Speaker: — Order, order. Order, order. Order. I would just caution members on their choice of words. And just to remind members to direct their comments through the Chair. Hon. member, go directly to your question.

Mr. Bjornerud: — Thank you, Mr. Speaker. Mr. Minister, is it true that you've caused so much untrust within municipalities out there that the Premier is not allowing you anywhere near the negotiations or to any other municipal functions?

Some Hon. Members: Hear, hear!

Hon. Mr. Romanow: — Mr. Speaker, I am going to answer this question because it's directed to the government and to myself.

I want to tell the hon. member opposite and the members of this Assembly that at all relevant times from beginning to end of the meetings involving SUMA and SARM and myself, present was the Minister of Municipal Affairs and the coalition partner, Dr. Jim Melenchuk, the Liberal leader — present at all stages of the negotiations including culminating in the signed agreement to refer this to the municipal round table.

The municipal round table is now . . .

The Speaker: — Order. Just to remind the Premier that the use of members' names in the House is not permitted.

Hon. Mr. Romanow: — Mr. Speaker, I'm sorry I mentioned the name of the Liberal leader.

I repeat again, the Minister of Municipal Affairs was present with me throughout at every meeting and at that signed agreement where the question of efficiency or renewal — call it what you will — with municipal government has been referred to the municipal round table of which the Chair is the Minister of Municipal Affairs.

Some Hon. Members: Hear, hear!

Mr. Bjornerud: — Thank you, Mr. Speaker. You know, Mr. Premier, it's pretty sad. We have a Minister of Municipal Government who really is not allowed to do anything with municipal government. Instead, he's reduced to being a government's porn czar.

Mr. Minister, you weren't allowed in the room when the Premier met with SUMA and SARM. Apparently the person who brokered the whole deal was the Minister of Education — or at least that's what he's saying.

My question is for the Premier. Mr. Premier, now that you've taken away most of the minister's responsibilities maybe it's time to do some amalgamating of your own. Will you get rid of the Minister of Municipal Government and replace him with someone that the municipalities trust?

Some Hon. Members: Hear, hear!

Hon. Mr. Romanow: — Mr. Speaker, I don't know how more clearly I can answer. Mr. Speaker, I . . . Mr. Speaker, Mr. Speaker, I do not know how more clearly I can answer the member and the House and the people of Saskatchewan than I did earlier.

In that room was counsel, a lawyer for the Saskatchewan Association of Rural Municipalities. The Minister of Municipal Affairs was present throughout the piece at every meeting that I was there. I told him that in the answer to the last question. And in defiance of that answer, the second question just simply ignores it and continues to predicate the questions that they have pre-written.

There's not a question of resigning for this minister. Who should be resigning are those people who are drafting those questions for you who have absolutely no fidelity to the truth, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Bjornerud: — Thank you, Mr. Speaker. Mr. Speaker, the Premier may want to answer the question, is where has that minister been then out in rural Saskatchewan? He's been at none of these functions at conventions. He hasn't been to any task force meetings. He's not showing his face out in rural Saskatchewan.

That minister, Mr. Premier, needs to be replaced — replaced with somebody that's capable of being Minister of Municipal Government, someone that these RMs (rural municipality), the towns, and the cities can trust. Someone that these people out there would be willing to sit with and negotiate. Forced amalgamation, amalgamation, whatever the subject, they need someone they can trust, Mr. Premier. That member is not that person. Please replace him.

Some Hon. Members: Hear, hear!

Hon. Mr. Romanow: — Mr. Speaker, I don't know, sir, if you were able to detect the question in that speech, or call it what you will. But if one was to stretch the monologue of the member into a question, my answer to him will be as I have given in the three previous answers.

This Minister of Municipal Affairs not only has been an active participant in voluntary amalgamation and making governments at the local level and provincial level, at all levels, as efficient and as responsive as they can be. He's been that way in the past, he does his job in rural Saskatchewan. He will continue to do his job with the full confidence of this Premier and this coalition government.

Some Hon. Members: Hear, hear!

Mr. Bjornerud: — Thank you, Mr. Speaker. Well, Mr. Premier, if you won't replace that minister then we'll go one step further. Will you insist that this minister attends functions that normal ministers of Municipal Government have been attending all over this province.

He owes it to the people all over Saskatchewan whether it's rural, urban. Will he be attending the rural administrators association convention. Will he go to functions like this and do the job that he's being paid to do? Will you insist that he do this, Mr. Premier?

Some Hon. Members: Hear, hear!

Hon. Mr. Romanow: — Mr. Speaker, you can say whatever you wish about any of the politicians in this Assembly. I suppose I could be entitled to flip the coin and make my observations about your attendance or lack of attendance in rural Saskatchewan and what your leader is doing to discipline you and your activities, but I'm not going to do that because the record of this Minister of Municipal Affairs has been in every portfolio that he's held in this government — whether it's been the Minister of Health or the Minister of Municipal Government — to be at every function taking place in rural Saskatchewan.

This is a government that listens to people. It's a government that attends to meetings. We can't attend to all of the meetings. We do the best that we can to provide a pretty good form of government. And I'll tell you one thing, nine years into government we have done an excellent job in government — 1,000 times better than those people who sit opposite and who will continue to sit in the opposition benches.

Some Hon. Members: Hear, hear!

INTRODUCTION OF BILLS

Bill No. 224 — The Regulatory Reform Act

Mr. Wakefield: — Mr. Speaker, I would like to introduce the first reading of Bill No. 224, The Regulatory Reform Act.

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

Bill No. 31 — The Police Amendment Act, 2000

Hon. Mr. Axworthy: — Thank you, Mr. Speaker. I move that Bill 31, The Police Amendment Act, 2000 be now introduced and read the first time.

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

TABLING OF REPORTS

The Speaker: — Before orders of the day, hon. members, I have here to table reports from the Ombudsman, the annual report, and also from the Children's Advocate.

I so table.

Hon. Mr. Lingenfelter: — Mr. Speaker, I wonder by leave, if I could have leave to change one of the members of the Standing Committee on Public Accounts.

Leave granted.

MOTIONS

Substitution of Member on the Standing Committee on Public Accounts

Hon. Mr. Lingenfelter: — Thank you, Mr. Speaker, I move, seconded by the member for Saskatoon Idylwyld:

That the name of Ms. Pat Lorje be substituted for that of Myron Kowalsky on the list of members composing the Standing Committee on Public Accounts.

Motion agreed to.

ORDERS OF THE DAY

SEVENTY-FIVE MINUTE DEBATE

Oil and Gas Development in Saskatchewan

Mr. Kasperski: — Thank you, Mr. Speaker. Mr. Speaker it's my pleasure to rise today during the seventy-five minute debate to talk a little bit about natural resource development in the oil and gas sector here and what has been happening in that area, Mr. Speaker.

It's a very exciting area in our province's economy and one that's growing very rapidly, and, Mr. Speaker, at the conclusion of this, I'll be introducing a motion for consideration and other comments by some of my colleagues on this side and by members on the other side of the House as well, Mr. Speaker.

Mr. Speaker, I rise today to encourage members of this Assembly to recognize the favourable working atmosphere that exists in Saskatchewan for all sectors of the natural resource area, but especially the oil and gas sector.

Mr. Speaker, we always have heard, or have been hearing lots lately, members opposite tell us about . . . that Alberta is better than us, than Saskatchewan. We have heard members from the

opposite side tell us that the United States is better than Saskatchewan. We have heard members opposite, Mr. Speaker, tell us about anywhere in the world is better than Saskatchewan.

Mr. Speaker, I, and I think many of my colleagues, find this constant negativity of the Saskatchewan Party is coming to be a little bit tiresome.

Mr. Speaker, members opposite are really quite willing to criticize and tear things down. But, Mr. Speaker, I don't think that they would scarcely know how to build something or to build something very effectively and make it productive.

Mr. Speaker, as we all know, the United Nations has consistently rated Canada as the best country in the world to live in the last few years, for a number of years now. And, Mr. Speaker, by measuring the same criteria and applying these to the provinces here in Canada, Saskatchewan has consistently rated as the best province in Canada where to live and raise a family.

So I ask, Mr. Speaker, that members opposite might take some pride in how this province is developing and where we stand in the world today.

The motion that I'm going to be talking about at this time, Mr. Speaker, recognizes the effectiveness of the policies that this government has put into place regarding the natural resource and oil and gas sector in our economy.

Mr. Speaker, 1999 saw a new record year for natural gas drilling here in Saskatchewan. A total of 1,021 new natural gas wells were drilled, Mr. Speaker. So far in the year 2000, the new number of . . . the number of new oil and gas wells drilled is more than double at this time of the year compared to what it was a year ago.

Mr. Speaker, the industry will invest over \$1.2 billion in Saskatchewan this year, and it will employ 18,000 people — most of them, Mr. Speaker, in rural Saskatchewan.

Mr. Speaker, we hear members opposite say a lot that we are driving business out of this province. Mr. Speaker, I think that this is just plain bunk. Nothing could be farther from the truth.

Mr. Speaker, oil companies are coming into this province and investing record amounts of money. Mr. Speaker, would the oil industry, never an industry that's been known for its socialist tendencies, be drilling a record number of wells if they didn't have confidence in our economy?

Would they have drilled double the number of wells this year at this time than they did a year ago, which was a record year in this province, if they did not have any confidence in our policies and in our economy?

Would a wide range of companies, Mr. Speaker, from very large to very small, be investing \$1.2 billion into Saskatchewan if they were not confident? Mr. Speaker, that sounds to me like 1.2 billion votes of confidence in our economy.

Mr. Speaker, as I indicated as well, the oil and gas sector employs about 18,000 people in the province — most of them

in rural Saskatchewan. And, Mr. Speaker, I've heard many of our members opposite point out, ad nauseam if I might say, the fact that they are a party of rural Saskatchewan and are the only ones that understand rural Saskatchewan.

Well, Mr. Speaker, I think nothing could be further from the truth. Most people on this side of the House, Mr. Speaker, even if they live in larger centres, have relatives and friends, or indeed, come from rural Saskatchewan. Our roots are there and we on this side of the House, Mr. Speaker, take seriously our role of government in providing good government to all of Saskatchewan, both urban and rural.

Mr. Speaker, the people of Saskatchewan care about each other and with each other's support we will carry on and survive problems that we have today like the international grain subsidy wars.

Mr. Speaker, the only thing that could scare business away from this province I think would be a Saskatchewan Party government.

Some Hon. Members: Hear, hear!

Mr. Kasperski: — A Saskatchewan Party government, Mr. Speaker, with its shrill negative message, especially if industry pays attention to it — Mr. Speaker, the only thing that would scare business away faster is a prospect of a Saskatchewan Party government.

Mr. Speaker, this government has reached a mutually satisfactory arrangement on taxation and royalties with PanCanadian Petroleum which will see that company commence a \$1.1 billion enhanced-oil recovery project near Weyburn later on this year, Mr. Speaker. The Government of Saskatchewan has received another \$600 million in revenue in royalties and taxation from the oil and gas sector in the last fiscal year.

In 1998, Mr. Speaker, the provincial government announced changes to the oil and gas royalty regime. These changes, Mr. Speaker, are expected to generate 12,000 person-years of employment and 2.9 billion in private sector development over the next 10 years.

Mr. Speaker, deep rights reversion was introduced on April 1, 1998 by our government. This has been very positively received by the industry. Deep rights sold during the last three sales of oil and gas rights have accounted for nearly 25 per cent of total land sale revenues.

Mr. Speaker, the Government of Saskatchewan introduced also a petroleum research tax credit incentive to encourage oil and gas companies to invest in developing new oil and gas properties here in Saskatchewan. This program provides 17.5 million in funding over five years. This initiative, Mr. Speaker, is expected to stimulate up to 120 million in private sector investment and create 1,300 high-paying jobs, Mr. Speaker.

Also in September of 1998, the Government of Saskatchewan announced the development of the Petroleum Research Technology Centre. The ground was broken for the centre in April of last year, Mr. Speaker, and this centre, located at the

campus at the University of Regina will create several new high-technology jobs, develop oil and gas technology here in Saskatchewan, and enhance the production of Saskatchewan's oil reserves. Mr. Speaker, the oil and gas sector is doing very well, and doing very well under our government here in this province.

Mr. Speaker, I'd maybe like to turn for a couple of minutes to other areas of our natural resource . . . of the natural resource sector of our economy and talk a little bit about mining in the time permitting that I have here this afternoon.

Mr. Speaker, the mining industry provides direct employment for just under 7,000 people in our province and direct and indirect employment for 20,000 people. The mining industry contributes in excess of \$2 billion in wages, goods and services, here in our province. Mining, Mr. Speaker, is Saskatchewan's third largest industry.

The mining industry, supported by the strong performance of the potash sector, continues to achieve record values of total mineral sales. — \$2.4 billion. That's up from 2.3 . . . sorry, \$2.4 billion, up from 2.3 billion a year ago. And a year when the Saskatchewan Party says that the government is doing everything wrong, record sales — that is 100 million more in sales — has taken place here in the province of Saskatchewan in the potash sector.

(1430)

With 1 million people, that is one-thirtieth of the population of Canada, Saskatchewan continues to rank fourth in the country in terms of the value of its mineral production. I consider, Mr. Speaker, that to be an impressive achievement for our province. Saskatchewan provides approximately one-third of the world's potash and uranium — 1 million people in a 6 billion person world, Mr. Speaker, and we provide one-third of the world's potash and uranium. That's very impressive, Mr. Speaker.

While I'm speaking on the topic of mining, Mr. Speaker, I would also like to take a moment to congratulate the McArthur River, Key Lake workers in northern Saskatchewan on their recently received national J.T. Ryan safety trophy for metal miners, with an accident record, Mr. Speaker, of zero accidents. That's zero accidents — at the Key Lake, McArthur River mine.

Mr. Speaker, I think that's a safety record worthy of congratulations from all of us here in this Assembly and from all our Saskatchewan citizens.

Saskatchewan mining represents one of the safest industries in the province, Mr. Speaker, averaging less than one lost-time accident for every 200,000 hours of work. That is per 100 years of time work, Mr. Speaker, 200,000 hours.

I don't think any of us will rest until the accident rate is zero in all sectors, but certainly the workers at the Key Lake, McArthur River mines deserve our hearty congratulations.

Mr. Speaker, I have more interesting information for the Assembly about the natural resource industry. The average wage benefit value in Saskatchewan is \$55,000 per year for a

worker. That's the average, Mr. Speaker. That's good money in anyone's books.

Did you also know, Mr. Speaker, that even though it produces . . . did you know that even though it produces all this value to the province, the mining industry uses only 1 per cent of the available land resources of our province. That's less than the entire area of the city of Saskatoon, Mr. Speaker.

This government continues to provide excellent support for the natural resource sector in Saskatchewan and will continue to do so in the coming fiscal year.

Effective January 1, 1999 changes were made in the base metal royalty system, that greatly increased the attractiveness of doing base metal exploration in northern Saskatchewan. More exploration jobs mean more jobs all around in our economy and we are very proud of that, Mr. Speaker.

Luscar Bienfait coal mine secured a new three-year contract with Ontario Hydro that was secured with the tax assistance of the provincial government. And in 1999, sales from the Bienfait mine generated roughly \$4 million in tax revenues to the province of Saskatchewan.

