

The Assembly met at 10:00.

Prayers

ROUTINE PROCEEDINGS

PRESENTING PETITIONS

Mr. Elhard: — Thank you, Mr. Speaker. Mr. Speaker, I have in my hand a petition asking that a halt be brought to crop insurance premium hikes and coverage reductions and the prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the provincial government to halt its plan to take money out of the crop insurance program and hike farmers' crop insurance premium rates while reducing coverage in order to pay off the provincial government's debt to the federal government.

As in duty bound, your petitioners will ever pray.

Mr. Speaker, this petition is signed by producers in the Fox Valley, Golden Prairie areas of the southwest.

Ms. Julé: — Thank you, Mr. Speaker. Mr. Speaker, I stand today to present petitions on behalf of citizens of the province of Saskatchewan who are concerned that SGI (Saskatchewan Government Insurance) deductible policy is unfair and the petition reads as follows, Mr. Speaker:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the provincial government to work with SGI to develop more fair guidelines for deductibles on vehicles that are damaged as a result of an attempted car theft.

And the signatures of this petition, Mr. Speaker, are from the community of Allan and the city of Saskatoon.

I so present.

Mr. Gantfoer: — Thank you, Mr. Speaker. Mr. Speaker, I rise on behalf of citizens concerned about the shortcomings of the tobacco legislation. The prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to immediately amend tobacco legislation that would make it illegal for anyone under the age of 18 to be in possession of any tobacco product; and furthermore, anyone found guilty of such an offence would be subject to a fine of not greater than \$100.

Signatures on this petition this morning, Mr. Speaker, are from the communities of Springside, Tisdale, Arborfield and Ridgedale.

I so present.

Mr. Bjornerud: — Thank you, Mr. Speaker. I also have a petition. The prayer reads:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to work with the federal government, First Nations' representatives, and with other provincial governments to bring about a resolution in the Lake of the Prairies situation and to ensure that our natural resources as a whole are used in a responsible manner by all people in the future.

The signators, Mr. Speaker, are from the communities of Esterhazy and Saltcoats.

I so present.

Ms. Eagles: — Thank you, Mr. Speaker. Mr. Speaker, I arise today to present a petition on behalf of citizens with grave concerns regarding the new, enhanced crop insurance. And the prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the provincial government to halt its plans to take the money out of the crop insurance program and hike farmers' crop insurance premium rates while reducing coverage in order to pay off the provincial government's debt to the federal government.

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

And this is signed by producers in the constituency of Estevan, specifically Bromhead and Estevan.

Mr. McMorris: — Thank you, Mr. Speaker. I too have a petition to present regarding the condition of our highways in the province. The prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to make the necessary repairs to Highway 35 in the Indian Head-Milestone constituency in order to prevent injury and loss of life and to prevent the loss of economic opportunity in the area.

Mr. Speaker, this petition is signed by the good people that had to try and navigate that highway. Those people are from the communities of Tyvan, Regina, Fort Qu'Appelle, Francis, and Sedley.

I so present.

Mr. Wall: — Thank you, Mr. Speaker. I rise again on behalf of people from southwest Saskatchewan concerned about the inadequacies of the current tobacco control legislation. And the prayer of their petition reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to immediately amend tobacco legislation that would make it illegal for anyone under the age of 18 to be in possession of any tobacco product.

Mr. Speaker, the petitioners today are from the communities of Consul, Gravelbourg, and the city of Swift Current.

I so present.

Mr. Brkich: — Thank you, Mr. Speaker. I too have a petition of citizens concerned about tobacco legislation:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to immediately amend tobacco legislation that would make it illegal for anyone under the age of 18 to be in possession of any tobacco product; and furthermore, anyone found guilty of such an offence be subject to a fine of not more than \$100.

Petitioners are from Regina, Saskatoon, Moose Jaw, and Chamberlain.

I so present.

Mr. Weekes: — Thank you, Mr. Speaker. I also rise today to present a petition from citizens of Saskatchewan concerned about the unsafe highway conditions from Junction No. 2 to Highway No. 15. The prayer reads:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to use a portion of its highway budget to address the concerns of the serious condition of Highway 15 for Saskatchewan residents.

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

Signed by the good citizens of Semans, Unity, Watrous, and Regina. Thank you.

Mr. Allchurch: — Thank you, Mr. Speaker. Mr. Speaker, today I rise in the Assembly to bring forth a petition regarding the tobacco legislation:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to immediately amend tobacco legislation that would make it illegal for anyone under the age of 18 to be in possession of any tobacco products; and furthermore, anyone found guilty of such an offence would be subject to a fine of not more than \$100.

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

And the signatures on this petition, Mr. Speaker, are from Rabbit Lake, Spiritwood, Medstead, Mildred, and Chitek Lake.

I so present.

NOTICES OF MOTIONS AND QUESTIONS

Mr. Brkich: — Thank you, Mr. Speaker. I give notice that I shall on day no. 20 ask the government the following question:

To the minister responsible for Sask Water: how much did the provincial government spend on the feasibility studies to the proposed Meridian dam project?

Mr. Huyghebaert: — Thank you, Mr. Speaker. Mr. Speaker, I

give notice that I shall on day no. 20 ask the government the following question:

To the Minister of CIC: did any Crown corporation pension plans have investments in the Enron corporation in 2001; if so, which ones and how much was lost on these investments?

Mr. Allchurch: — Thank you, Mr. Speaker. Mr. Speaker, I shall give notice that I shall on day no. 20 ask the government the following question:

To the Minister of Environment: how many firefighters were trained in the province during the 2001 calendar year, and who provided the training for these firefighters?

The Speaker: — A little order please, members.

Mr. Hart: — Thank you, Mr. Speaker. I give notice that I shall on day no. 20 ask the government the following question:

To the Minister of Health: in the 2001-2002 fiscal year, how much did health districts in Saskatchewan pay for high-speed Internet usage under the government's CommunityNet program?

And while I'm on my feet, Mr. Speaker, I have a similar question to the Minister of Health for the current fiscal year.

And, Mr. Speaker, I have one more question:

To the Minister of Learning: in the current fiscal year, how much shall the school boards in Saskatchewan pay for high-speed Internet usage under the CommunityNet program?

Mr. Wall: — Thank you, Mr. Speaker. I give notice that I shall on day no. 20 ask the government the following question:

To the Minister of Crown Investments Corporation: what firm provided travel agent services to SaskTel in 2001; in respect to this, how much was paid for these services; and what tendering process was used to procure the services of that firm?

Ms. Draude: — Thank you, Mr. Speaker. I give notice that I shall on day no. 20 ask the government the following question:

To the Minister of Health: in the fiscal year of 1998-1999 how much money did the Department of Health spend on dental and optical benefits and ambulance costs for Social Services recipients?

I have a similar question for the year 2000-2001 and the following.

INTRODUCTION OF GUESTS

Hon. Mr. Melenchuk: — Thank you, Mr. Speaker. I'm very pleased to introduce 10 very promising grade 11 students from across Saskatchewan seated in your gallery, Mr. Speaker.

These students will soon travel to Yellowknife to represent Saskatchewan at the annual Interchange on Canadian Studies or ICS. This is the 30th ICS conference bringing together high school students from all the provinces and territories to learn about and discuss issues focusing on the economic, political, social, and cultural life of Canada.

Saskatchewan Learning is pleased to be co-hosting this year's conference along with the Department of Culture and Employment, Yellowknife School District No. 1, Yellowknife Public Catholic School District, and the Dogrib Division Educational Council, and the Nunavut Education.

Each participating student is twinned with a student from the host community. And our Saskatchewan students, in turn, will host their counterparts for one week this summer.

They will learn about topics such as the development of resources in the North and its impact on the land and people. And they will have an opportunity to explore the relationships between Aboriginal peoples and development industries as well as the resulting changes to lifestyle, culture, and language. They will also gain an understanding of Aboriginal governance including land claims and the creation of the Northwest Territories and Nunavut.

Mr. Speaker, here with us today — and I'd ask them to stand as I read their names — Kristine Montgomery of Morse; Meghan Dolan of Martensville; Joel Russell of Preeceville; Crystal Thomas of Regina; Ross Phillips of Lumsden; Brenden Freeden of Dundurn; Angela McKague of Ogema; Bronwyn Stoddard of Pierceland; Lynette Ross of Pinehouse; and Sophie Ferré of Saskatoon.

I also want to acknowledge the provincial coordinator for ICS, Doug Panko of Moose Jaw and chaperone, Glenda Gosselin of Lampman.

Mr. Speaker, I ask all members to join with me in welcoming them to the Assembly today and wishing them well in Yellowknife over the next week.

Hon. Members: Hear, hear!

Ms. Draude: — Thank you very much, Mr. Speaker. I'd like to join with the Minister of Learning in welcoming the grade 11 students here on the Interchange on Canadian Studies. I'm sure that where you'll be going is an excellent learning opportunity. And I'm sure that you will be very busy by the sounds of it. And I also am confident you're going to be a fine representative for our province. So I do wish you lots of fun and lots of learning while you're there.

While I'm on my feet, Mr. Speaker, I'd also like to introduce my intern, Jessica Waiser, and some of her family. First of all, I want to acknowledge Jessica and tell her how much we're going to miss her. In a week from now she's going to be going to the other side of the House. And it's going to be very . . . we're going to miss her dreadfully.

Along with Jessica, she has with her today her uncle, Tom Waiser, and aunt Irene Legatt; cousin, Chris; and a girlfriend, Sam. They're in Regina from Saskatoon for a couple of days

and they're going to be visiting the Saskatchewan Science Centre and the museum.

In Saskatoon, Tom manages the Western Development Museum and Irene works for Government of Canada with Canada Heritage. Chris attends Walter Murray Collegiate and Sam is a student at Martensville High School.

So welcome to the Assembly.

Hon. Members: Hear, hear!

Hon. Mr. Cline: — Thank you, Mr. Speaker. I'd like to introduce to you and through you to all members of the Assembly my very good friend, Bob Richards, who's sitting in the west gallery, along with his son, Tom, and his daughter, Kate.

And Bob and I actually attended law school together in Saskatoon. And we were debating partners there. And Bob went on — he's just a farm boy — but he went on and, Mr. Speaker . . . I should say he's not just a farm boy. He went on, Mr. Speaker, and he articulated, he articulated at the . . . he clerked at the Supreme Court and then he got a master's degree at Harvard University in constitutional law. And then he served as constitutional law director for the provincial government but now he works for the law firm MacPherson Leslie & Tyerman.

And his son, Tom, is a city boy — but not just a city boy. And he also is a military historian, even at an early age. And his daughter Kate is a city girl — but not just a city girl. She also is an artist. And in fact I have some of her art on display where I stay in Regina.

And I'd like all members to join me in welcoming the Richards family here today.

Thank you.

Hon. Members: Hear, hear!

(10:15)

Hon. Mr. Belanger: — Mr. Speaker, I'd like to stand and certainly recognize an individual in your gallery, Mr. Speaker. And I've often told people of the North to travel to the South and learn and listen to what happens in southern Saskatchewan because it certainly has an impact on the North as a whole.

And I want to also stand in this House to recognize Miss Ross of Pinehouse. It's always very, very important to have young Aboriginal people come from the North and study how the Assembly works. And I wanted to make a special notice of welcoming her here as the rest of her students as well, and to point out that, Mr. Speaker, that it is a long haul. So anytime we have people from the North it's always very important to pay tribute to their work and to their expertise and certainly to their travel.

Thank you again.

Hon. Members: Hear, hear!

STATEMENTS BY MEMBERS

Saskatoon Credit Union Wins Community Economic Development Award

Mr. Addley: — . . . Mr. Speaker, the Saskatoon Credit Union has been chosen by Credit Union Central of Canada as this year's winner of the national Community Economic Development Award.

Mr. Speaker, credit unions are a dominant financial institution in this province with over 500,000 members in Saskatchewan. And why is that? Because credit unions have a social conscience — focused as much on the benefit to the community as the bottom line.

In Saskatchewan, credit unions are growing in popularity and assets because people have learned that they can trust and count on credit unions to sincerely take interest in their communities.

Over the course of this year the Saskatoon Credit Union has committed \$2 million in mortgages over five years to affordable housing initiatives; invested \$675,000 in a micro loan program for small businesses; worked with environmental groups and organizations in supporting disadvantaged youth; been actively involved in Cirus Arts, a program for inner-city kids.