The potash royalty system, Mr. Speaker, has also been revamped to meet current world conditions. These changes will result in \$500 million in new investment in Saskatchewan potash mines, Mr. Speaker. I think this is a record that is one of pride for our government and for all who work in this area.

Mr. Speaker, I'd maybe like to take what remaining time I have to just summarize a couple of points that I have raised about the oil and gas sector and our natural resource sector.

Mr. Speaker, I would just like to remind yourself and colleagues that in 1998 the provincial government announced changes to the oil and gas royalty program that are expected to generate 12,000 person-years of employment and 2.9 billion in private sector investment here in Saskatchewan over the next 10 years.

The Government of Saskatchewan also introduced a petroleum research tax credit incentive for all oil and gas companies to invest in developing new oil and gas properties. This program will provide 17.5 million in funding over five years.

This initiative, Mr. Speaker, as I said, will stimulate up to 120 million in private sector investment and create 1,300 high-paying jobs here in Saskatchewan.

In September, 1998, Mr. Speaker, we also announced the development of the Petroleum Technology Research Centre at the University of Regina. The ground has been broken for the centre and it will be opening later on this year.

Mr. Speaker, this centre located on the campus of our university will create several high-paying jobs, encourage research and development in our oil sector, and enhance the production of our oil and gas reserves.

In 1999, Mr. Speaker, a new record was set for natural gas drilling here in Saskatchewan — a little over 1,000 new wells

being drilled. Mr. Speaker, in this year 2000, we are even ahead of last year's record pace. In 2000, the new number of drilled wells is double from what it was a year ago.

The Government of Saskatchewan has also received another 600 million in oil and gas royalties which will have impact on our budget this year.

Mr. Speaker, with those remarks and introductory remarks, my time is drawing to its close. So I would like to, Mr. Speaker, move this motion:

That the Assembly commends the government for creating favourable working atmosphere for all sectors of the natural resource industry in Saskatchewan, in particular the oil and gas industry.

I so move, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Addley: — Thank you, Mr. Speaker. I rise to join the debate to follow up on the good words that the member from Regina Sherwood started with, and that is to creating a favourable working relationship in Saskatchewan for all sectors of the natural resource industry, in particular oil and gas industry. And we're very pleased to be able to talk about that today.

One of the concerns I do have before I get into the comments is the opposition and what they've been talking about on some issues. It seems that to make sure that we have a good atmosphere and a good place for development to happen, we need to have everybody pulling together. And the gloom and doom, and the opposition, the undercutting of . . . and the undermining of the success and the antidevelopment sentiment I'm hearing today and the past few months is really disheartening with what's been going on in Saskatchewan . . . (inaudible interjection) . . . The sky is falling, Mr. Speaker, according to some of the people on the other side.

Saskatchewan oil and gas sector, there's many positive developments that have occurred in the last 9 or 10 years since we've taken office, Mr. Speaker, and the good news just continues.

In 1998 the provincial government announced changes to the oil and gas royalty regime. These changes are expected to generate 12,000 person-years of employment, and \$2.9 billion in private sector development over the next 10 years. Deep rights reversion was introduced on April 1, '98 — a very progressive move. And this has been positively received within the industry.

Deeper rights sold during the last three sales of oil and gas rights have accounted for nearly 25 per cent of the total land sale revenues — very impressive and very helpful for developing here in Saskatchewan.

The Government of Saskatchewan also introduced a petroleum research tax credit incentive to encourage oil and gas companies to invest in developing new oil and gas production technologies in Saskatchewan. This program provides \$17.5 million in funding for five years. This initiative expected to stimulate up

to \$120 million in private sector investment and create 13 high-paying jobs

As well Saskatchewan's oil patch . . . The Petroleum Technology Research Centre, which is finding solutions for Saskatchewan's oil industry, is a partnership between the University of Regina petroleum engineering program and the federal and provincial governments and other organizations in the petroleum industry to create the Petroleum Technology Research Centre, here in Regina — the PTRC.

A quote by Ernie Pappas that we're putting together for the most part all of Saskatchewan's efforts into petroleum research in one location, which is a unique partnership, unlike anywhere else in North America. That's more good news, Mr. Speaker.

In September '98, the Government of Saskatchewan announced the development of the Petroleum Research Centre, which I've already spoken about. In 1999 saw a new record set for natural gas well drilling in Saskatchewan — a total of 1,021 new wells were drilled.

In 2000 the number of new oil and gas wells drilled is more than double — more than double — compared to the same period last year. It just continues to go on and on, Mr. Speaker. As well, thanks to the mutually satisfactory arrangement on taxation and royalties, and Canadian Petroleum will commence a \$1.1 billion enhanced oil recovery project in Weyburn later this year.

We haven't heard that good news from the member around Weyburn. Why is that? Is she too busy ripping off phone books? Interesting question. It's more good news so we don't want to hear about it, undermining the success of this industry. It seems to be an antidevelopment attitude across the way, Mr. Speaker.

The Government of Saskatchewan received just under \$600 million in revenue in royalties and taxation from the oil and gas sector in the last fiscal year. As this gets going, it will almost cover the interest on the Tory debt that was left for us in the '80s. Almost. Just about.

And as important as agriculture is to Saskatchewan, grain brings in \$3.2 billion, 3.2; petroleum accounts for 1.7 billion; manufactured goods 1.6; and potash \$1.6 billion. That's how important this industry is to Saskatchewan and Saskatchewan people.

Oil and gas industry is expanding traditional boundaries to explore in the Fort Qu'Appelle area and east central Saskatchewan. It's very important to note that there are certain areas in the province that we can talk about where oil is located and there's different maps that have been produced. But we're also expanding and the oil and gas area is expanding into non-traditional areas.

Unfortunately we don't have the oil and the natural gas that Alberta does, based on an accident in geography, but we are expanding that industry and looking in areas that we haven't looked at in the past, and it seems to be paying off in dividends.

The industry will invest well over \$1.2 billion into

Saskatchewan's economy this year, 1.2 billion — 1.2 billion. That's a lot of money in Saskatchewan's economy this year and it's only going to get better with the continued leadership of the Minister of Energy and Mines. The industry will employ over 18,000 people, mostly in rural Saskatchewan.

I mean as an urban MLA (Member of the Legislative Assembly) why should I have to be one that stands up and speaks about the development that's going on in rural Saskatchewan with the oil and gas industry? The other side refuses to talk about the good news of positive areas within Saskatchewan. More good news, less gloom and doom, but unfortunately the antidevelopment supports.

Well the optimism that's shown on this side . . . and that's part of business, Mr. Speaker, as all people on this side of the House know, is the sense of optimism, the feeling of optimism that business has. The political stability and the level of intellectuality on this side of the House versus the gloom and doom and negativity, the opposition that's occurring over there. I think they take the opposition a little too far, Mr. Speaker.

An Hon. Member: — Too far right, anyway.

Mr. Addley: — Too far right. Radical right.

Now just to look at some of the disadvantages that we have compared to Alberta is the oil in the ground. I mean the members opposite talk about how much . . . they just don't understand why we have this concern.

An Hon. Member: — What about the debt?

Mr. Addley: — Well the debt is one of those things, and I'll be finishing with that. But I appreciate that clue.

The total revenue that's brought in and the amount of oil that's in Alberta versus Saskatchewan, the cubic feet of natural gas in Saskatchewan is under 300. Natural gas in Alberta is over 5 billion. It's not comparable, Mr. Speaker.

But of course if we keep working together and keep bringing in the finances and work together with the oil patch, we will be able to basically pay the interest on the debt that was left over from the Tories. And we do appreciate that. Just the interest of \$677 million.

If I could talk a little bit about the mining sector; some of the coal mines secured in the three-contract with Ontario Hydro, with tax assistance from the provincial government; 1999 sales from the Bienfait mine generated roughly \$4 million in tax revenues. And this contract means the Bienfait mine will continue operation, employing 72 people. Employing 72 people. But they wouldn't mention the good news that's in rural Saskatchewan today.

The potash royalty system was revamped in 1998. And I know the members opposite are very sad to hear that I only have two minutes left and they would like me to go on and on, but we could probably arrange another time when I'd be willing to go on a little bit further, if the members opposite . . . The member from Kindersley, we really did miss you on this side of the House, but not as much as the members on the other side

missed you.

But the potash royalty system was revamped in '98. These changes will result in \$500 million in new investment in Saskatchewan's potash mines — half a billion dollars in Saskatchewan's potash mines, creating over 5,000 person-years of employment and many economic benefits for Saskatchewan.

The Saskatchewan Opportunities Corporation has been also helping with investing money into Saskatchewan businesses and ensuring that jobs are created and economic growth continues.

Bellator Exploration Inc. out of Calgary — the exploration and development of oil and gas in an area of Saskatchewan east of Lloydminster. We don't hear about that in the House, Mr. Speaker, from the opposition. Why is that? More gloom and doom. There's two pages of discussions here.

Well in conclusion, Mr. Speaker, as my time draws near, natural gas is steadily fuelling record set . . . (inaudible) . . . not boom and bust as in the oil. Most producers are expecting their activity to increase this year, not decrease — 1,021 wells drilled in Saskatchewan in '99, producing 229 trillion cubic feet.

There's an expectation that total production this year will increase by a further 3 per cent, and most of the activity in Swift Current area. But there's no mention of it by the member opposite because he can't stand the good news.

We expect the number of wells this year to at least match '99. And finally, there's more than two-thirds of . . . (inaudible) . . . So I'm very happy to second the motion put forward by the member from Regina Sherwood to commend the government for creating . . .

The Speaker: — Order. The member's time has expired.

Some Hon. Members: Hear, hear!

Mr. Stewart: — Thank you, Mr. Speaker. Mr. Speaker, apparently this government has decided that it needs a little pat on the back today. They couldn't find anyone willing to do it of course outside of their own caucus, so it fell on the member from Regina Sherwood.

Imagine if you will, Mr. Speaker, the look of shock and disbelief on the face of the member when he was told that he was going to be patting this government on the back for creating a favourable working atmosphere for all sectors of the natural resource industry, in particular the oil and gas industry.

Mr. Speaker, I can be certain that my friend the member from Regina Sherwood would rather have patted this government on the back for any number of other initiatives. Initiatives, Mr. Speaker, that they might actually deserve a pat on the back for. Although I can't think of any right at this time, I'm sure there must be something that this government has done right.

At the end of my remarks, Mr. Speaker, I'll be moving an amendment to the motion introduced by the member from Regina Sherwood, to be seconded by my colleague the member from Kindersley.

And by the end of this 75-minute debate, Mr. Speaker, no one in this Assembly will honestly believe that this government deserves to be commended for creating a favourable working atmosphere for all sectors of the natural resources industry in Saskatchewan, in particular the oil and gas industry.

But anyone who listens to the arguments advanced today by our side and realizes that we get our information from the industries themselves will believe that the members opposite, and particularly the NDP members opposite, have certainly created a favourable atmosphere for all sectors of the natural resource industry in Saskatchewan, and in particular the oil and gas industry, to move to Alberta.

To go to Alberta, Mr. Speaker, and to invest there and to take thousands of jobs with them, investment and jobs that could be here and available to our own children if this government didn't take such a dog in the manger attitude toward taxes, and royalties, and approval procedures.

Mr. Speaker, these are no longer the days of the Texas and Oklahoma oil booms; not the good old days, Mr. Speaker, when everyone associated with the oil and gas industry was awash in money. Margins in this industry are tight — very tight — and all too often negative. The life and death struggle to make a profit has never been as desperate as it has been in the 1990s.

Now beyond the '90s, Mr. Speaker, the industry looks at one thing when deciding where to invest. There are lots of places in the world with plenty of undeveloped oil and gas, Mr. Speaker. The industry simply looks at the cost of production in each of the jurisdictions with oil and gas potential and picks one of the lowest.

You may ask, Mr. Speaker, if they do this because they are mean-spirited, money-grubbing greedy capitalists. The answer is no. Mr. Speaker, they do it because they have to; because ordinary investors in the stock market, no different from you or me, look on only at the bottom line and will only invest in companies that do business in jurisdictions where it is cheap and profitable to do so.

How does Saskatchewan stack up with regard to the cost of doing business in this country, Mr. Speaker? We're not only the highest cost jurisdiction for energy and mines industries to do business in Canada, but one of the very highest in the world. Is it any wonder that even in times of booming oil and gas prices we only see modest and temporary expansion of our oil and gas industries.

I freely admit that Saskatchewan enjoyed a little flurry of oil and gas activity in 1999. To the uninitiated it may appear that the jinx is over and suddenly investment will flow in to the province just like the government said it would. Mr. Speaker, the one and only reason for this modest increase in investment in 1999 was a near tripling of world oil prices caused by the nations of OPEC (Organization of Petroleum Exporting Countries) slowing down production in order to drive up the price.

But even oil rich sheikhdoms that are the OPEC nations need cash. So now they're beginning to produce more oil again, and the world price of oil is dropping and the little mini-boom in

Saskatchewan is nearly over. The oil fields of British Columbia are tiny in comparison to what we have here in Saskatchewan and so is their potential if you listen to geologists and oilmen as I do.

In contrast, Mr. Speaker, to what we see in this coalition government doing in Saskatchewan, the Government of British Columbia has lowered tax, removed the tax on compressor fuel, and made their oil and gas royalties structure competitive with that of Alberta. Now, Mr. Speaker, the relatively tiny oil fields of British Columbia are seeing more drilling activity than we are here in Saskatchewan.

Mr. Speaker, I have in front of me a photocopy of *Oilweek* publication dated March 27, and here's an interesting little chart, Mr. Speaker, entitled Canadian Rig Activity week ended March 20, 2000. It shows that there are 326 active rigs in Alberta, 45 in British Columbia, and only 37 in Saskatchewan.

And here's another interesting row of figures, Mr. Speaker. More than a year ago, before our oil prices started on their little boom, dated March . . . the week ending March 22, 1999, Alberta had 180 active rigs, British Columbia had 30, and Saskatchewan had four.

Mr. Speaker, this government should not get used to drilling activity being at the dizzying heights of 37 active rigs in Saskatchewan. As the price of oil drops back to more normal levels, I think that the level of four active drilling rigs in this province might be more typical. Unless this government does something to address the problems that cause this to be one of the most expensive jurisdictions not only in Canada, but in the world, for the oil and gas industries to do business.

Mr. Speaker, we're losing out to our neighbours in the competition for oil and gas and mining investment. Mr. Speaker, to work in Saskatchewan, the oil and gas and mining industries are subject to higher royalties, higher income tax, higher corporate tax . . .

The Speaker: — Order.

Mr. Stewart: — Thank you, Mr. Speaker. Higher income tax, higher corporate tax, higher property taxes than our neighbours to the west, and a 6 per cent PST that is not charged at all in Alberta.

Combined with extremely high power rates, high natural gas rates, complicated, time consuming, and expensive approval processes involving two or more government departments, we can't compete with Alberta or anyone else under these conditions, Mr. Speaker.

So I wish to move an amendment to the notice of motion introduced by the member from Regina Sherwood. And the amendment, Mr. Speaker:

All words after "Assembly" be deleted and the following substituted therefor:

will commend the government for creating a favourable atmosphere in the natural resource sector, once it eliminates the provincial sales tax from the many expenses

incurred in the natural resource industry such as oil and gas and mining, and once it adopts an oil and gas royalty structure that is competitive with other jurisdictions.

Mr. Boyd: — Mr. Speaker, I'm pleased to enter the debate this afternoon about the oil and gas industry. And it comes as some degree of shock that the members opposite actually think that the oil and gas industry are supportive of their administration.

The fact of the matter is the oil and gas industry has never been supportive of NDP (New Democratic Party) socialist governments. They simply do not trust them, and for very good reasons, they don't trust them.

Over the years, they have done everything they possibly can to discourage employment, discourage investment, and discourage opportunity here in Saskatchewan in the industry. And all you have to do, Mr. Speaker, is look back at . . . look back at some of the speeches that some of the members opposite have given over the years about the oil and gas industry.

I might remind some of the members that are more recent to take a look at some of the comments that your members have made in *Hansard* over the years when you were in opposition — particularly, when you were in opposition — about the oil and gas industry. Talking about them being robber barons, and all of those kinds of things that were very derogatory towards the industry.

Members saying that they don't care, they don't care about oil and gas losses of employment here in Saskatchewan. They don't care about loss of investment. They don't care about loss of opportunity here in Saskatchewan.

Those are the . . . that's the legacy that you people have with regard to the oil and gas industry in this province. That's the kind of friendship that you have developed between the oil and gas industry and the NDP in this province. And now you want to stand and take credit for oil activity in this province. Well, I suspect the oil and gas industry are standing in disbelief at the kind of motion that you've put forward.

And there's little . . . it's little surprise to me that in the oil and gas producing areas of this province, they are overwhelmingly in support of the Saskatchewan Party.

Some Hon. Members: Hear, hear!

Mr. Boyd: — There isn't . . . I dare say there isn't a constituency that you people represent where there's more than five wells. I doubt there are more than five wells in any one of your constituencies. Not a single constituency that you people represent would have oil and gas development on it. And now you stand up, and now you stand up and suggest that there's all kinds of support for you in the industry.

Mr. Speaker, it might interest you to know that very discouraging developments in many areas of the province with respect to the oil and gas industry. We are seeing the loss of employment, the loss of opportunity, and the loss of investment to our province to the west of us — Alberta.

In my constituency I know of two oil and gas development

companies that have left in the last few months, Mr. Speaker. One of them was Fraser Oil. Kelly Fraser and his company employed a number of people in Kindersley. Pirate Drilling, and the minister would know of this company, that has left in the last few months to Calgary. Between the two of them, I would suggest they'd have a payroll of about \$20 million in the Kindersley area.

I know that Pirate Drilling alone contributed about a hundred thousand dollars on a yearly basis to recreation and cultural programs in Kindersley. That's a huge loss, right there alone in my constituency, Mr. Speaker. And they have moved to Alberta because they simply do not want to put up with the kind of bureaucracy, red tape, and taxation policies of this provincial government.

And I just heard . . . had a conversation yesterday, Mr. Speaker, with my former constituency assistant, who, her husband and herself, set up an oil and gas service company in Kindersley here about a year ago I guess it was — maybe a little longer than that — a year and a half ago in Kindersley. And she tells me that there is just nothing but total confusion in the oil and gas sector right now with regard to the PST changes. They don't know whether they should be charging it on the construction of new buildings; they don't know whether they should be charging it on reclamation services — they have no idea.

So she phoned. This is a lady that has been a constituency assistant for some number of years; she knows how to get around bureaucracy, believe me, she's done it for a number of years.

(1500)

So she got a hold of somebody — Susan Maedel is her name — she got a hold of somebody in the Department of Finance the other day to ask them some questions about the PST expansion. And one of the gentleman that she — I'm not going to give you his name because I don't to get him into trouble — but the fact of the matter, she phoned and spoke to this official of the Department of Finance and said, what should we be charging the PST on and what shouldn't we be charging it on. And he said, we really don't know at this point. Charge it on everything for a month or so and we'll see how it's going to go after that.

That was the response, that was the response, and I'll get you — the minister is shaking his head in disbelief — I'll get you the member . . . the minister . . . I'll give you the person from the Finance department that gave him that reaction because you should have a talk with him. Don't fire him — because he's going to get you guys into any trouble. But you should have a little visit with him.

Because that's the kind of answers that the oil and gas people are getting right now. Charge it on everything, and in a month or so we'll have it all sorted out and we'll try to decide what to do at that point.

And when we spoke with the members of CAPP (Canadian Association of Petroleum Producers) here a little while ago that were in the Legislative Building, they said the same thing. They have no idea how much money that this is going to cost the

industry.

And any time that there is an increase in costs to the industry just puts us that much more in an uncompetitive position with Alberta, Mr. Speaker. And that's the problem that we are faced with.

There's tremendous confusion over it. There's a tremendous amount of mistrust over what this government is doing on a daily basis in the oil and gas industry.

Another case in point, Mr. Speaker, is all you have to do is look at where the oil and gas industry is licensing vehicles these days. If you drive around Kindersley, you drive around Shaunavon, you drive around Estevan, you drive around Swift Current, you drive around Lloydminster, all of those communities, oil and gas industry are exclusively now registered in Alberta — exclusively registered in Alberta because they don't want to pay the high taxes in Saskatchewan any longer.

They're even advising their people to live in Alberta and come over and work and commute to Saskatchewan to do the oil and gas work in Saskatchewan. That's the kind of thing that's happening. And the government brings forward a motion, the government brings forward a motion wanting to pat itself on the back for such a great job it's doing in the industry.

Well, Mr. Speaker, just simply isn't the case. The oil and gas industry understands that. All of the members on this side of the House understand that because they represent constituencies that actually have development in them. It's clear that the members opposite don't understand that or they wouldn't bring a motion of this type forward.

The only good thing that you've done — and I give some degree of credit to the current minister — the only good thing that you've done — and it's only because probably he doesn't have clout at the cabinet table — the only good thing he's done is not touch the royalty rates. And that has helped the industry to some degree. It's the only good thing he's done and it's only because he hasn't had any degree of stroke at the cabinet table, I would suggest.

Mr. Speaker, many of the members on the opposite side of the House I'm sure will be wanting to enter the debate on this because they know so much about the industry.

They talk about this side of the House not wanting to be optimistic or to speak about doom and gloom. Well I'll tell you, we are always the ones that are in favour of development. We are always the ones that are in favour of investment. We are always the ones in favour of opportunity.

Some Hon. Members: Hear, hear!

Mr. Boyd: — We are always the ones that are in favour of optimism in Saskatchewan. It's the members opposite have always been the ones that have put the brakes on every kind of development you can imagine in this province, and we'd have a far greater oil and gas industry in this province if this province never would have been blessed with an NDP administration for 50 years.

Some Hon. Members: Hear, hear!

Mr. Boyd: — If you never would have had these people in government, I dare say we'd be the Alberta of Canada rather than where we are today.

Some Hon. Members: Hear, hear!

Mr. Boyd: — That's the kind of difference that it would have made. Rather than having Tommy Douglas driving the industry from this province when he came into Saskatchewan in government in the '40s, we'd have oil and gas development like you wouldn't believe here in Saskatchewan right now compared to what we do have.

And when you talk to oil and gas producers, all you have to do is drive out to Calgary and sit down and talk to some of them. They never will come back in large numbers until we see a different administration. And I dare say that that's going to happen pretty darn soon. And when it does happen, we're going to release the brakes on that industry and we are going to allow it to grow as it's never grown before here in this province, Mr. Speaker.

That's the kind of thing that this industry needs. That's the kind of thing that they want. And when they elect a Saskatchewan Party government, that's the kind of thing that they're going to get.

Some Hon. Members: Hear, hear!

Mr. Thomson: — Well thank you, Mr. Speaker. It is indeed a pleasure to follow the member for Kindersley so we can set the facts straight.

We may . . . Let me say this to start, Mr. Speaker. This government has done an excellent job in promoting all natural resource development in a sustainable manner — sustainable. This is not going to be simply a case where all the wells get drilled and all the profits go off to Alberta like they would want to see happen. What we have developed here is a homegrown industry.

Some Hon. Members: Hear, hear!

Mr. Thomson: — We may not have oil wells in many of our ridings, Mr. Speaker. But let me tell you, we've got an oil upgrader that's dependent on the importance of the oil and gas sector. Let me tell you that we've got a technology research centre which will help the wells that are drilled in the rural ridings around this province remain prosperous for years to come.

We've got, for the member for Weyburn who looks in disbelief, we've got a project to help make those wells down in Weyburn last longer through CO₂ injection. We've done that because we believe in the oil and gas industry.

Some Hon. Members: Hear, hear!

Mr. Thomson: — Now to listen to the members opposite you'd think nothing good ever happens in their ridings. I know I often think that. I'm sure on election night, I can tell you that that was

certainly the case — nothing good happened there. But that's okay.

I have here, Mr. Speaker, I have here a list of the total number of wells drilled.

The Speaker: — Order, order.

Mr. Thomson: — Mr. Speaker, the member for Kindersley will take great interest in this. All those Alberta companies that were avoiding the province, shunning us, do you know what? They drilled 463 oil wells this year, this quarter. Do you know how many they drilled in 1999, Mr. Speaker? Seventy-six. Seventy-six — five times the number of oil wells drilled.

In Kindersley alone, in Kindersley alone, Mr. Speaker, 90 new oil wells this quarter, 18 new gas wells. The whole first quarter of '99 they only drilled 29 oil and gas wells in Kindersley — 29. This year 89 oil, 18 gas. But no, no, Saskatchewan's driving out the oil industry, driving it out. Well I'll tell you the only thing that's being driven is the number of oils is being driven up.

Let's take a look at what's happening in other ridings. The member for Lloydminster — 176 new oil wells, Mr. Speaker, this quarter; 30 new gas wells this quarter. The member for Estevan — take note, Madam Member — 149 new oil wells in the first quarter; only 32 in the first quarter of last year. But the province is running dry, they say. They say that this government is driving industry out. Not so, and the facts bear that out.

We can take a look at other areas. We can look at Swift Current. Now they say that the budget had the impact. The week of April 14; in one week 32 vertical wells licenses were issued — 32. In all of the first quarter of 1999 there were only 108 issued. Fully in one week, one-third of the licenses issued that were issued the previous year. The last I looked, that week was well after the budget, Mr. Speaker.

And yet the members, the members say, oh the budget's to blame. The sky is falling, the jobs are leaving — this is simply not true. And frankly, Mr. Speaker, I think . . . I can tell you that on this side we're tired of listening to that kind of gloom and doom; and the people of Saskatchewan and the people of rural Saskatchewan deserve better — better representation and better representatives than they have at this time.

Mr. Speaker, this resolution speaks to more than just the oil and gas industry though. And I think that we need to make that point. We may not have the oil wells in our ridings as I've told you of, but we still support its development. We will still protect that industry. Why? Because we make decisions based on the best interests of Saskatchewan people and the Saskatchewan economy. Not based on the simple premise of who they voted for.

I find it interesting the members opposite constantly bring this up — who voted for them? We can assume, we can assume then that if they ever form a government, God forbid, that if they ever form a government the only people they will ever look after are the people that they represent — their own. And that is exactly . . . that, Mr. Speaker, is exactly what we saw leading up

to 1991. And people know what that government did. And they know where the money went and they know that the investment flowed to Alberta and to the friends of that previous government.

Now these guys opposite will say that wasn't us. They'll say it wasn't us. They stand in this House and they go on and on and on about C.M. Fines and about Tommy Douglas driving out industry — if you can believe it. And then they turn around and say but Tommy Douglas brought in medicare that we want to protect. It's just duplicitous on their part. And it's silliness. Because it has nothing to do with the debate that we have today. And that debate is how do we grow this industry in the natural resource sector here in Saskatchewan.

I can tell you, Mr. Speaker, that there are a lot of people who have jobs today because of the good stewardship of this government over the natural resource sector. Whether that is in the renewable resource sector, like trees, and I'm sure that the member for Carrot River who's writing this down would agree with me.

I can tell you that there are people working in the potash mines throughout the members' ridings. There are people working in the uranium mines up in the North; there are people working in the gold mines. And there is a sense of optimism today among the prospectors that this province is going to continue to provide prosperity. They're not afraid of this government. What they're afraid of is a regime that'll drive this province to bankruptcy, that almost did it leading up to 1991.

Mr. Speaker, I want to tell you that this government is committed to good stewardship of our natural resources — be they renewable or non-renewable.

We are committed to ensuring, as we've seen in the North, that Northerners have an opportunity to participate in those wealth . . . that wealth as well — not simply the people that they want. We've got an opportunity here to make sure that all Saskatchewan people benefit because we can add value, add value to those resources.

The investment that we are making at Regina's research park and the Petroleum Technology Research Centre will help to ensure the natural gas and oil sector continues to grow strong well after all the sweet, light crude is pulled out of the ground. We can tell you the billion dollar investment that was made in Weyburn into the CO₂ (carbon dioxide) project . . . injections will help to keep those wells alive and keep the people working.

Mr. Speaker, that is good government; that is good stewardship; that's what this government believes in. So we can listen to the members opposite with their gloom and doom. We can listen to them say that, that people are leaving the province and industry is not committed — but the facts say different. The facts say different.

In the first quarter of 1999, 227 wells drilled. In the first quarter of the year 2000, nearly three times that number — three times that number, Mr. Speaker. Those are facts, and the members opposite have an allergy to the facts. They don't like them because they don't prove out their argument.

(1515)

But let me tell you that industry is confident that Saskatchewan is a land of opportunity, and they will continue to invest, and that is a fact that you and the people who work in those fields and the industries can bank on. Thank you very much, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Wiberg: — Thank you, Mr. Speaker. A great deal of pleasure that I get an opportunity this afternoon, Mr. Speaker, to rise and speak to the rather inane motion brought forward by the member from Regina Sherwood. I found it rather highly amusing, Mr. Speaker, that someone would get up and bring a motion to this floor congratulating the government on the atmosphere that's been created in this province in especially all sectors of natural resources.

Mr. Speaker, where it . . . where I live in Saskatchewan Rivers, natural resources and the harvesting of natural resources is, is a large part of the economic sector. And one of the things that we're having a great deal of trouble with is trying to understand the direction this government is going in and what it is they hope to accomplish in the, in the resource sector of this province.

Now certainly many members here today have spoken about oil and gas and how it affects their constituencies. And of course one of the things we have known for quite some time is that in Saskatchewan Rivers there is no gas. All the gas is in Regina it appears to be, Mr. Speaker. And socialist gas, Mr. Speaker.

But, Mr. Speaker, what we do have, and what has been a great problem for us in Saskatchewan Rivers and areas north of us, certainly through most of Saskatchewan, is the management and the handling by this government in the past eight years in natural resources and certainly in the forestry sector.

Now, Mr. Speaker, three times now we've heard from this government, promises to revamp the forestry industry in this province. But even though they've promised it three times, we're still waiting for the revamping to start.