Mr. Speaker, Karen Heise, the Credit Union's VP (vice-president) of human resources and community development, said:

We do not look at it as straight, dole out the money, we have people directly involved.

Mr. Speaker, I'm sure all members will join me in congratulating Saskatoon Credit Union board, management, staff, and members for winning the Credit Union Central of Canada national Community Economic Development Award. Thank you very much.

Some Hon. Members: Hear, hear!

Butalas Win Stewardship Recognition Award

Mr. Elhard: — Thank you, Mr. Speaker. Mr. Speaker, just last week we congratulated author Sharon Butala for being named an Officer of the Order of Canada.

Well today the Butalas have won another award that I want to make everyone aware of. On February 28 the award was granted by the federal Agriculture minister, Lyle Vanclief. It was presented to Pete and Sharon Butala of the Eastend area and it was the Countryside Canada Stewardship Recognition award.

The Butalas were among 16 individuals and groups from across Canada honoured at a special ceremony in Halifax.

Now the Countryside Canada Recognition Program is in its second year. It's a fairly new award program, and it's designed to strengthen conservation practices by recognizing significant stewardship efforts of farmers and ranchers across the country.

This award honours the Butalas' efforts in helping to establish the Old Man On His Back Prairie and Heritage Conservation Area. I want to say that slowly so people understand the significance of it — the Old Man On his Back Prairie Heritage Conservation Area.

Now the Butalas are helping to preserve 4,450 acres of native prairie grassland in southwest Saskatchewan — that's through a partnership, incidentally, with the Nature Conservancy of Canada.

I'm sure that all members here today would wish to join me in extending our congratulations to both Peter and Sharon Butala, recipients of this very impressive award.

Some Hon. Members: Hear, hear!

World Health Day

Ms. Jones: — Thank you, Mr. Speaker. Today is World Health Day, the day selected by the World Health Organization to provide a forum for discussion regarding various health challenges worldwide. Each year a new focus is selected for World Health Day to highlight a public health issue of global concern.

Well, Mr. Speaker, great minds think alike. This year's theme, Physical Activity for Health, underscores the growing recognition that physical activity can improve and maintain the health of our province, and parallels the government's own strategy, a physically active Saskatchewan, a strategy for getting Saskatchewan people in motion.

This strategy is about developing and implementing an action plan to elevate the importance of physical activity and promote community relevant approaches. Mr. Speaker, regardless of physical or mental health, gender or age, physical activity can greatly enhance the quality of life.

Physical activity can be enjoyable, inexpensive, and easy. Anything involving physical movement results in positive benefits to health and the well-being of our province. This government is committed to providing leadership when it released its strategy and hopes to motivate and encourage people to get in motion and significantly increase physical activity in all Saskatchewan residents by the time the province reaches its centennial in 2005. Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Saskatchewan Badminton Provincial Championship

Ms. Draude: — Thank you, Mr. Speaker. It gives me great pleasure to rise today to recognize three youth from Wadena: James Nataraj, Nicole Hrycak, and Calin Yablonski who participated in Saskatchewan badminton provincial championships in Regina.

Calin, who was a member of the Saskatchewan Badminton Association was ranked fourth in the under 16 category going into the championship. He had to beat the top players, in some cases up to three times, to achieve gold medal status in three of the under 16-categories for boys singles, boys doubles and

mixed doubles.

Calin is justifiably proud of his accomplishments at this provincial championship. He's only played this sport for four years and he's only played the SBA (Saskatchewan Badminton Association) circuit for one year. Calin will be representing Saskatchewan at the national championships in Montreal this month.

James won a bronze medal in boys singles and fourth in boys and mixed doubles. Nicole took fourth place in girls singles and girls doubles and mixed doubles.

Mr. Speaker, I'd like to ask this Assembly to join me in congratulating James, Nicole, and Calin in their accomplishments at provincials. And I also ask that we join with Calin's family and community in wishing him the very best at the national competition.

Some Hon. Members: Hear, hear!

Moose Jaw Native on Championship Water Polo Team

Hon. Ms. Higgins: — Thank you, Mr. Speaker. I'd like to bring the Assembly some more good news from the sports capital of North America. And in case you forgot, Mr. Speaker, that would be Moose Jaw. This time the sport is one entirely appropriate to the prairies — water polo.

I would like to report on the grandson of constituents of mine who has achieved international distinction in this little-heralded, but very demanding sport. Robin Randall of Drinkwater is a member of the Canadian National Water Polo Team which just won the first Commonwealth Water Polo Championship in Manchester, England.

Robin is one of two goalies for the Canadian team. They shared the duties during the tournament, and the team won all of its games.

Mr. Speaker, I'm not a sport expert, but I understand that the true value of enjoyment in any sport comes from the development on one's skills. The relative popularity of the given sport is completely irrelevant to the athlete. The performance is what matters.

Robin has been playing water polo at a highly competitive level since 1989, beginning in Western Canada before moving on to the national team, a team that has achieved the ultimate in athletic excellence.

I'm sure Robin's parents in Drinkwater, Ray and Paula, are proud of their son and I know grandparents, Kaspar and Sophia in Moose Jaw certainly are. I'd like to join with them in congratulating Robin and his teammates. Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Western Hockey League Playoffs

Mr. Wall: — Thank you, Mr. Speaker. Mr. Speaker, this past Tuesday night fans from across southwest Saskatchewan

absolutely packed the Swift Current Civic Centre to watch an amazing game seven in the first round of the WHL (Western Hockey League) playoffs between the Broncos and the Calgary Hitmen.

Mr. Speaker, the Broncos finished second overall in the entire WHL this season so they were favoured in the first round of the playoffs. And we know how dangerous it is for a favoured team to run up against a hot goalie. That's exactly what happened to the Broncos when they faced . . . when they had a hard time solving Calgary netminder Sebastian LaPlante.

Thanks however to the Broncos' tenacity, their tradition of hard work, their skill, and great coaching from Brad McEwen and Randy Smith, and more specifically to a great assist from Ben Ondrus that set up the game winning goal from sniper Tim Smith, the Broncos prevailed.

Now, Mr. Speaker, I know that all members of the Assembly are happy that the Broncos won. I know that the members from Moose Jaw are happy that the Warriors won their first round. And as the second round begins tonight, Mr. Speaker, I think it's appropriate if I were to be able to call upon all members of the Assembly to wish luck to both remaining Saskatchewan teams in the WHL playoffs, to wish luck to both the Warriors and the Broncos, but I can't do it, Mr. Speaker — go Broncos.

Some Hon. Members: Hear, hear!

Hudson Bay Co-operative Annual Meeting

Mr. McCall: — Thank you, Mr. Speaker. Well, Mr. Speaker, it's that time of the year again when credit unions and co-ops are holding their annual meetings and are reporting to their members on the news of the previous year.

Translation — many good news stories about community entrepreneurship and solid investment which is probably why we never hear anything about it from the members opposite.

One great example, Mr. Speaker, last month approximately 150 people attended the supper and annual meeting of the Hudson Bay Co-operative — 146 more than attended a recent meeting of the opposition in Meadow Lake.

The co-operative awarded scholarships to Fallon Rokovetsky and Karissa Lupuliak at the Hudson Bay Composite High School, and has recently renewed its contract with the brothers and sisters of the IWA (International Woodworkers of America) local, thought to be a job killer by some in this place, Mr. Speaker, but not on this side.

A quote from the co-op: "We returned approximately \$196,000 to you the members," said Greg Maynard who presented the manager's report. Continuing on in the quote, Mr. Speaker:

The Hudson Bay Co-op has returned well over \$1 million to its members in the last eight years.

The co-operative was incorporated in 1977 and has a total of 1,600 members including 100 new ones, Mr. Speaker.

Congratulations and keep up the good work. Thank you.

Some Hon. Members: Hear, hear!

ORAL QUESTIONS

Job Loss Statistics

Mr. Hermanson: — Well thank you, Mr. Speaker. It's the first Friday . . . it's Friday and most people look forward to Friday except the members opposite dread the first Friday of the month. Because once again we have the job numbers released and once again we see that the NDP (New Democratic Party) government of Saskatchewan is losing jobs when other provinces aren't.

Saskatchewan over the last 12 months lost another 1,100 jobs. That's on top of the 11,000 jobs that were lost the year before. Mr. Speaker, the government has made one promise after another about creating jobs, yet they continue to lose jobs and lose them in record numbers.

Mr. Speaker, I ask the Premier: why does the NDP have no plan to create jobs in this province and simply, why doesn't the Premier have a plan to grow Saskatchewan?

Some Hon. Members: Hear, hear!

Hon. Mr. Lautermilch: — Thank you, Mr. Speaker. The Leader of the Opposition is often quoted talking about having a plan with . . .

The Speaker: — Order, please. Order. Order.

Hon. Mr. Lautermilch: — Well, Mr. Speaker, I'm going to try one more time and perhaps the members opposite will care to listen. The Premier, or the Leader of the Opposition is often quoted . . . Mr. Speaker, the Premier is often quoted, but I want to speak to the comments made by the Leader of the Opposition as it relates to the future of this province.

Mr. Speaker, last fall in Saskatoon this member outlined an economic development plan and I want to share it with the folks of the province.

Now his plan was a tax cut of \$650 million over the \$420 million that we've introduced. His plan was to cut the civil service, BC (British Columbia) style, by a third, which resulted in, by the way last year, 27,000 fewer jobs in British Columbia. His plan in the fall was to cut the Crown corporations to their core, which means selling assets to pay for the tax reduction.

Do you want to know what, Mr. Speaker, he doesn't talk about it anymore.

Some Hon. Members: Hear, hear!

Mr. Hermanson: — Thank you, Mr. Speaker. You know, Mr. Speaker, the strangest people have foresight at the strangest times. Perhaps an election is coming sooner than we thought.

Mr. Speaker, what is wrong with the Saskatchewan Party's plan to grow this province by 100,000 people over the next 10 years. I'm not sure what the minister sees wrong with that.

And I am concerned that the members opposite don't realize that these numbers represent real people who are leaving Saskatchewan; real families from their ridings that are leaving the province of Saskatchewan. Every day we receive phone calls, e-mails, letters from people who love this province but are being forced to leave it by the NDP.

Mr. Speaker, the numbers speak for themselves — 11,000 jobs two years ago, 1,100 jobs in the past year. Mr. Speaker, where are the jobs coming from that the NDP has promised?

They're leaving — why are people leaving Saskatchewan under this NDP government?

Some Hon. Members: Hear, hear!

(10:30)

Hon. Mr. Lautermilch: — Mr. Speaker, the Leader of the Opposition may want to know that this March produced the third highest number of jobs in the history of this province. Mr. Speaker, last year March was the second highest. Mr. Speaker, he may also want to know that there have been in the last . . .

The Speaker: — Order please. Order.

Hon. Mr. Lautermilch: — Mr. Speaker, he may also want to know that in the last decade this province, the business people in this province, have created 50,000 non-agricultural jobs.

Now he may want to deny the changes that are taking place in agriculture across this country. The fact that we've lost 35,000 jobs in Canada in agriculture last year and that that is a large component of our economy. He may want to deny all of that.

But I want to say, Mr. Speaker, that the people of this province are very proud of what they have achieved. They're working hard to diversify and build their economy, but I tell you what they won't buy. They won't buy a bogus political campaign-style speech like the one that leader outlined last fall in Saskatoon that he's been backtracking on ever since.

Some Hon. Members: Hear, hear!

Mr. Hermanson: — Mr. Speaker, over the last two years under the new Premier's leadership, the province has lost jobs in record numbers. And you know what's even worse, Mr. Speaker? Most of Canada, during this period, has been experiencing an economic boom.

Across Canada, the first quarter of the year 2002 was the best quarter for job growth nationally since 1987. That's for the last 15 years. Alberta created 42,000 new jobs; Manitoba, same . . . similar population to Saskatchewan, created 11,000 new jobs.

Meanwhile, here in Saskatchewan under the NDP and under this new Premier we've driven out 12,000 people in the last two years. Mr. Speaker, that's the NDP record. That's the facts — people leaving Saskatchewan under their program.

Mr. Speaker, why is the NDP losing jobs? Why is the rest of Canada growing when Saskatchewan's going the other direction?

Some Hon. Members: Hear, hear!