In the meantime, Mr. Speaker, while the revamping is going to . . . we're waiting for it to start, 5,000 jobs have been lost in this province, Mr. Speaker, because of the inane policies of this government whose desire it is, is to control people and to put them out of work and say that we are doing good. Putting people on welfare and on unemployment insurance rolls is certainly not an attitude to take and say that this is good for the province.

Now, Mr. Speaker, this revamping of the forest industry that is going to take place sometime in the future — and we certainly do not know when it's going to start even — has left many of the independent saw mills in this province, Mr. Speaker, scrambling to get material, to get the wood sources that they need in order to keep operating.

In fact, Mr. Speaker, many of the smaller mills across central and northern Saskatchewan have gone bankrupt. Bankrupt, Mr. Speaker. And this is supposed to be the legacy that we're

supposed to support today of this government and be excited about. Well I'm sorry, Mr. Speaker; I'm going to have a great deal of trouble being excited about a government that puts policies in place that force businesses to go bankrupt and leave this province.

Actually, one of the most regressive parts that we're going to have to deal with in the very near future — and that's why I'm very excited when the member from Rosetown-Biggan becomes the Premier, we're going to be able to reverse this very regressive trend — and that's the increase in taxation that's taking place in this province.

The cost of operating in this province for business has now gone up 6 per cent as of March 30. Now 6 per cent, maybe to the members opposite, doesn't seem like a lot of money. But when you're operating in this province, Mr. Speaker, on such a fine line that's been created by this regressive government to begin with, an extra 6 per cent brought forth by this government actually forces business to cross the line into closure.

And that's a great problem for us. These small businesses, Mr. Speaker, provide a great deal of jobs in this country and in this province, and to attack those people is a very regressive and unfortunate circumstance that this government has forced them into.

In fact, Mr. Speaker, a few of the things that are now going to be taxed by this government that were never taxed before, this 6 per cent PST will be going on in the forest industry, tires, logging chains, chokers, wire cable, oil filters, Mr. Speaker, cant hooks, saw chains, etc., and the list could go on and on but it's just far too much to list here today. You're only going to give me 10 minutes so I'd need much more time than that to go through the list.

But another great regressive that's taking place too is that this tax is now being applied on all the services that the forest industry needs to use to operate. And so the cost of their operation in total, Mr. Speaker, has gone up 6 per cent, forcing them into such a negative margin that many of them are now going bankrupt and are being forced to close their mills.

But what is really amusing — and I use the word amusing, Mr. Speaker — that for decades and decades this province has seen to bring forth a tax on sawmill operators, a road tax — they have to pay the 15 cent road tax for the equipment that they operate on their sawmill landing. Now, Mr. Speaker, these vehicles never see a highway unless they're being carried by another vehicle, and they're already paying the tax. So they're collecting a tax twice for this equipment to operate.

So, Mr. Speaker, the sawmill operators of this province are paying such a regressive tax that puts them in a significant unfair disadvantage to our neighbours to the East and to the West and most certainly to the North.

Now these regressive taxes that this government has brought forth has completely eliminated all opportunities, Mr. Speaker, for expansion in this province. Many of the mills are trying to do the best they can to increase the employment and increase opportunities for their bottom line, have talked about expansion in this province.

Now, Mr. Speaker, these mills are telling me that, no, we can't do this any more. Any further expansion, any expansion of opportunity will have to be put on hold until a new and more progressive government replaces this one across the Assembly here from us, Mr. Speaker.

Unfortunately, Mr. Speaker, the policies that we are being forced to deal with in this province have been in place for a long, long time.

Now the members opposite, Mr. Speaker, have talked about, and this motion talks about, all the good things that they think are happening in the natural resource sector. But unfortunately, Mr. Speaker, since 1944 when the government of the day that was elected in 1944 drove the natural resource sector out of this province, Mr. Speaker, drove them out in droves. Mr. Speaker, those people will never be replaced again and the opportunities that we had at that time were lost.

In fact, Mr. Speaker, at that time this province was booming and many good things were happening. More and more people were being put to work in the resource sector whether it was oil and gas or whether it was in forestry. But no, Mr. Speaker, in 1944, Mr. Speaker, the government of the day took office of the day decided that no, no, we can't have success in Saskatchewan; we must have a regressive government; we must stop all opportunities for people to want to live here and raise their children here and be successful. So then what's happened, Mr. Speaker, is that since 1944 socialist governments from that time on have done their utmost to try to drive business out of this province.

In fact, Mr. Speaker, what we have found out is that it's through a report that we had access to in the early 1950s. The government of the day, which, Mr. Speaker, was also the government that was elected in 1944, commissioned a report on what Saskatchewan was capable of; they wanted to know how good Saskatchewan could get to be.

Well, Mr. Speaker, that report, which was done by an outside agency, was able to indicate to the government of the day that the province of Saskatchewan was clearly capable, Mr. Speaker, of supporting life on this planet to the tune of 800 million people. The province of Saskatchewan could sustain life for 800 million people, Mr. Speaker. We could have been a have province. Instead the government at that time and this government today continues to go down the road of high taxation indicating that we have to be a have-not province.

In fact, Mr. Speaker, they indicate to us that we should be a province that cannot support itself, that we must depend upon handouts from a federal jurisdiction. And I think that is very sorry in today's society, Mr. Speaker.

And that is why, Mr. Speaker, when I see motions brought forward today, such as from the member from Regina Sherwood and seconded by the member from Saskatoon Sutherland, I have a great deal of trouble, Mr. Speaker, understanding what it is that brought forth these ideas that they can . . . that things are going well in the natural resource sector.

Mr. Speaker, I cannot support this motion but I will be supporting the motion from the member from Thunder Creek

very, very pleasingly, Mr. Speaker. Thank you.

The Speaker: — The opportunity now exists for members to ask questions of those that have been involved in the debate.

Mr. Kasperski: — Mr. Speaker, thank you very much. I have a question I think to my hon. colleague, the member for Thunder Creek. And I was listening to his remarks very carefully and I thought I heard him talk about one of the things the oil and gas sector needed was . . . talking about the better tax regime and lower taxes. I think he said something of this nature.

And my question to my hon. colleague, the member of Thunder Creek, would be, Mr. Speaker, on our side of the House we have been saying that this development has been taking place because of the very policies of our government which have been balanced, well-thought-out policies which, given the debt that we were left at the end of the last regime and by the predecessors of the members opposite, how would they in the light of the debt, in the light of the tax cuts that we've brought in for Saskatchewan people, and in the light of other balances that are brought in, what, Mr. Speaker, would they do to lower revenues, lower taxes, and how would they better do what we have done to encourage the industry with their tax policies?

Some Hon. Members: Hear, hear!

Mr. Stewart: — I'd like to thank the member for his question. We've had meetings with the Canadian Association of Petroleum Producers and the small explorers and producers associations and they both told us the same thing — that Saskatchewan is the highest cost jurisdiction in Canada in which for them to do business, and one of the highest in the entire world, and they just won't continue to spend great amounts of money in this province until we change our tax structure.

It's our position, it's our position that we can give these companies, as well as all other corporate citizens in this province and all citizens in general, a tax break that will encourage more investment in this province and in turn, and in turn probably bring in more revenue to the coffers of this province.

Mr. Yates: — Thank you, Mr. Speaker. My question is for the member for Saskatchewan Rivers.

Mr. Speaker, the member for Saskatchewan Rivers talked at great length about how dismal the forest industry is in the province and the multitude of problems that are being caused by the increase in the PST, and painting again the picture of doom and gloom. So I have a simple couple of questions for the . . . or question for the member . . . (inaudible interjection) . . . They may well be simple but they need to be that way for the members opposite.

So to the member for Saskatchewan Rivers, how many people are employed in Wapawekka sawmill, and how many of those employed are of Aboriginal ancestry? And how many people are employed in the Carrier sawmill in your own constituency — both brand new sawmills — and how many of those are Aboriginal ancestry? Could he answer that question for me?

(1530)

Mr. Wiberg: — Thank you, Mr. Speaker. One of the things I have to agree with the member from Regina South is these are a little too simple.

But, Mr. Speaker, all of the employees at Wapawekka Lumber are employed. And 60 per cent of them actually have been designated of the Aboriginal ancestry.

But, Mr. Speaker, the member from . . . opposite has also asked me about Carrier Lumber and how many employees were hired there for this new sawmill. Well, unfortunately, Mr. Speaker, I have to inform the member opposite that Carrier sawmill is not a new business in this province, and in fact they have had significant downsizing.

Mr. Speaker, Carrier Lumber has been in this province for about five years now and so I would not consider that a new business. I would consider that a new business as someone who would be starting up in 1999 or even the year 2000.

So if the government has decided that in order to qualify as a new business it's anywhere within the last five to ten years, then I would have to say, Mr. Speaker, that is a very dismal record indeed.

Ms. Lorje: — Thank you, Mr. Speaker. My question is for the unfathomable member from Kindersley.

Mr. Member, I thought I heard him say during his speech that Pirate Drilling has left the province of Saskatchewan. I was extremely concerned to hear that because a couple of my constituents work for Pirate Drilling. So I wonder if the member could answer and tell me why it is that Pirate Drilling in Kindersley, as of 15 minutes ago, was answering their telephone in Kindersley?

Some Hon. Members: Hear, hear!

Mr. Boyd: — I'll be happy to. I will be happy to answer that question. I spoke with the owner of Pirate Drilling a few weeks ago — Louis Gierstoeffler. Louis informs me that the corporate headquarters, the corporate headquarters for Pirate Drilling has been relocated to Calgary, Alberta effective, effective May 1. Yes indeed, during the transition between the move between Kindersley and Calgary, the office will be, the office will be still open.

But I'm also informed that the building is for sale and he will be moving all of his operations, all of his operations to Alberta as soon as possible. And he gives the reasons. The reasons are the taxation regime that he is faced with in Saskatchewan, the bureaucracy that he's faced with here in Saskatchewan. And the simple fact of the matter is he does not want to operate in Saskatchewan any longer when he sees far greater opportunities in Alberta.

Some Hon. Members: Hear, hear!

Mr. Thomson: — Thank you, Mr. Speaker. My question's also for the member for Kindersley. The member for Kindersley says that things are so bad because the tax regime is driving

people out of the province, particularly industry. But he can't seem to explain to me how it is we've got three times as many wells being drilled in the first quarter of this year as we did last year. I'd like to hear his explanation for that and then I have a supplemental.

Mr. Boyd: — It may have a little bit to do with \$30 oil. Did that ever occur to you? It may have a little bit to do with 65 to 75 cent a litre gasoline at the pumps. People are drilling all over the world in numbers that we have never seen because the oil industry responds to price. The oil industry responds as quickly as possible to price, and the fact that we are seeing more wells drilled in this province is because they were reacting to a strong market right now even in spite of the fact, in spite of the fact that we had the highest tax regime of anywhere in Canada and practically anywhere in the world.

Some Hon. Members: Hear, hear!

Mr. Thomson: — Thank you, Mr. Speaker. My supplemental is: aren't you really saying Saskatchewan's such a great place you can mismanage and break even? And isn't that exactly what you've been saying for ten years?

Mr. Boyd: — Well the member's question is so absurd, it almost doesn't give reason to respond to something like that. The oil and gas industry isn't in business to lose money. The oil and gas industry aren't in business to simply break even. They're in business because they want to make a living; they want to produce profits for themselves and their employees and for their shareholders. That's the reason why they drill, that's the reason why they invest money, that's the reason why they employ people, and that's the reason why they'll continue to do it.

Some Hon. Members: Hear, hear!

Mr. Thomson: — Thank you, Mr. Speaker. The member opposite seems to like to talk about the good old days of the Tories when they were in office and how wonderful things were for attracting investment.

I was hopeful that perhaps the member for Kindersley could explain how during that time we were seeing as many as 15,000 people a year leave this province. Fifteen thousand people a year and yet that has trickled down to virtually nothing today.

How is it that our tax regime is crippling this economy when we're seeing more and more people staying, compared to when that party's predecessor was in office?

Mr. Boyd: — It has trickled down to nothing in this province because of an NDP administration opposite. We've got a million people in Saskatchewan today. We had a million people plus when you took over in this administration. There's been absolutely no growth. We see continued opportunity slipping away to the west of us every day.

You want to talk about the '80s, you can talk about it all you want, but the people of Saskatchewan are more interested in this century than what happened 20 years ago in this province. They're more interested in jobs and opportunity and employment and investment in Saskatchewan today. And if we

form the next government — and I say we will in a very short period of time — we will do exactly that.

Some Hon. Members: Hear, hear!

The Speaker: — Order. The time has expired.

PRIVATE BILLS

SECOND READINGS

Bill No. 301 — The Mennonite Central Committee Saskatchewan Act

Ms. Lorje: — Thank you, Mr. Speaker. I move Bill No. 301 be now read a second time and referred to the Standing Committee on Private Members' Bills.

Motion agreed to, the Bill read a second time and referred to the Standing Committee on Private Members' Bills.

Bill No. 302 — The Renaming of The Regina Golf Club Act

Mr. Wartman: — Thank you, Mr. Speaker. I move Bill No. 302, The Renaming of The Regina Golf Club Act be now read a second time and referred to the Standing Committee on Private Members' Bills.

Motion agreed to, the Bill read a second time and referred to the Standing Committee on Private Members' Bills.

Bill No 303 — The Saskatchewan Roman Catholic Dioceses Reorganization Act

Mr. Thomson: — Mr. Speaker, I move Bill 303, The Saskatchewan Roman Catholic Dioceses Reorganization Act be now read a second time and referred to the Standing Committee on Private Members' Bills.

Motion agreed to, the Bill read a second time and referred to the Standing Committee on Private Members' Bills.

PRIVATE MEMBERS' MOTIONS

Motion No. 4 — Taxation Policy

Ms. Higgins: — Thank you very much, Mr. Speaker. Mr. Speaker, this afternoon I would love to stand here in the Assembly and pay tribute to the hard work and the dedication of the people of Saskatchewan to their province.

The citizens of Saskatchewan, Mr. Speaker, are a hardy and very optimistic bunch. We live in a province that has all kinds of extremes. We go from trees and forest in the North to the Prairies in the South.

Our weather can be almost as extreme. We go from 40 below zero in the winter to 35-plus in the summer. And in the summer when we get a bit of a breeze it cools off those nights and it's wonderful. But that breeze in the winter, Mr. Speaker, is a wind chill and it makes our winters extremely miserable at times.

Mr. Speaker, starting vehicles and the problems we have in this province can be a major inconvenience. And, Mr. Speaker, even with the conveniences we do have — all our little gadgets of automatic car starters, door openers, snow blowers — we still tend to grumble a little at times.

But, Mr. Speaker, I like to stand sometimes and consider what Saskatchewan would have been like a hundred years ago.

Mr. Speaker, it's hard to even imagine what it would be like to have been a settler in this province — the miles and miles of prairie grass, no fences, no towns, no cities, but to be out in the middle of the prairie. It's very hard to imagine, Mr. Speaker. The hardships that our parents and grandparents must have endured to build a new life and new homes in this very rugged but beautiful province.