Hon. Mr. Lautermilch: — Well, Mr. Speaker, the Leader of the Opposition, of course, is on his same trajectory that he's been for a long, long time. Like the sky is falling in, Mr. Speaker, and that the province of Saskatchewan can be so much more. And I recall, Mr. Speaker, in the early '80s . . . (inaudible) . . . from another . . .

The Speaker: — Order. The minister may proceed.

Hon. Mr. Lautermilch: — Well, Mr. Speaker, if they care to listen I'd like to respond to the member's question. And they can go on their course of gloom and doom, but I tell you who isn't with them, Mr. Speaker. The business community of this province know that there are job opportunities for people. We've consistently had the highest help-wanted index in this province. Our unemployment rates are low . . .

An Hon. Member: — Come on, Mr. Speaker, it's Friday.

The Speaker: — I know. I recognize it's Friday. The minister has 15 seconds.

Hon. Mr. Lautermilch: — Mr. Speaker, this government and the people on this side of the House are working with the people of Saskatchewan to grow a positive attitude about this province. We're working to grow this economy. And we've experienced GDP (gross domestic product) growth in the last decade that's been leading this country, not following it.

Some Hon. Members: Hear, hear!

Mr. Hermanson: — Thank you, Mr. Speaker. Mr. Speaker, the Minister is angry this morning because he was the Minister of Economic Development and he's failed to develop. Mr. Speaker, he's also angry because the Saskatchewan Party has a plan to grow this province while his plan has been gutting the province of Saskatchewan.

Unfortunately, Mr. Speaker, under his leadership and under the Premier's leadership, Saskatchewan has lost 12,000 jobs over the last two years. Meanwhile, the rest of the country is enjoying a boom.

Mr. Speaker, he talks about unemployment. Well unemployment levels are low in Saskatchewan because people are leaving and getting jobs in other provinces. It's pretty clear. Why doesn't the minister understand it?

Mr. Speaker, our plan will bring families back to Saskatchewan. Our plan will grow Saskatchewan. Why is the NDP, under the new Premier, driving people from Saskatchewan? Why does the NDP have no plan, no plan to grow Saskatchewan?

Some Hon. Members: Hear, hear!

Hon. Mr. Lautermilch: — Mr. Speaker, the Leader of the Opposition again speaks about his plan. And I'm going to tell him about his plan again. You cannot promise a \$650 million annual tax reduction without selling off assets or deficit budgeting.

And I want to say, Mr. Speaker, I remember when the former member from Kindersley sat here. Hopefully he would have given him some political leadership. But you want to know, Mr. Speaker, what I hear from this member is what I heard in 1981 and 1982. I can remember a politician running around this province saying we're going to bring our young people home. I remember it well.

And I remember tax reduction commitments like the fuel tax that was going to be eliminated on midnight, which he did. Every nickel of that tax reduction was paid for with borrowed money that this administration is working hard to pay back.

Mr. Speaker, people have seen the former premier of this province. They see this guy and it's the same rhetoric, the same story, and the same plan that doesn't work.

Some Hon. Members: Hear, hear!

Budgetary Deficit

Mr. Krawetz: — Mr. Speaker, last week the Finance minister brought down a new provincial budget and, according to the NDP's own budget documents, this year's budget will run a deficit of at least \$300 million. Who is doing the borrowing, Mr. Speaker?

Some Hon. Members: Hear, hear!

Mr. Krawetz: — That follows last year's budget deficit of more than \$400 million. And even worse, Mr. Speaker, the budget document also shows the NDP is planning to run a third consecutive deficit budget of at least \$140 million next year.

Mr. Speaker, the last time Saskatchewan saw three consecutive deficit budgets, Grant Devine was the premier.

Mr. Speaker, will the Finance minister . . . Will the Finance Minister explain why the NDP has returned Saskatchewan to the deficit days of the 1980s?

Some Hon. Members: Hear, hear!

Hon. Mr. Cline: — Well, Mr. Speaker, and when Grant Devine was the premier of the province running deficit budgets, he did it with the full support of the members over there.

Some Hon. Members: Hear, hear!

Hon. Mr. Cline: — What the members over there fail to understand, Mr. Speaker, and what the people are entitled to know is that this government is balancing the books, as we have said publicly repeatedly, Mr. Speaker, by drawing upon our savings, Mr. Speaker, which we have set aside for a rainy day. Savings . . .

The Speaker: — Order, please.

Hon. Mr. Cline: — Savings, Mr. Speaker, that we never would have had if we had listened to the members opposite. Because the members opposite are on record again and again, Mr. Speaker, as saying that all of the money that we have saved to tide us through this difficult time should have been spent two

years ago and spent three years ago. And now they're promising \$600 million in tax cuts, Mr. Speaker.

Where would we be if we had listened to the members opposite, Mr. Speaker? We'd be back in the Devine poorhouse, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Krawetz: — Thank you, Mr. Speaker. Mr. Speaker, the NDP's budget document speaks for itself — three straight deficit budgets. And that has a lot of people sounding the alarm, Mr. Speaker. It has a lot of people comparing the current NDP to the Grant Devine government of the 1980s, and one of them is former NDP Finance Minister Janice MacKinnon.

She says the NDP is using the same accounting tricks as the Grant Devine government of the 1980s — changing accounting practices in a way that buries government debt and hiding the truth about the government's true budget deficit.

Mr. Speaker, why is the NDP taking Saskatchewan back to the deficit days of the 1980s?

Some Hon. Members: Hear, hear!

Hon. Mr. Cline: — Well I agree with one thing the member opposite says, Mr. Speaker. He says — and we should note his words — the NDP budget speaks for itself. And you know, Mr. Speaker, that's correct. Because unlike the members opposite, Mr. Speaker, when we present a budget, we present the true facts in the budget so that the members opposite can see them, the media can see them, and all the people can see them, Mr. Speaker.

We present summary financial statements that are audited by the Provincial Auditor. We present mid-year financial statements. We present quarterly financial statements now because we believe in accountability to the people of the province, Mr. Speaker — something we never had when they were in office. And something, if you examine what they're saying to people, Mr. Speaker, that they're going to get rid of all the taxes and they're going to increase the spending, and they say that's a plan that works, Mr. Speaker?

The people of Saskatchewan have seen that kind of so-called plan before and they're not buying it, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Krawetz: — Thank you, Mr. Speaker. Mr. Speaker, Janice MacKinnon balanced the budget and then introduced new balanced budget laws to ensure the province could never go back to the deficit days of the 1980s. And yesterday Janice MacKinnon went public with her criticism about NDP government's accounting practices.

MacKinnon said the NDP is violating the spirit of the balanced budget law. And she said the problem with the balanced budget law is that there is no penalty for breaking it. So yesterday Janice MacKinnon made a citizen's arrest.

Mr. Speaker, why is the NDP's current Finance minister

violating the spirit of the provincial balanced budget law and returning Saskatchewan to the deficit days of Grant Devine?

Some Hon. Members: Hear, hear!

Hon. Mr. Cline: — You know, the most amusing aspect of this, Mr. Speaker, is that when Janice MacKinnon was the minister of Finance and sitting on the treasury benches, what did the members opposite say? They criticized her every move, Mr. Speaker.

So the members opposite don't have very much credibility, Mr. Speaker. They say one thing one day, another thing another day, Mr. Speaker.

And in fact when it comes to building the schools and the universities, which we're doing, I want to say this, Mr. Speaker. That what the people need to know is that what the members opposite are saying is that they don't agree that the government this year should spend \$90 million building schools and building buildings at the university.

What we are saying, Mr. Speaker, is just as a family would take out a mortgage to build a house, when interest rates are low, and when the economy needs a boost, and we need more jobs — as the members opposite just finished saying, Mr. Speaker — we're going to build the schools, we're going to build the universities, we're going to do it over the opposition of the members opposite, Mr. Speaker. But we're about building the province, not tearing it down, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Krawetz: — Thank you, Mr. Speaker. Mr. Speaker, it isn't just former Finance minister, Janice MacKinnon, who thinks the NDP is fudging the budget. Political observers across Canada are also sounding the alarm. Professor Lindsay Meredith of Simon Fraser University in British Columbia compared the Saskatchewan NDP's budget to the Glen Clark fudge-it budget in British Columbia. And I quote, Mr. Speaker, the quote is:

Talk about . . .

The Speaker: — Order, please. Order. Order. Order. Order, please.

Mr. Krawetz: — Professor Meredith's quote is this, Mr. Speaker:

Talk about déjà vu. For the past six or seven years we've had lots of fun with governments here who get creative with their accounting principles.

And the Provincial Auditor in Saskatchewan says:

The NDP's accounting practices don't tell the whole story either.

Mr. Speaker, why is the Finance minister fudging his budget, hiding debt, and breaking the spirit of his own balanced budget legislation?

Some Hon. Members: Hear, hear!

(10:45)

Hon. Mr. Cline: — Well, Mr. Speaker, in a democracy there will always be university professors that will say one thing and others will say another.

But I want to say to the members opposite, and I want to say to the public, Mr. Speaker, here's what some other people have to say. The Bank of Nova Scotia . . .

The Speaker: — Order, please.

Hon. Mr. Cline: — Thank you, Mr. Speaker. The Bank of Nova Scotia says, and I quote:

Saskatchewan has been a leader among the provinces in debt reduction.

The Bank of Montreal says we presented our ninth consecutive balanced budget and borrowing needs will drop.

The Canadian Imperial Bank of Commerce says — and I note this, Mr. Speaker — Saskatchewan currently enjoys the third-lowest debt burden in the country.

Mr. Speaker, what the people need to know is that we have gone from being the worst province in the country when it comes to debt to being one of the best, Mr. Speaker. We are one of the best under the management of this government.

Some Hon. Members: Hear, hear!

Financial Support for Agriculture

Mr. Bjornerud: — Thank you, Mr. Speaker. Mr. Speaker, my question's for the minister of Municipal Affairs.

On December 6, the Saskatchewan Association of Rural Municipalities made a submission to this government. They urged the NDP to extend the Farm land property tax rebate program. They told the government that the current foundation grant distribution formula is flawed and that rural school divisions are negatively affected because of it. They talked about the need for rural revitalization and the issues that must be taken more seriously by this government.

But the NDP ignored SARM (Saskatchewan Association of Rural Municipalities). And now the NDP fudge-it budget is going to cost rural residents 30 per cent more in education tax on their land. And that's not my numbers, Mr. Speaker, that's SARM's numbers.

Mr. Speaker, how does the minister justify a 30 per cent increase to rural landowners?

Some Hon. Members: Hear, hear!

Hon. Mr. Serby: — Mr. Speaker, the member opposite knows that in our conversations with SARM . . . And we had extensive conversations with SARM as it relates to the farmland ownership piece and the property tax piece. And the commitment to SARM was that we would honour it — the \$50 million commitment — over a period of two years.

The two years have now passed, Mr. Speaker, and we've taken a chunk of that money and we've reinvested that money, Mr. Speaker, in agriculture and in rural Saskatchewan in a different way, Mr. Speaker — we've invested the money back. Unlike what the members opposite, Mr. Speaker, talk about.

Because we have, Mr. Speaker, in Saskatchewan a plan about rebuilding and revitalizing rural Saskatchewan, Mr. Speaker, which is an investment of provincial dollars, Mr. Speaker; it's an investment with municipal dollars, Mr. Speaker; and it's an investment with federal dollars, of which the members opposite don't support, Mr. Speaker. Because they're on record, Mr. Speaker, of denying and objecting against support from the federal government on every front, Mr. Speaker.

This government is about supporting rural Saskatchewan and supporting agriculture, supporting farmers. They are not, Mr. Speaker. They are not.

Mr. Bjornerud: — Thank you, Mr. Speaker. Mr. Speaker, SARM calculates there'll be a reduction in grants to most rural school divisions in the province, and because of that, property taxes will be taking a huge jump. Because of the downturn in the ag economy, many rural landowners were struggling to pay their property taxes before, let alone after a 30 per cent increase.

The Farm land property tax rebate program had been a huge help to . . .

The Speaker: — Order, please. Order, please.

Mr. Bjornerud: — Thank you, Mr. Speaker. Mr. Speaker, the Farm land property tax rebate program had been a huge help to municipalities and to rural taxpayers, but the NDP saw fit to abandon this program just like they've abandoned rural Saskatchewan for 10 years.

Mr. Speaker, how does the NDP believe farm families will be able to cope with another 10,000 increase in crop insurance costs along with the other costs that they're downloading on rural taxpayers?

Some Hon. Members: Hear, hear!