Mr. Speaker, our ancestors — the people that settled this province — celebrated the good times: the spring rains, the beautiful sunrises, and the spectacular sunsets that we have in this province. But, Mr. Speaker, they also struggled through the tough times: the dust storms, the snowstorms, the '80s, Mr. Speaker. And always throughout the last 100 years, the people of Saskatchewan have always held the belief that tomorrow, no matter how badly it got today, tomorrow would always be a better day. And that yes, Mr. Speaker, Saskatchewan really was the best place to live.

Mr. Speaker, there's been times when we have strayed from this belief, but we have always come back to realize that if we work hard and make sound choices we will have a better tomorrow. Mr. Speaker, our tomorrow is quickly coming.

Mr. Speaker, 10 years ago, this province was in dire straits. Saskatchewan was on the verge of bankruptcy. Now for me to stand here, Mr. Speaker, I can't even imagine what it would be like to have your province on the verge of bankruptcy. It's hard to comprehend.

The first few years that our government came into power, in the early to mid-1990s, were very stressful times. Very tough decisions had to be made. Drastic budgets, and yes, Mr. Speaker, tax increases were made to help revive our province and keep us from bankruptcy. But, Mr. Speaker, the people of Saskatchewan realized that this is something that we had to do. A desperate situation required drastic measures.

Mr. Speaker, that true spirit of Saskatchewan citizens came through. We believed that by hard work and sound financial decisions and by sticking together in our resolve to make Saskatchewan a better place to live, we would see ourselves through those tough times.

Mr. Speaker, gradually we began to see progress. And in early 1992, this government began to ease the burden on the residents of Saskatchewan in a balanced and sustainable way. A balance that encouraged growth in many sectors throughout the province, and in a sustainable way, sustainable in the tax reduction but within our means and would not cause reductions in other areas and programs.

Over this early period of this government, the corporate income tax rate was reduced, the education and health tax on

manufacturing and processing activities was reduced, and royalty structure for oil and gas were introduced maintaining a competitiveness with Alberta. Fuel tax rates on aviation fuel was reduced, and there was a personal income tax reduction in the debt reduction tax.

Mr. Speaker, these may not be huge reductions, but they helped to stimulate the Saskatchewan economy and began our climb to a better tomorrow. Mr. Speaker, in March 1997, this government reduced our education and health tax from 9 per cent to 7 per cent and it eliminated the tax entirely on certain medical devices purchased by individuals. Again, Mr. Speaker, that balanced, sustainable way.

Throughout the 1997 and 1998 budgets, a variety of fair, balanced, sustainable tax cuts were again put forward by this government. The livestock and horticultural facilities incentive program was introduced. The potash production tax structure was changed to attract new investment capital. The film employment tax credit was introduced, and, Mr. Speaker, this one introduction of a tax credit creates thousands of jobs in communities around Saskatchewan yearly. And that's only one example, Mr. Speaker.

(1545)

On July 1, 1998, the Saskatchewan personal income tax rate was lowered from 50 per cent of basic federal tax to 48 per cent.

Mr. Speaker, research and development tax credits was also introduced at a rate of 15 per cent at the same time along with the petroleum research incentives, rebates on mineral exploration.

Mr. Speaker, these tax reductions and incentives spread over a wide variety of sectors, industries, and personal reductions has helped to generate new optimism and prosperity in Saskatchewan. Mr. Speaker, the people of this province were seeing the benefits of their hard work — a better tomorrow.

And, Mr. Speaker, even though the province of Saskatchewan was still at this time carrying a huge debt and paying outrageous interest rates on that huge debt, our economy was showing signs of new life — hard work and perseverance by Saskatchewan citizens again coming through.

During 1999 this government reduced the education and health tax from 7 per cent to 6 per cent. And again research and development, and development and exploration expense pools were enhanced.

Commitment to a balanced, sustainable tax reduction was again demonstrated with our one-third, one-third, one-third approach — all new dollars being divided equally between debt reduction, social programs and education, and tax reduction. A commitment we have campaigned on through previous elections, a balanced and sensible approach that the people of Saskatchewan understand and appreciate.

Mr. Speaker, we just have to look at the facts and figures to realize that this balanced approach has done well for Saskatchewan. Look at the economic performance figures for these years to see the proof. From the period between 1993 and

1998, Saskatchewan's real economic growth averaged 3.7 per cent compared to Canada's average growth of 3.1 — higher than the national average, Mr. Speaker.

Real personal income growth. Saskatchewan averaged 3.5 per cent; the Canadian average was 3.0 per cent. Again, Mr. Speaker, higher than the national average.

Personal disposable income per capita. During this time, Mr. Speaker, Saskatchewan's grew by 3.5 per cent; the Canadian average grew 3 per cent. Again, Mr. Speaker, Saskatchewan was higher on average than the national average.

Manufacturing shipments grew in Saskatchewan by 9.5 per cent, compared to a national average of 7.9 per cent, Mr. Speaker — way higher than the national average, here in Saskatchewan.

Retail trade increased by 6 per cent in Saskatchewan compared to Canada's retail trade growth of 4.9 per cent.

And one of the best parts of all, Mr. Speaker, is that our employment level averaged 480,000 — the highest in our province's history — and with a remarkable 31,600 new jobs created during this time. Mr. Speaker, hard work right across the province was paying off.

Now, Mr. Speaker, we can look at some of the communities in the province. And when you look at the *Sask Trends Monitor* there's a little article in there this month, March of 2000, talking about retail sales by community.

Increasing sales in motor vehicle dealerships in smaller communities enabled retail sales outside the 10 major cities to grow more quickly than sales within cities. Among these cities, sales since 1991 have grown the most quickly in Swift Current, Estevan, and Lloydminster. Mr. Speaker, this is good news that we never hear from the opposition.

Mr. Speaker, the new millennium and the new budget that was brought down in March of this year brings us to a better and brighter tomorrow.

The rebate limit on farm use gasoline was totally eliminated. This may seem like a small measure to many people but, Mr. Speaker, we know in Saskatchewan that small things accumulate and we will end up with larger, better help. And, Mr. Speaker, this is one thing that will hopefully help the farm community through this farm crisis that we now have.

Mr. Speaker, also in this budget in March the new post-secondary graduate tax credit was introduced. And, Mr. Speaker, we've heard criticism that this is not a huge amount by many people's standards. But, Mr. Speaker, it is the beginning of a new and innovative program — a program that can be expanded and built upon in that balanced and sustainable fashion that has served the people so well over these last budgets.

In this budget, our new system of personal income tax was introduced. Balanced and sustainable, Mr. Speaker, a budget for growth and opportunity.

A new three-bracket tax on income structure will replace the basic Saskatchewan tax on tax, eliminate the flat tax, and it will mean the elimination of the debt reduction surtax and elimination of the high-income surtax.

These last three taxes — flat tax and the surtaxes, Mr. Speaker, may have been necessary in their day when they were introduced. But, Mr. Speaker, they have been a thorn in the side of Saskatchewan taxpayers every year when we sit down to do our income tax returns. So I'm very pleased to announce that these will be gone, Mr. Speaker.

Families, too, will see the benefits of increased non-refundable tax credits for individuals, for spouse or spousal equivalent, children, and seniors. A sales tax credit is now in effect to offset any effect that the PST may have on lower income families in our province.

Mr. Speaker, this reform of Saskatchewan's income and sales tax will provide provincial residents with an overall tax reduction of about 260 million when it's fully implemented. This tax cutting includes \$440 million in reduction in Saskatchewan personal income tax, the largest income tax reduction in the province's history.

Mr. Speaker, another page to add to the long list of this government's balanced, fair, and sustainable tax reductions that have benefited all the people of Saskatchewan.

Mr. Speaker, therefore be it resolved:

That this Assembly recognize the responsible, measured, and consultative manner in which the government has introduced reasonable, targeted, sustainable, and fair tax reduction in every budget since 1995.

Seconded by the member of Regina Dewdney, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Yates: — Thank you, Mr. Speaker. It's a great deal of pride that I stand today to second the motion from the hon. member from Moose Jaw Wakamow.

Today when I was asked if I could speak on this issue, I had asked our House Leader if we could extend hours this evening so I could give a full and detailed speech, and he declined that, so with regret I only have about an hour and five minutes in which to speak on this issue, Mr. Speaker. And as my colleagues would have enjoyed, I would have had a great deal more time.

But, Mr. Speaker, I want to talk a little bit about the economic performance of the government before we get into the issue of taxation since 1992 . . . actually October, 1991 when the NDP formed the first government of the 1990s.

Mr. Speaker, without doubt we've had great economic performance in this province over the last number of years despite what the members opposite like to tell the people of Saskatchewan. We inherited a province with the largest debt per capita in the entire country. We inherited a province that had been mismanaged for a long period of time by the former

Conservative government. And, Mr. Speaker, we inherited a province that was on a road to destruction. Mr. Speaker, it's with great pride that this government turned that situation around and has built some of the strongest economic growth in the entire country.

Mr. Speaker, just on a few points. Saskatchewan's real economic growth averaged 3.7 per cent in the period from 1993 to 1998 compared to Canada's average growth of 3.1 per cent in the same period. Mr. Speaker, a province that was inherited in 1991 with the largest per capita debt in this country was able to sustain economic growth far superior to the national average, Mr. Speaker, and I think that in itself indicates the record of this government.

Mr. Speaker, the members opposite always want to talk about the negative things and they forget to look at all the very positive things that have gone on in this province. Mr. Speaker, Saskatchewan had the highest growth in real GDP (gross domestic product) per capita. Real GDP per capita measures income per person for those who don't understand. Mr. Speaker, Saskatchewan's real GDP per person grew by 3.3 per cent on average while Canada's real GDP per person increased by only 2 per cent. Mr. Speaker, again Saskatchewan outdistanced the rest of Canada. And, Mr. Speaker, that's the Saskatchewan the opposition so fondly likes to refer to with doom and gloom. A province with real economic growth, Mr. Speaker.

Mr. Speaker, Saskatchewan also outperformed the national average in almost all other economic indicators during the 1990s and, Mr. Speaker, that's good news for the province of Saskatchewan; and even the members opposite, the official Leader of the Opposition, would have to acknowledge that is good news, good news for Saskatchewan.

Mr. Speaker, Saskatchewan's personal income growth averaged 3.5 per cent in the period from 1993 to 1998 compared to Canada's growth of personal income of 3.0 per cent. A half a per cent higher than the national average in the province of Saskatchewan — very, very, very good news for this province, Mr. Speaker.

How can you deny these things? They're there; they're facts. StatsCanada puts them out. They're great. They indicate what this province is all about.

Mr. Speaker, Saskatchewan personal disposable income per capita grew by 3.2 per cent compared to Canada's growth in personal disposable income of 2.5 per cent. Mr. Speaker, all good signs of a great future for this province. And all at a time when we were crippled by a huge, huge debt and deficit left upon our backs by the previous government, Mr. Speaker. A very, very sad situation indeed. But this government turned that fiscal situation around and developed strong economic growth.

Mr. Speaker, I think it's also important to indicate a number of other facts including that Saskatchewan retail trade increased by 6 per cent in the same period, compared to Canada's retail growth of 4.9 per cent. Our retail growth outdistanced the rest of Canada, Mr. Speaker. Is that not good news for Saskatchewan?

I just wonder how the opposition continues to have so many stories of doom and gloom. But, Mr. Speaker, it's all a matter of having a positive outlook on life or having a negative outlook on life, Mr. Speaker.

Mr. Speaker, just a few other very important points about our economy. In the same period, full employment in the province increased by 39,000 jobs, Mr. Speaker. Full employment by 39,000 jobs. Mr. Speaker, good news again. Youth employment increased by 7,300 jobs, Mr. Speaker. Unbelievable — 7,300 jobs.

Mr. Speaker, employment in the agriculture area decreased by 14,100 jobs. And non-agriculture employment increased by 45,700 jobs, showing that we're diversifying our economy at a period in time when it's most important to do so.

(1600)

Mr. Speaker, we are continuing to work towards diversifying our economy and . . .

The Acting Speaker (Mr. Prebble): — Why is the member on his feet?

Mr. Wall: — With leave, Mr. Deputy Speaker, to introduce guests.

Leave granted.

INTRODUCTION OF GUESTS

Mr. Wall: — Mr. Deputy Speaker, it's an honour to introduce to the . . . through you to the Assembly three individuals from my hometown of the city of Swift Current.

And they are in your gallery, Mr. Deputy Speaker. Seated on your far right, the city engineer, Bert Enman; His Worship Mayor Paul Elder, in the middle; and alderman Alan Bridal on the left, Mr. Speaker. They were in town today for meetings with the government and we hope that they went well.

And thank you to the member for Regina for the leave to introduce guests and I'd ask all members to welcome them here.

Hon. Members: Hear, hear!

PRIVATE MEMBERS' MOTIONS

Motion No. 4 — Taxation Policy (continued)

Mr. Yates: — Thank you, Mr. Speaker. I'd like to also indicate that during this period of time Saskatchewan's total population continued to grow. It's good news, Mr. Speaker. StatsCanada indicates we have 1,027,300 people in September of 1999, Mr. Speaker. Positive growth.

Mr. Speaker, there's nothing but good news in Saskatchewan if you really want to look for it, Mr. Speaker. Even the times when we are struggling with an agriculture economy that's having difficulty, Mr. Speaker, we're diversifying and we're growing.

And all the people of this province understand the need to help the agricultural community to diversify and to expand and to find jobs in rural Saskatchewan, Mr. Speaker. And we're going to continue to do that. This government's going to continue to work with rural Saskatchewan to expand our economy.

Since March 31, 1993, Mr. Speaker, Saskatchewan has moved from having the highest total public sector debt per capita of \$15,071 per, to a position that's sixth lowest at 11,308, Mr. Speaker. Over the same time Saskatchewan's total public sector debt as a per cent of GDP has been reduced from the highest among provinces at 71.7 per cent to the fifth lowest at 39.9, Mr. Speaker. A tremendous turnaround in a mere eight and a half years, Mr. Speaker.

That shows that the government has committed and worked toward building a strong Saskatchewan for its people, Mr. Speaker. We need to talk about all the good things this province has; they're very important things.

I'd like to talk about a number of issues around our finances in that period of time, Mr. Speaker. Taxes have come down, Mr. Speaker. The members opposite can't deny that. I can quote the taxes . . . I can talk about the taxes in 1991, early 1991, Mr. Speaker, and what they are today in many, many areas. But, Mr. Speaker, we have cut the taxes every year since the budget was balanced in 1995.

Let me tell you, it was very difficult to balance a budget in this province, very, very difficult. And we would like to thank and I would like to thank the people of Saskatchewan. We were able to balance that budget because each and every taxpayer in this province, each and every citizen, worked with the government in a co-operative way to deal with our tremendous deficit and debt.

And, Mr. Speaker, that's unlike Tory Ontario, or unlike many, many other provinces, this province was first — first to tackle the debt, the first to tackle the deficit, Mr. Speaker, and first to do it in a meaningful, responsible, positive way.

Ontario today, we understand, tabled their first balanced budget seven years after this province, Mr. Speaker — seven years, Mr. Speaker, seven years. It took them that much longer to catch on. But that's okay — it's a Tory province, Mr. Speaker.