Hon. Mr. Serby: — I wondered when somebody on the other side of the House will get around to talk again about the crop insurance program, Mr. Speaker. And he's back again.

And I want to say to the member opposite — because his previous critic talked about what happened to the crop insurance program in Saskatchewan, Mr. Speaker — and I want to say to this House one more time, because the only people who are on record, Mr. Speaker, about denying the amount of revenue that crop insurance requires from the federal government are those people right over here, Mr. Speaker. Because there are farm organizations and farm groups in Saskatchewan today who say that we should be getting a larger share of financing from the federal government.

The provincial government made a larger investment, Mr. Speaker, today, and put 14 million brand new dollars into the crop insurance . . .

The Speaker: — Members it's difficult to hear.

Hon. Mr. Serby: — Mr. Speaker, this government put brand new money into crop insurance — 14 million brand new dollars which were taken out by the federal government. And the audacity of that member over there today to be raising the provincial government's investment in crop insurance, Mr. Speaker, is a sham, Mr. Speaker, because we're investing in rural Saskatchewan — we're investing in rural revitalization.

They've torn up their Saskatchewan . . . or the Canadian Alliance Party card — they've torn it up, and it looks like now they've become members of the federal Liberal Party, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Bjornerud: — Thank you, Mr. Speaker. Mr. Speaker, let's review the downloading in this budget. NDP cut 25 million in education tax rebate. NDP raised crop insurance premiums. NDP cut coverage, like spot loss hail. NDP cut ag budget.

And at the same time, Mr. Speaker, they find 20 million to spend in the US (United States). They find 80 million to spend on Australia. They even find some grocery money for Eric Upshall. But they can't find one cent for farm families in this province.

Mr. Speaker, when is that government going to quit downloading on farm families in Saskatchewan?

Some Hon. Members: Hear, hear!

Hon. Mr. Serby: — Mr. Speaker, you just need to take a look at this budget and take a look at the kind of investment that we're making in rural Saskatchewan, Mr. Speaker, and in agriculture, Mr. Speaker.

Today, Mr. Speaker, we're making 14 million brand new dollars investment today in the crop insurance program. Today we're spending additional money, Mr. Speaker, in the revenue sharing, Mr. Speaker.

An additional \$10 million to municipalities across the province, of which 5 million of that dollars goes right back into rural Saskatchewan, Mr. Speaker. This government, Mr. Speaker, cares and works for rural Saskatchewan people and Canadian people.

And, Mr. Speaker, who's abandoned rural Saskatchewan today are our members opposite, Mr. Speaker. These are the people who have abandoned rural Saskatchewan, Mr. Speaker. We're investing. They've departed.

There's a big void, Mr. Speaker, big void in rural Saskatchewan today. Mr. Boyd has gone. We got a big void today, Mr. Speaker.

Some Hon. Members: Hear, hear!

The Speaker: — Order, please. Order. Order. Order.

WRITTEN QUESTIONS

Mr. Yates: — Because of the details of the questions asked during a period when the government is going through reorganization and because of the fact the opposition has asked 88 questions in the first 15 days of this session, we are unable to answer these questions today.

However it is the government's intention to answer these questions fully next week. So therefore, Mr. Speaker, I order these questions for return.

The Speaker: — Order, please. Order. At the request, at the request of the Government Whip the questions nos. 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, and 68 are ordered for return.

SPECIAL ORDER

ADJOURNED DEBATES

MOTION FOR COMMITTEE OF FINANCE (BUDGET DEBATE)

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

Ms. Bakken: — Thank you, Mr. Speaker. Mr. Speaker, I'd like to pick up from where I left off yesterday when I was addressing the budget . . . (inaudible interjection) . . . The member from Cypress Hills would like me to start over but I think I'll just start from where I left off yesterday.

Which was, I was speaking about the NDP's lack of support for rural Saskatchewan, Mr. Speaker — rural Saskatchewan, which is the backbone of our economy. Urban Saskatchewan realizes that as rural Saskatchewan, so goes all of Saskatchewan. Only the NDP do not realize the importance of rural Saskatchewan to Saskatchewan's overall economy.

We just had the Minister of Agriculture state in this House, that they, the NDP, care about agriculture. Well I think the Minister of Agriculture should go and ask the farmers of the province what they think about that statement.

Mr. Speaker, I'd like to speak about one of the issues that are of great concern in my constituency and have been for several years. And that is the lack of cell service coverage in my area. Mr. Speaker, this has been an ongoing issue. They've appealed time and time again to this government who has promised time and time again that they would extend coverage into my area.

And, Mr. Speaker, it is now become an issue where even the administrator of the Radville Marian Home wrote a letter to the . . . to SaskTel asking them when they would consider that they would put cell coverage in our area. And I would like to read to you part of the response that came from a member of SaskTel back to Radville. And I'll read a small portion of this letter. And it states:

We carefully select expansion sites based on their ability to

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provide service that can be maintained over the long term while providing a reasonable economic rate of return.

The last several studies undertaken by SaskTel Mobility indicated that cellular expansion in the area around Radville was not projected to provide an economic rate of return sufficient to sustain long-term profitability.

Mr. Speaker, SaskTel — this was the Crown that was formed to give equal access at an affordable price to all people in Saskatchewan. Now SaskTel tells us that they can only expand where it is profitable. What happened to the mandate of Crown corporations in this province? The NDP have abandoned their own philosophy.

Mr. Speaker, another one of the concerns in my area is the proposed closing of Pangman School. Mr. Speaker, the blame for the possible closing of this school can be laid right at the feet of the NDP government and especially the ex-Liberal leader, the Minister of Learning. There is absolutely no valid reason for this closure. I believe the decision to close the school was made first and then the reasons why this should happen came after.

Mr. Speaker, huge pressure is being put on local school divisions to amalgamate, with new dollars being the reward. Is closing schools part of the plan? If this government truly believes in revitalizing rural Saskatchewan, then they should be doing everything they can to keep schools in rural Saskatchewan open.

Pangman is a strong, thriving community. And they are prepared to fight to keep their school because they know if they lose their school they will lose businesses, and they will eventually lose their community. School boards are telling their ratepayers that with changes to the base grant they will get fewer dollars from the province and possibly zero.