Mr. Speaker, I also want to talk about a couple of other things. Taxes will continue to come down under this government. The only ones who will argue over this are those in the official opposition. The members opposite don't want to talk about tax cuts because then they don't have anything to run their platform on next time, Mr. Speaker. They don't have any other issues. In fact the members opposite are probably very, very happy with this budget, but they just can't acknowledge it.

Mr. Speaker, look at the member opposite he's so happy he's just about crying. And that's good, that's real good. It's . . . (inaudible) . . . to say that he's so happy.

But I like . . . Mr. Speaker, it's good budget. Now, Mr. Speaker, there's so much more good news it's unbelievable. This government going to continue to have a balanced budget. We have a solid commitment to continue balanced budgets, Mr.

Speaker, solid commitment. We're not going to move from that. We're steadfast in that, Mr. Speaker. But we also have a commitment to put one-third into taxation reductions, one-third into enhanced program spending, and one-third to the debt over the period of the four years, Mr. Speaker.

It is really, really a balanced approach that allowed us to turn this province around, Mr. Speaker, and we're going to continue that balanced approach. This government is solidly committed to continuing that approach, Mr. Speaker. Our economy has grown, as I've indicated and it will continue to grow. More people are working than ever before, Mr. Speaker, and more and more will continue to work in this province, Mr. Speaker.

We are going to continue to provide a positive climate for economic and social development, Mr. Speaker, because both are needed to have a thriving, vibrant economy. We have to have conditions in which the economy continues to grow. Business finds it's profitable to be in this province. And at the same time, those profits convert into tax dollars that help us to implement our very, very modest but important, important increases in very, very large numbers of areas.

I say modest, Mr. Speaker, is because we can't be all things to all people at all times. We have to take a balanced approach when we're enhancing programs as well so that those in our economy who have had difficulties need to be dealt with to be helped, Mr. Speaker. It's not about leaving anybody out; it's about being balanced in our approach to helping the people of this province, Mr. Speaker, balanced in all our approaches.

The debt has come down, Mr. Speaker, as I've talked about before. We had the highest debt to GDP in the entire country in this province, Mr. Speaker. And today with good balanced, fiscal approach we're down from 71.7 per cent to 39.9. Mr. Speaker, that's a terrific accomplishment.

More resources are going into key public services every day, Mr. Speaker. As our economy grows, our commitments continue to expand them as well. Together we can build a better Saskatchewan if we all want to work together with that in mind. And that's the challenge for all of us as legislators to build a better Saskatchewan for those people who live here, Mr. Speaker. A good idea is a good idea, Mr. Speaker, and we need to work hard to make those good ideas become reality within this province.

The millennium, in the last number of years has resulted in great change in how our economy has come forward and how it's developed, Mr. Speaker, and it will continue to change. We're in a world of rapid change.

And one of the tasks that any government has is to be able to take that challenge head on and meet the changes as they occur and still develop a vibrant, flowing economy, Mr. Speaker — one that the people of Saskatchewan have pride in, but also one that maintains those very essential social programs, Mr. Speaker. Because without those essential social programs, this province loses a great deal of its identity, Mr. Speaker.

Things that we fought for as a province and as a people, things like medicare, education. The people of this province, both urban and rural, made sacrifices over a long period of time —

the 1930's, '40s, '50s, and right through the 1990s — to make this province what it is today. And it's our job to uphold this standard, Mr. Speaker, and to uphold the values of this province.

Mr. Speaker, it's unbelievable the things that we've been able to accomplish in such a short period of time to turn this province around. And many, many people outside this province look to this province for guidance in its direction. Other governments look to us in leadership on issues like health care, education, and many others.

And those members opposite who may not believe that, aren't looking beyond our borders to see what they're talking to the government about. They need to look at what other governments come and talk to us about.

Mr. Speaker, we are viewed in this country as leaders in many, many ways. This province has been innovative and creative throughout its history. And that innovation and creation with a very narrow base of industry and resources in its inception, its beginning, has become a very strong and vibrant resource for this entire country. And, Mr. Speaker, those other provinces do recognize that.

Mr. Speaker, I want to talk to you a little bit about a couple of other important issues. Our credit rating, Mr. Speaker. Our credit rating is now in a substantially better position than it has been for a long, very long period of time. We're A's across the board, Mr. Speaker, and that's very, very important. Standard and Poor give us an A rating, Moody's gives us an A2, Fitch IBCA gives us an A+, Canadian Bond Rating Service gives us an A+, and the Dominion Bond Rating Service gives us an A.

Mr. Speaker, A's right across the board. Good ratings for a good province, Mr. Speaker. Ratings that reflect the values of our province and the people of this province, Mr. Speaker.

Mr. Speaker, I want to talk about a number of key things that have happened over the last number of years since this government came to power.

I want to talk first about the corporation income tax rates, Mr. Speaker. Since 1984, Saskatchewan's general corporation income tax has varied between 15 and 17 per cent with a rate returning to 17 per cent on January 1, 1992.

Now, Mr. Speaker, the small-business rate remained at 10 per cent for most of the period from 1984 to 1992. Then, on January 1, 1992, the NDP government in this province began a four-year decrease to where the small-business tax rate today is 8 per cent, Mr. Speaker — 8 per cent. When we inherited this province from a Tory government, Mr. Speaker — 10 per cent — 10 per cent from a right-wing Tory government. A New Democratic government ... (inaudible) ... 8 per cent small-business tax, Mr. Speaker.

Let the people of Saskatchewan judge for themselves who has the best performance in corporate income tax, Mr. Speaker.

Mr. Speaker, I'm talking about 1984 tax here when we had a Tory government in place, and here's a quote, "Effective January 1, 1984, the general Saskatchewan corporate income

tax rate was increased from 14 per cent to 16 per cent.” Increased under the former Tory government.

Mr. Speaker, you know they talk about being the leaders and the innovators in taxation, but the right-wing Tory government did very, very little to help the people in businesses in the province.

Mr. Speaker, Mr. Speaker, we have to talk about the reality in this province. They always want to talk about Alberta. Alberta . . . it's like comparing apples and oranges, Mr. Speaker. Alberta's revenues from resources will never compare to those of Saskatchewan. You can't compare apples and oranges, Mr. Speaker. We have to talk about within our own province, Mr. Speaker, and what the right-wing governments have done here, Mr. Speaker.

To talk about Alberta is like comparing an apple to an orange. They're both fruit, and that's about as close as you get. Mr. Speaker, we can't be dealing with issues like that because we don't want to get the members opposite all worried about their favourite province not being able to deliver anything.

Well, Mr. Speaker, Grant Devine . . . Grant Devine ran a government, Mr. Speaker, that's fine. But we want to talk . . . we need to indicate what that right-wing government did in this province, Mr. Speaker. They increased taxation. They did very little to help business or individuals. And, Mr. Speaker, those are important things we need to talk about.

Mr. Speaker, it's unbelievable, unbelievable, the problems that were created during the 1980s by the Conservative government, Mr. Speaker.

Mr. Speaker, they can talk and they can talk about all the great things that happened during the 1990s, Mr. Speaker . . . or 1980s, Mr. Speaker, but in fact the only thing I see looking through the 1980s is increased taxation, increased debt. Quite frankly, platforms that didn't work trying to buy votes — giving us money to do all types of things that the people of Saskatchewan, quite frankly, couldn't afford.

And, Mr. Speaker, what did that lead to? It led to increased personal debt, increased government debt. It led to deficits. It led to irresponsible government, Mr. Speaker.

We couldn't have that. In 1991 this government needed to turn that around and make responsible government, Mr. Speaker, and turn those years of deficit and debt around so this province could look again with hope towards the future in . . . (inaudible) . . . with hope towards the future. That was what we looked at in the 1980s, which was despair to the future.

Unfortunately the members opposite are a little embarrassed to have to admit that we've balanced the budget seven consecutive years. Very hard for them to accept. Very, very hard for them to accept the amount of taxation cuts that have gone on since we became government in 1991, Mr. Speaker.

It's unbelievable, but they don't have a lot to complain about when it really comes down to it because this government's been a good government. And they know that. A great government.

The members opposite are having a difficult time, having a very difficult time talking about this issue, Mr. Speaker.

(1615)

So, Mr. Speaker, I want to talk about 1987 here for a minute. We keep talking about education and health tax and have the members opposite attack this government, Mr. Speaker. I want to point out what the Tory government of 1987 did, Mr. Speaker. They increased the sales tax from 5 per cent to 7 per cent in 1987. Mr. Speaker, they increased it 2 per cent. All right? And the members opposite always want to talk about the sales tax.

But I also want to point out, Mr. Speaker . . . Mr. Speaker, obviously I hit a little bit of a nerve over there, obviously I hit a little bit of a nerve because all of a sudden they're reacting. You know, throw a stone, hit something, they yelp. And I understand that, Mr. Speaker.

Mr. Speaker, they put us in debt. They created the problems we had to deal with, Mr. Speaker.

Mr. Speaker, it's 1991 I want to talk about now, and this is the last year just before the people of Saskatchewan kicked out that right-wing government. That right-wing government got kicked out by the people of Saskatchewan and for good reason, Mr. Speaker.

But effective April 1, 1991, the goods base of the E&H (education and health) tax is broadened to include books and magazines, clothing and footwear, residential use of electricity, natural gas . . . (inaudible) . . . prepared foods and beverages, non-prescription drugs, Mr. Speaker, medication, pet food, snack foods, candies, carbonated beverages, and tobacco products making the E&H goods base equivalent to the GST (goods and services tax). That's what the right-wing government of Grant Devine did. That's what the Tory government in Saskatchewan . . . Mr. Speaker, Mr. Speaker, they wreaked devastation upon this province.

And, Mr. Speaker, I want to tell you what the NDP government did effective October 22, 1991, just days after we became government, Mr. Speaker — days after. Effective that date, a key day in history, effective October 22, 1991 the broadening goods base of the E&H tax was repealed by a responsible government, Mr. Speaker, a government, an NDP government, Mr. Speaker, sitting on this side of the House, Mr. Speaker.

With the E&H tax returning to the pre-April 1, 1991 goods base, we were able, Mr. Speaker, despite the large debt and decreasing the tax base, to make significant change and make a very, very good situation for the people of Saskatchewan, Mr. Speaker, and in fact enhancing our ability to be an effective government, Mr. Speaker.

Mr. Speaker, I want to talk to you about a number of things, Mr. Speaker. I have about four or five pages of all the nice . . . the great tax cuts that this government's put in place since 1991. And, Mr. Speaker . . .

An Hon. Member: — The list is a long one. Pay attention . . . (inaudible) . . . pay attention.

Mr. Yates: — It's a long list. I'm glad I got this list, Mr. Speaker, because there were some things on this list I didn't even know. Mr. Speaker, this is an education lesson — it's an education lesson for us all.

Mr. Speaker, the members opposite, I'm sure, want to hear this entire list so I'm going to have to go through it in some detail. It's very, very important that we have an educational process . . . (inaudible) . . . Mr. Speaker, so that we understand what this government's done, because before a person should criticize something, we should understand this. And I think in all fairness we need to take the time every once in awhile to get new members to educate us, including me, Mr. Speaker.

So this is a very, very good list. And I think it's very, very important that we have this discussion, Mr. Speaker.

So I'm going to start out with the first point, Mr. Speaker. Effective January 1, 1992 the small business corporation tax rate was reduced from 10 per cent to 9.5 per cent. So we inherited a 10 per cent corporate tax from the Tory government . . . (inaudible interjection) . . . A 10 per cent corporate income tax rate and we reduced it to 9.5 per cent just months after becoming government, Mr. Speaker.

We wanted to indicate to the business community that we were serious about having business in this province. And we — very, very early in the first mandate — we sent a message. We would have liked it to have been more, we would have liked it to have been more, Mr. Speaker, as we always would. But our fiscal situation and our debt and our deficit left upon this government by our predecessors didn't allow us to make substantial changes immediately, but we wanted to send a signal to the business community that we were interested in having business again have faith in this province, Mr. Speaker.

Unfortunately they didn't have that in the later years, the 1980s, and I understand why . . . (inaudible) . . . Mr. Speaker. We had a terrible situation here — rising debt, running deficit year after year, fiscal mismanagement. We even had an idea called fair share where they thought that they were going to change the economy by sending people from Regina to all the small communities of the province.

And you know what, Mr. Speaker? Rural Saskatchewan got behind the employees in government and behind the city of Regina and they stopped that for us, Mr. Speaker. It wasn't Regina-driven that was stopping that, it was all of Saskatchewan stopped that.

In the tradition of this province, urban and rural Saskatchewan rose against a bad idea. And then, Mr. Speaker, they soundly defeated the Devine government of that era and told them no, that their policies weren't what we wanted.

And, Mr. Speaker, we need to go on. I haven't quite even finished the first point because there's more good news on this point, Mr. Speaker. The rate was further reduced to 9 per cent January 1, 1993. So one year later, Mr. Speaker, one year later we decided we needed to send a further message to the business community, a further reduction, Mr. Speaker, so that they knew we were serious about wanting business in this province.

Even in the worst, in the very worst of deficit and debt situations we needed to build a climate and environment and stimulate our economy, Mr. Speaker — and we did that, we did that. A very positive environment compared to what we took over, Mr. Speaker, and I think even the members opposite have to understand that.

The rate was further reduced, the rate was further reduced to 8.5 per cent in 1994. So each year, each year we sent that signal that we wanted business in this community and we wanted to move ahead in the economy. And, Mr. Speaker, that's good news for the economy. It's good news for the people of Saskatchewan — it's good news for everyone, Mr. Speaker.

Effective January 1, 1995, we further reduced our rate to 8 per cent, Mr. Speaker; from 10 per cent to 8 per cent under that so terrible an NDP government the opposition talks about — the one who doesn't like business. So we don't like business so we gave them a tax break, Mr. Speaker. What sense does that make, Mr. Speaker? We want a vibrant, effective economy in Saskatchewan, Mr. Speaker, and we proved that early to the business community by reducing that tax from 10 to 8 per cent, Mr. Speaker.

And, Mr. Speaker, the members opposite can talk about all the bad things we did, they can talk about all those types of things, Mr. Speaker, but the reality is, Mr. Speaker, we're the ones that reduced the taxes. The opposition can say no, no. But all they have to look at is the business community and look at when it was 10 per cent — 10 per cent under a Tory right-wing government and 8 per cent under a New Democrat government.

Mr. Speaker, you don't have to be too bright to figure out that you're a lot better off with the 8 per cent than the 10 per cent, Mr. Speaker. Mr. Speaker, 10 per cent to 8 per cent, I think it tells about itself. We don't have to go on any more about that particular point because I've got about 40 more. Well, Mr. Speaker, we only have a short period of time in which for me to continue my discussion.

Mr. Speaker, effective July 1, 1992, the education and health tax rate on direct agents used in manufacturing and processing activities were reduced from 8 per cent to 5 per cent. Again this government wanted to help enhance the business community in this province. We reduced the tax that was there put on by the previous Tory administration. That was 8 per cent down to 5 per cent to help business in this environment continue to build and thrive, Mr. Speaker. Done by that bad NDP government — the first tax cut in many years for these groups — done by a bad NDP government.

I don't know how the Leader of the Opposition can sit there some days and talk about how bad it is with all these great things we've done. He's even smiling now. He's happy about these things. That's good, Mr. Speaker.

It was further reduced to 3 per cent effective July 1, 1993 and eliminated July 1, 1994. So we took a tax that was 8 per cent and in three years eliminated it — eliminated it — all in the interest of economic development in this province, Mr. Speaker. All in the interest of building a strong, vibrant economy, Mr. Speaker.

And the members on this side of the House are very committed to building a strong, vibrant economy, and our record shows that over the last nine years, Mr. Speaker.

Mr. Speaker, good news for the province of Saskatchewan continues — continues, Mr. Speaker. April 1, Mr. Speaker, April 1, 1993, the education and health tax on 1 800 telephone services was eliminated to encourage the location of calling centres in Saskatchewan — a new growing industry. We wanted calling centres in this province. We didn't want them anywhere else — we wanted them here.

So we were willing to eliminate that tax, Mr. Speaker, so that those businesses put their roots in Saskatchewan. And they're still here today, Mr. Speaker. Many, many call centres exist in this province for services right across this country. Why did they come here, Mr. Speaker? Because we as a government were willing to make the sacrifices necessary to get business into this province.

Mr. Speaker, that's what it's all about. It's about doing the things necessary to bring good government, Mr. Speaker.

Mr. Speaker, I don't know. Where's the doom and gloom in this, Mr. Speaker? There isn't any, Mr. Speaker. It's simply about good government, Mr. Speaker, and responsible government. And that's what you're getting from this side of the House, Mr. Speaker — good government.

Mr. Speaker . . . (inaudible interjection) . . . I'm only on point 4, and we only have 35 minutes left, Mr. Speaker. But I have to talk about a number of these points. So I'm going to speed it up a little bit.

Effective January 1, 1994, we enhanced the price and profit sensibility royalty structures for oil and natural gas. Mr. Speaker, we wanted to build an oil and natural gas sector in this province. And we've done it, Mr. Speaker. We are sensitive to the needs of the industry in this province, Mr. Speaker — very sensitive. We wanted to build those industries far, far better than they were in the previous 10 years under a Tory government, Mr. Speaker.

We understood we needed to maintain competitiveness with Alberta. Mr. Speaker, that's what we tried to do. We wanted the growth in this province, Mr. Speaker. And we worked towards that.

Mr. Speaker, Mr. Speaker, the members opposite . . . Are you learning anything? This is all good news. It's real good for the province of Saskatchewan. Even Bill's smiling over there — I like that Bill.

Effective February 17 — that's an exceptional day, Mr. Speaker; that's also my birthday, Mr. Speaker — 1995 the investment tax credit was introduced at a rate of 9 per cent of the capital costs in qualifying new property acquired and used in the M&P (manufacturing and production) activities in Saskatchewan, Mr. Speaker. Mr. Speaker, we're willing to do what's necessary to build the economy here, Mr. Speaker. And we have continued to reduce that, Mr. Speaker.

Mr. Speaker, this is a government committed to economic

growth.

An Hon. Member: — Including enhancing the coyote industry.

Mr. Yates: — Well we'll even enhance the coyote industry if we have to, Mr. Speaker. We'll do what we need to do to make this a vibrant economy, because that's our goal, Mr. Speaker.

Mr. Speaker, effective March 1, 1995, the fuel tax rate on aviation turbo fuel was reduced from 7 per cent to 3.5 per cent, Mr. Speaker — cut in half. Is that bad for industry, Mr. Speaker? No, it's not bad for industry. I don't know how they can think opposite that it is — tax cut after tax cut is bad for industry. Well, Mr. Speaker, Mr. Speaker . . . I don't know, Mr. Speaker. It's going to continue — the good news . . . (inaudible) . . . continues.

1995 was a great year, Mr. Speaker, because that's the year we balanced the budget and delivered the first balanced budget for the people of Saskatchewan, something that they had longed for for a great period of time, Mr. Speaker — a balanced budget.

Now, Mr. Speaker, the members opposite are enjoying this educational class, Mr. Speaker.

The Acting Speaker (Mr. Prebble): — I apologize to the member for Regina Dewdney for needing to interrupt him but I want to draw the attention of all members of the Assembly that the level of noise in the Assembly has increased to the point where I'm having difficulty hearing the member for Regina Dewdney. And I think all members will be anxious to hear his remarks. So I'd like to ask all members to reduce the level of noise in the Assembly, and I invite the member for Regina Dewdney to proceed.

Some Hon. Members: Hear, hear!

Mr. Yates: — Thank you, Mr. Speaker. The way the clock is ticking away, Mr. Speaker, I don't know that I'm even going to be able to complete my discussion. I think when I asked my Hon. House Leader this morning if we could extend the clock to this evening and do some work, he turned me down, you know. I'm sorry because I may not get the full educational class in, Mr. Speaker.

But I'm going to try. I'm going to try because it's so important to understand it. They need to understand the importance of all the tax competitiveness this government has put forward over the last number of years, Mr. Speaker.

Mr. Speaker, I want to talk about a number of things. I think I'm going to skip a couple of things, Mr. Speaker, because I only want to hit some more important issues.

Mr. Speaker, effective March 21, 1997, the E&H tax on certain medical devices purchased by individuals was eliminated. Mr. Speaker, we needed to eliminate those taxes in order to help those that were least fortunate in our society, those who had to buy medical needs that were taxed on top of the costs that they were going through, Mr. Speaker.

We eliminated a tax just instantly. Again, good news for the people of Saskatchewan. We care about people. We're

compassionate. That's what being government is all about — caring about the people of Saskatchewan.

(1630)

The members opposite, well I'm not saying they're not compassionate, Mr. Speaker, but I just want them to understand the good things that we've done for the people of Saskatchewan.

Mr. Speaker, effective March 21, 1997 — obviously that was a budget day, March 21, because there's several good pieces of news that day, Mr. Speaker — the livestock and horticultural facilities incentive program was introduced to provide a rebate on the E&H tax paid on building materials and certain equipment for the use in construction and renovation of livestock and horticultural facilities in Saskatchewan, Mr. Speaker. Again, again we eliminated a tax, Mr. Speaker. Good news, good news, Mr. Speaker.

Mr. Speaker, effective January 1, 1998, the Saskatchewan potash production tax structure was changed to improve the province's ability to attract new investment capital in the potash industry. Again, Mr. Speaker, we were looking to build the Saskatchewan economy, Mr. Speaker. We knew we needed to make incentive changes in order to get the potash industry to expand, Mr. Speaker. And we did that, Mr. Speaker. That's a government that knows and understands the environment in which they're working, a government that's looked forward to building a strong economy in this province, Mr. Speaker, and a government committed to the future.

Mr. Speaker, the members opposite, many are sitting and listening attentively. Carl, I appreciate that. You're paying attention. I really like that. Wayne, and some others. It's good. It's important that we all understand these issues, Mr. Speaker.

Effective . . . (inaudible interjection) . . . Mr. Speaker, I apologize to the hon. member opposite. He's correct. And I did not mean anything derogatory by it. Mr. Speaker, I have the utmost respect for those members, and I simply want to have the opportunity to share, to share the good news with them, Mr. Speaker. I just want to take that opportunity.

Mr. Speaker, effective January 1, 1998, the film employment tax credit was introduced at the rate of 35 per cent of qualified Saskatchewan labour costs. Mr. Speaker, again we wanted to build a new Saskatchewan industry.

Mr. Speaker, it's important to look and recognize new industry and to develop it, Mr. Speaker. And this government once again saw that. And, Mr. Speaker, again, again it was good news for the people of Saskatchewan.

Eligible labour expenditures are limited to 50 per cent of the total cost of the film production, Mr. Speaker. An additional 5 per cent is available for qualifying film productions completed in smaller Saskatchewan communities. So again we gave even greater incentive if they went and worked in smaller Saskatchewan communities, Mr. Speaker. Because we wanted to diversify the economy in rural Saskatchewan, Mr. Speaker. That's important to our economy.

Mr. Speaker, more good news. More good news. Effective February 9, 1998, the oil and gas royalty and production tax structure was changed to encourage the drilling of more new oil and gas wells in the province. Again, Mr. Speaker, we're willing, we're willing to work with industry to make this province continue to grow, to build a strong, vibrant economy, Mr. Speaker. And that's what it's all about, Mr. Speaker.

Working good . . . for the good of the people of Saskatchewan. Building a strong economy for our children, Mr. Speaker. It's all about passing on a better world to our children, Mr. Speaker. And that's what we're concerned about, Mr. Speaker.

The members opposite, they're obviously enjoying this, Mr. Speaker. And I'll continue to give them enjoyment, Mr. Speaker. They need to hear all these things, Mr. Speaker. It's very, very important.

Mr. Speaker, effective March 20, 1998, the research and development tax credit was introduced at a rate of 15 per cent of eligible R&D (research and development) expenditures incurred by corporations in Saskatchewan. Again we were giving an incentive to have corporations expand, diversify, build new structures within their existing corporations, Mr. Speaker. To do research so that we could in fact broaden our economy, Mr. Speaker. The important things in this province.

We are a province that had a very narrow economic base, Mr. Speaker, that was heavily reliant on agriculture, and it was important for us to diversify our economy. No member opposite can deny that. They all know the importance of building a broad, diversified economy. Mr. Speaker, that's what we're committed to.

And, Mr. Speaker, I don't believe the members opposite are committed to anything else as well, but they should at least acknowledge those positive things that have been done for the people of Saskatchewan. And, Mr. Speaker, I think by how attentive they are, that they are in fact acknowledging that, Mr. Speaker.

Mr. Speaker, effective March 20, 1998, the E&H tax rebate on mineral exploration equipment was introduced in order to make Saskatchewan more competitive with other jurisdictions in the mineral exploration sector. Again the mining sector, the mineral exploration sector needed help to make it more viable, to expand, to look for the resources, Mr. Speaker, and this government reacted. We responded to the needs of that community, and in fact it's helped enhance and make our economy more vibrant in this province, Mr. Speaker, and that's important.

Mr. Speaker, effective March 20, 1998, the E&H tax on fire trucks and attached equipment was removed to help municipalities, Mr. Speaker. We realized that we needed to help municipalities, Mr. Speaker, and we did that. Again we looked and talked to our communities. They brought forward ideas, and, Mr. Speaker, this government responded in a positive way, Mr. Speaker. Good news for those rural municipalities and urban municipalities, Mr. Speaker, and good news for all the people of Saskatchewan, Mr. Speaker.

Effective July 1, 1998, the Saskatchewan personal income tax

rate was lowered from 50 per cent of basic federal tax to 48 per cent, Mr. Speaker. We turned the corner, Mr. Speaker, and we're in a position for the first time to reduce personal income tax of people. As soon as we could do it, Mr. Speaker, and keep balanced budgets without any prospect of going back in debt, Mr. Speaker — because we have a very balanced approach, and want to make sure that we can maintain any tax cut we put forward, Mr. Speaker — we reduced personal income tax. A great step for the people of Saskatchewan; in fact a great step for the economy of this province, Mr. Speaker.

And, Mr. Speaker, that was done by a New Democratic government. Not like many Tory governments across the country, Mr. Speaker, we're not running deficits. We're not running . . . increasing our debt, Mr. Speaker. We have turned that corner and we put forward seven balanced budgets in a row, Mr. Speaker. Good news for the people. And that included tax cuts, Mr. Speaker, including personal income taxes I'm going through with the members opposite.

Mr. Speaker, effective January 1, 1999, the Crown royalty rate for gold and base metal production was changed from a single rate of 12.5 per cent to a two-step increment rate, Mr. Speaker, based on accumulative metal production with an initial royalty rate of 5 per cent of net profit, Mr. Speaker. Again reacting to the industry, trying to help them expand. Mr. Speaker, it's good news.

The member opposite just waved to me. Obviously he has to leave, and have a good day. It's been nice . . . he obviously has to go to the washroom or something, Mr. Speaker.

Mr. Speaker, I have a few more pages but I'm going to just hit on a number of highlights here, and hopefully we'll have an opportunity to have some discussion, let the members opposite understand what we're talking about.

Mr. Speaker, effective March 27, 1999 the E&H tax rate was reduced from 7 to 6 per cent, Mr. Speaker. We again reduced the tax on E&H from 7 to 6 per cent, Mr. Speaker, fully understanding the impact on the economy. We're trying to make the economy thrive and grow, Mr. Speaker, that's what this government is about and we're very proud of our tradition to do that in the 1990s, Mr. Speaker.

Effective for four fiscal years ending after March 31, 1999 companies are allowed the option of deducting their unused research and development and exploration development expense pools in determining their taxable capital, Mr. Speaker. Again, Mr. Speaker, this government listened to industry, looked at what was needed in the province, and responded.

That's good responsible government. A government that listens to industry, listens to people, and acts in the interest of people, Mr. Speaker. Good government, Mr. Speaker, responsible government.

Mr. Speaker, it's very, very important the initiatives of this government took in the 1990s to build our economy, and as I talked earlier, Mr. Speaker, we had steady growth, and in fact, outpaced the rest of Canada for a reason, Mr. Speaker — for the reasons I'm talking about, good news, tax incentives grow industry, Mr. Speaker.

That's what it's about, Mr. Speaker — government understanding the needs of the people in industry. And this government showed it and, in fact in showing that, outpaced the rest of Canada. Mr. Speaker, that's incredible, that's good, particularly for a province of one million people. It shows you what working together can do.

Mr. Speaker, I now have to get onto talking a little bit about some of the things we did in this budget, Mr. Speaker. Mr. Speaker, the plan for growth and opportunity that this government put forward in this budget is one of optimism and hope for the future. Our children needed to see a signal from this government that we wanted to keep them here, that we were going to grow. And they got a very, very solid indication in this budget when the Minister of Finance brought it down, Mr. Speaker. It's more good news; good news for the people of Saskatchewan.

Mr. Speaker, the people of Saskatchewan are going to see the elimination of the flat tax over the next three years, Mr. Speaker. They're going to . . . an average family saved, a family of four at \$50,000 income, Mr. Speaker, save \$1,000 per year, Mr. Speaker — good news, good news. That puts \$1,000 back into the economy for each and every family, average family in the province, Mr. Speaker.

Well, those average families don't have the ability to have huge savings, Mr. Speaker. They spend the money they have. They'll buy new things for their children. They'll spend the money in ways to make their lives better for their children. Because, Mr. Speaker, that's what it's about for those of us who are parents — it's about providing a better standard of life for our children.

You know, Mr. Speaker, I have three children and I try my utmost to help my children have better than I had in life, Mr. Speaker. And I think that's the goal of all parents — to create a world that's better. And I think the members opposite have the exact same feel on that issue because that's one of being a parent. It's not about political philosophy; it's about being a parent and wanting to create an environment for the children that's good.

Mr. Speaker, we decided as a government to put forward a tax platform that resulted in a number of key things for the people of Saskatchewan. We wanted to implement a progressive three-rate structure of income tax, Mr. Speaker. We wanted to offer lower-income families a sales tax rebate up to \$264 a year to offset any additional sales tax they may pay. And, Mr. Speaker, we did those things, Mr. Speaker.

We wanted the people of Saskatchewan to be better off through this budget, Mr. Speaker, and they are better off, Mr. Speaker. And those people in this province who have endured the hard times with us as we turn the corner, Mr. Speaker, are now going to reap the benefits, Mr. Speaker. They're now going to reap the benefits, Mr. Speaker. They're going to reap the benefits of good government, Mr. Speaker, and in fact they will see those changes in the very near future, Mr. Speaker.

But most importantly, Mr. Speaker, we want to help those low-income citizens in our province. Fifty-five thousand low-income taxpayers are going to come off the income tax rolls altogether in this province, Mr. Speaker — 55,000.

Mr. Speaker, it's important that governments take responsibility seriously about helping those who need it most in our society, and this government's done that. And they've proved it time and time again, Mr. Speaker. So, Mr. Speaker, 55,000 low-income people are coming off the tax rolls, Mr. Speaker. Unbelievable! That's good news for the people of Saskatchewan. It's good news for our future.

Mr. Speaker, I want to talk a little bit more about the personal income tax system. The members opposite got the budget, but as they tend to look at it, I'm not sure they understood it. So I'm going to spend a little bit of time going through it with them, Mr. Speaker, if you don't mind. Because I think it's important to talk about all the great things this province has to offer, and a new fair, simple tax system is one of them, Mr. Speaker.

Mr. Speaker, we wanted to put forward a taxation system that people could believe in, Mr. Speaker. There's some key elements to that taxation system that I think are very, very important, Mr. Speaker. Things that people need to understand.

Mr. Speaker, what we wanted to have was a simpler, lower provincial tax rate applied to taxable income in a reasonable way, Mr. Speaker. We wanted to eliminate the flat tax, we wanted to eliminate the debt reduction surtax, and we wanted to eliminate the high-income surtax, Mr. Speaker. We wanted to do those things because we wanted to put in a progressive taxation system that people understood and believed in. And, Mr. Speaker, those things were all accomplished in this budget — a great budget for the people of Saskatchewan.

Now, Mr. Speaker, we're going to see on July 1 the flat tax will be cut in half — first step in that, Mr. Speaker, a very, very valuable, valuable first step, Mr. Speaker. All families benefit — as the hon. member just mentioned — all families. And he's very proud of that, and I'm glad he's proud because we should be proud of this budget.

Mr. Speaker, people from zero to 35,000 in income will pay 11 per cent, Mr. Speaker. Unbelievable! The first up to \$35,000 will pay 11 per cent. Good news, Mr. Speaker. Same taxation rate as Alberta, our neighbour to the West, Mr. Speaker. And, Mr. Speaker, we weren't trying to be competitive with Alberta with this plan. We wanted a good plan for the people of Saskatchewan and this good plan happens to incorporate that same level as Alberta. We're not going to compare the apples and oranges. We don't need to. Saskatchewan is a great province to live in and the people that live here know that, Mr. Speaker.

Mr. Speaker, people will pay 13 per cent on taxable income from 35,000 to \$100,000, Mr. Speaker. Good news again, significantly down from where we were, Mr. Speaker; and, Mr. Speaker, they'll pay 15 per cent on taxable income over \$50,000.

Mr. Speaker, on top of that we wanted to make sure that we helped those that are on lower incomes, Mr. Speaker, and to that end we've introduced also higher tax credits, personal tax credits, Mr. Speaker. The basic personal tax credit of \$5,000 . . . or \$8,000, Mr. Speaker. It's gone to \$8,000 tax credit, Mr. Speaker. Very, very good news.

A spousal tax credit of \$8,000, Mr. Speaker; \$2,500 per child, Mr. Speaker. All good news, Mr. Speaker, for the people of Saskatchewan.

An Hon. Member: — How much was that again?

Mr. Yates: — Twenty-five hundred dollars per child, Mr. Speaker. Good news. On top of that, Mr. Speaker, we believe very strongly in helping seniors in our society, and to that end, we've added an additional 1,000 senior supplement, Mr. Speaker.

An Hon. Member: — How much again?

(1645)

Mr. Yates: — One thousand dollars more for seniors, Mr. Speaker, recognizing the needs of senior citizens in the community.

So, Mr. Speaker, with that, Mr. Speaker, I have to tell you I'm very proud to second the motion from the hon. member from Moose Jaw Wakamow.

And with that, I'm going to take my seat and allow the member opposite to have a few words. Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Hermanson: — Thank you, Mr. Speaker. Mr. Speaker, I'd like to thank the Government House Leader or Whip, whoever allowed the member for Regina Dewdney to speak so long.

I'd like to inform the House the Saskatchewan Party fundraising has never been better. And for those who have been watching the Saskatchewan legislative channel, I understand that dollars and pledges are coming in. Except, Mr. Speaker, for those poor people who think that they are still watching the shopping channel. Those people think that they're trying to be sold a load of garbage and they're not buying, Mr. Speaker.

Mr. Speaker, it is ironic, it is ironic, Mr. Speaker, that the government chooses today to congratulate itself on its tax policies when the lead story in today's newspaper says how unpopular the government's budget was and continues to be. We have the unreality of the government side's presentation, the government's motion, and the reality of what people of Saskatchewan are saying.

Mr. Speaker, 58 per cent of Saskatchewan people disapprove of the government's decision to raise the PST by \$160 million. And this was taken, Mr. Speaker, this poll was taken before people came to realize just how wide the expansion was going to be, and it was taken at a time when people weren't told that the sales tax would remain at 6 per cent. They were expecting it to be dropped to 5 per cent, and they were still opposed to the expansion of the PST.

Mr. Speaker, we can look at the list of things that are now taxed 6 per cent by the current government. It includes repair services, Mr. Speaker. It includes non-prescription drugs, maintenance contracts, bedding plants, security and investigation services, dry cleaning, credit bureau and collection services, telephone

answering services.

But, Mr. Speaker, they went on to tax professional services including legal, accounting, architectural, consulting and engineering services, building services, advertising services, and employment services. That begins on July 1.

Mr. Speaker, there is the PST now being charged on used goods valued at \$300 or more. And, Mr. Speaker, there is the sales tax now being applied to used vehicles. And, Mr. Speaker, with that in this budget we see a decrease in funding for agriculture. Mr. Speaker, we see that funding for health care is not keeping up to the inflation factor in health care. Mr. Speaker, we see this government continues to underfund education. Mr. Speaker, this government is not adequately funding highways.

Now, Mr. Speaker, I don't have a lot of time, but I've got to talk a little bit about highways. I wish that the Deputy Premier who's heckling me had a chance to drive on the highways that I had to drive to get here yesterday. Now, Mr. Speaker, I left home and I went to Riverhurst ferry but Riverhurst ferry was closed — closed without notice. Now, Mr. Speaker, then I had to proceed north of Riverhurst ferry all the way up to Macrorie dodging potholes, across Gardiner dam, down through Elbow, down to Eyebrow.

Now when I got to Eyebrow, Mr. Speaker, the holes . . . the condition of the highway was so bad that at 40 kilometres an hour it was all one could do to keep one's vehicle from being damaged. And, Mr. Speaker, I've talked to my colleagues throughout the province and the highways are crumbling this year worse than they were last spring and we all know how bad they were last spring.

Mr. Speaker, this government and its budget is one of the most pathetic loads of garbage that the people of Saskatchewan have ever had to put up with. Mr. Speaker, despite the overwhelming opposition to this budget, the government credits itself for its consultative approach. Well, Mr. Speaker, their consultative approach is like a one-way conversation. It's like they do all the talking and none of the listening, Mr. Speaker.

Mr. Speaker, let's look at what this government has done with regard to taxes over the ten years, nine years, that they've been in power. The taxes in this province have exploded by nearly \$1 billion.

One billion dollars in a province with no growth. We still have a million people in Saskatchewan but it costs a billion dollars more to run the province. What kind of management does this province have in an NDP government that is now spending a billion dollars more, has some of the poorest growth, lack of job creation . . . (inaudible interjection) . . . the lack of progress in this province is despicable indeed. And yet this government is spending a billion dollars more now than it was 1991.

Mr. Speaker, we have no improvements in Saskatchewan. Roads are worse than they were in 1991. Health care is worse than it was in 1991. Education is not funded at the levels that it was back in 1991. Ag spending, and the Minister of Agriculture is heckling, but I would tell the Minister of Agriculture, Mr. Speaker, that agriculture spending under his government is less than it was before his government took office.

Mr. Speaker, the additional taxes that the government is receiving does not include increased revenues that they have garnered by raising utility rates. Now how many times do you suppose they've raised utility rates in the last nine years?

Mr. Speaker, someone said 19 times. Actually, 20 times that this government has raised utility rates on top of the billion dollars of additional tax revenue that they have raked in.

And then, Mr. Speaker, there's another source of government revenue. The source of gambling revenue which has multiplied many times. That's not included in the additional billion dollars of taxation or the hikes in utility rates that this province has hoisted and hoisted upon the people of Saskatchewan.

Now, Mr. Speaker, this NDP government has such an appetite for taxpayers' dollars. They remind me of the person that sat in the restaurant, Mr. Speaker. The person that sat in a restaurant and ordered a bowl of soup. And when the bowl of soup arrived, Mr. Speaker, this poor NDP soul noticed that there was a fly in the soup.

Now what would you normally do if you had a fly in your soup? Well some people might very carefully take a spoon or a napkin and set it aside. Someone with a little less culture, Mr. Speaker, might take and flick the fly out of the soup.

Do you know what the NDP would do with that fly in the soup? They'd pick it up by the legs and say, spit it out; spit it out; we want it all, Mr. Speaker. That's their approach to grabbing the taxpayers' dollar. They want every drop, every penny that they can get from the people of Saskatchewan.

Mr. Speaker, in case the members opposite didn't notice, the people of Saskatchewan passed record on their tax . . . they passed judgment on their tax records.

Mr. Speaker, in the election, in the election, Mr. Speaker, 60 per cent of the people of Saskatchewan said they were sick and tired of NDP budgets, sick and tired of tax and spend, sick and tired of big government — 60 per cent, 62 per cent of Saskatchewan people in the last election voted to boot the NDP from power. And they're disappointed in it only because of the unholy marriage between the NDP and the Liberals that in fact they were able to foist another tax-and-spend budget on the people of Saskatchewan.

Now, Mr. Speaker, I hear some pretty descriptive terms of this wedding. Some people think it's pretty funny, but the taxpayers of Saskatchewan are wringing their hands in grief because of the expanded PST because of park fees that have gone up, because of senior long-term care homes that are charging additional fees to their residents.

Mr. Speaker, the most vulnerable people, the most vulnerable people in Saskatchewan — seniors — those who require long-term care, saw their fees hiked beyond belief. Mr. Speaker, some long-term care residents are having to pay \$5,600 more — \$5,600 more under this budget that's been foisted on the people of Saskatchewan by the Finance minister of this province.

Mr. Speaker, there's also off-loading. And as we all know the federal government has off-loaded onto the provinces. But this

government is the chief amongst sinners. This government, Mr. Speaker, is off-loading on municipalities. They've off-loaded millions of dollars onto property taxpayers who at the municipal level are now funding education.

School boards in Saskatchewan know that this government is off-loading on them. They're raising taxes through the back door, Mr. Speaker — raising taxes through the back door by demanding more from property taxpayers. Mr. Speaker, they've got that fly, and they're still saying spit it out, spit it out, we want every drop, Mr. Speaker.

Now let's not forget health districts. Most of them are now occurring . . . are incurring yearly deficits. Mr. Speaker, over half the health districts in Saskatchewan are in deficit position. That's under the leadership, Mr. Speaker, of an NDP government that has provided worse health care than we've ever seen in this province and are spending more money on health care than we've ever seen spent.

Mr. Speaker, it's so bad that they had to shut down the intensive care unit in Yorkton over the weekend. They had to, they had to send dialysis patients from Yorkton to Regina to receive treatment because health care has deteriorated so badly under the NDP government.

Well, Mr. Speaker, we've talked about business, we've talked about seniors, we've talked about the sick. What about young people, Mr. Speaker? What about young people? Young people are leaving the province of Saskatchewan. I thought it was very insightful, Mr. Speaker, that in the Governor General's speech to the Assembly, a historic speech in this very Assembly yesterday, one of the impressions that her trip, her visit to Saskatchewan, left upon her was the fact that the people of Saskatchewan, particularly young people, are planning an exit strategy from Saskatchewan. They are feeling forced to leave Saskatchewan because there's no opportunity here. Can you imagine? And in a very non-partisan way, the Governor General expressed the sorrow and the unbelief of the fact that there was no hope, no prospect for a bright future in the province of Saskatchewan.

Mr. Speaker, the legacy that this NDP government is leaving the young people of this province is a simple message — get out if you want to do well. Mr. Speaker, this budget with its expanded PST, with its expanded fees, with its attack on students by cancelling the six month interest free period for student loan repayment is an attack on young people. It's a pointer, it's a signpost to the young people of this province saying, leave Saskatchewan because the NDP government doesn't care about you. We're not planning for your future. You're better off outside of Saskatchewan.

Mr. Speaker, that is unforgivable. Saskatchewan should be a province of promise, a province where the young people of Saskatchewan want to remain and to build a good life for themselves.

Now, Mr. Speaker, time is short but we heard the Economic Development minister bragging about the \$6 billion in projects underway in Saskatchewan. What she didn't mention was that for the same period, the figure in Alberta is \$58 billion — 10 times more than the figure here in Saskatchewan. Something to

brag about. And I see the minister is hiding back in her seat reading, busy reading a paper, because she doesn't want to recognize the fact that while she was bragging about \$6 billion of projects underway in Saskatchewan, next door in Alberta they are doing 10 times that, \$58 billion of expenditure. A province with only three million people, three times the population, but 10 times the economic activity. Mr. Speaker, the NDP are not providing the economic growth that some of the members were babbling about just a few moments ago.

Mr. Speaker, for that reason we cannot support the motion that was introduced by the member from Moose Jaw Wakamow. That motion is simply pure fiction, Mr. Speaker. It cannot be supported by anyone who's a thinking person because everyone sees the signpost in Saskatchewan that says our economy is bad. And that the reason for our poor performance are consecutive NDP budgets that have been trying to squeeze every tax dollar out of the province.

For that reason, Mr. Speaker, I want to amend the motion that was put forward by the member from Moose Jaw, Mr. Speaker, and I would move seconded by the member from Lloydminster:

That all the words after "Assembly" be deleted and that the following be substituted therefor:

And I quote:

regrets the Minister of Finance's decision to delay much needed tax relief in Saskatchewan and instead raise the provincial sales tax by \$160 million.

Mr. Speaker, the Saskatchewan Party knows what will cure the ailments that this province faces. We know that we need tax cuts and we need tax cuts period.

Mr. Speaker, the Saskatchewan Party, the Saskatchewan Party as the government of this province would come clean with the people of Saskatchewan and provide tax cuts and tax cuts alone. The members across there don't like it. The members across there don't like being shown short for their poor performance, Mr. Speaker. But that's the way it is.

Mr. Speaker, I'm happy to move the amendment to the motion.

Some Hon. Members: Hear, hear!

Amendment negatived.

Mr. Kowalsky: — Mr. Speaker, there are a lot of things I'd like to say about this motion, but first I'd like to move adjournment of debate on the motion.

Debate adjourned.

The Assembly adjourned at 5:03 p.m.

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