Well my argument is, Mr. Speaker, if the province is not providing any dollars to local school boards, then they should have no say in what that school does. They should not have the authority to close that school. If your school is closed you will pay the same taxes, yet your child could possibly ride a bus for one and a half hours both morning and afternoon.

(11:00)

I ask, Mr. Speaker, the members opposite, would they get in their vehicle and drive an hour and a half morning and night to attend the legislature or any other place in Saskatchewan? And yet they expect children in this province to do that. This is what this government calls rural revitalization. How is this fair?

I believe it is time that rural taxpayers drew a line in the sand and said, no, we will not be pushed around any longer and dictated to by this government. The NDP are only concerned with what is best for them — not what is best for the children of this province.

A year ago the budget made allowances for a new Department of Rural Revitalization. To date, we have seen no gains or accomplishments from this department. This just shows how much this government has lost touch with rural people and rural

issues.

A prime of this is the now famous bus tour, the bus tour. A letter I received from a gentleman in Bengough sums up what the people in rural Saskatchewan feel about the bus tour, and I quote:

When we heard that you were going to send representatives to our community to mainstreet with the people and hear our concerns or comments, we decided it would be good to meet as a group. On August 16, 2001 members of our community met at the RM office, put the coffee on, and prepared to converse our concerns or comments with . . .

The Speaker: — Order, please. Order, order. I just ask the members to keep the noise level down a bit so that we can clearly hear the member who is speaking.

Ms. Bakken: — Thank you, Mr. Speaker. And I will continue to quote from the letter from Bengough regarding the bus tour.

We watched as these representatives went by the RM office towards the Co-op store. We gave them a few minutes to visit with the people in that area. The reeve of the RM then went out to direct these representatives to the office where we had met.

He walked down the street, stopping at the various places along the way, trying to find your representatives. They were gone. We were both shocked and amused that these people had left town with only a trifle interest in what they were here for.

As for your reports and concerns for our areas, we are worried about our schools, health care, and highways. I wish you had taken your bus west of Ogema on No. 13 Highway and south or north on No. 34 Highway. We believe that all taxes collected should be directed towards the roads for which they were originally designated.

We believe the health care system has become a two-tier system with money now being wasted for administration rather than directed to caregivers. Many of our elderly have had to go to other communities for home care services as that level was not offered here.

I could go on, but I'll end here, Mr. Speaker. It clearly shows that people in rural Saskatchewan seen through this bus tour and are frustrated and fed up with a government that completely disregards their needs.

This brings up the whole issue of needs and compassion and respect for the seniors of our province. The people who pioneered this country, Mr. Speaker, fought in both world wars, sacrificed greatly through the Depression. Many scrimped and saved so that they could look after themselves when they grew old and when they retired. Now this is the way that this government, the NDP treats them, who have long told the people of Saskatchewan how they are the champions of health care and that they are the friend of seniors.

This budget completely mitigates the NDP's claim to be the champion of seniors. This is what the NDP thinks of the seniors

in this province, where they . . . Thank you, Mr. Speaker.

Mr. Speaker, this is what the NDP thinks of the seniors in this province, where they would have the nerve to take up to 90 per cent of their income and apply it to a fee for them to stay in a nursing home, leaving them a meagre \$166 a month for their personal needs.

And, Mr. Speaker, I would just like to read from what the NDP was sent out on the Saskatchewan Health right in their own document, Mr. Speaker, where . . . and I quote:

We recognize that no one likes to pay more; however, given the rapidly rising costs of health care, government can no longer afford to heavily subsidize those who can better afford their own care.

No one, Mr. Speaker, can pay for health care throughout their life in this province even if they choose to. But when they get old, the NDP can choose to have them pay. That's the way the system works in this province. The NDP, with this despicable act, have finally shown their true face. This is two-tier health care in its truest form.

Mr. Speaker, many of my colleagues have spoken at some length about the deficit and the NDP's creative bookkeeping, so I won't go into that today.

I would like to speak about another form of revenue the NDP uses to so . . . balance their so-called balanced budget, that is the revenue from gambling. This year some \$332 million from Liquor and Gaming is flowing into the General Revenue Fund. It is a sad state when our province has come to rely on the proceeds of gambling for economic stability — this from the Premier that was opposed to gambling.

And I'd just like to read a couple of quotes, Mr. Speaker, from the Premier of the province. On February 23, 1990 . . . 1989, the Premier Lorne Calvert spoke:

It appears the government is hard up for cash and sees this as a quick fix. In many ways, the government is like an individual who might turn to gambling in hopes it will solve his financial problems only to find out it leads to more problems.

And another quote, Mr. Speaker, from the Premier. This is on February 23, 1989 as well:

Liberalized gambling laws will mean more prostitution, drug trafficking, and other crimes common to cities with wholly relaxed regulations.

End of quote, Mr. Speaker.

The Speaker: — Order. Order, please. There are . . . Order, please. I would suggest that members get a little closer together, face to face, and talk about this in a whisper rather than hollering across the room so that I can hear the member from Weyburn-Big Muddy.

Ms. Bakken: — Mr. Speaker, I'd just like to repeat the last quote so that everyone could hear it and the quote is from the

Premier of the province on February 23, 1989 and I quote:

Liberalized gambling laws will mean more prostitution, drug trafficking, and other crimes common to cities with wholly relaxed regulations.

Mr. Speaker, this government is counting on not only the elderly, but also the addicted of this province to help balance the books.

Last year, the NDP realized \$180 million from VLTs (video lottery terminal) but that wasn't enough. The NDP, a government desperate for cash, decided to add 400 more VLTs. This just one week, Mr. Speaker, after a study came out showing that VLTs are the most addictive form of gambling and that no further VLTs should be added until further studies were done. The NDP completely disregarded this.

They tried to justify it by saying that they were doing it for the hospitality industry, Mr. Speaker. Well, Mr. Speaker, if they were so concerned about the hospitality industry, why did they raise taxes on liquor in the budget which, the hospitality industry is saying, will very negatively affect their business.

Let's be very clear, Mr. Speaker, about this. The adding of 400 VLTs had nothing to do with their concern about the hospitality industry and it had everything to do with a government that is desperate for cash.

Mr. Speaker, this government has abandoned the sick, they've abandoned the young, they've abandoned the addicted, the entrepreneurs, the nurses, the doctors, homeowners.

I went out and knocked doors in the by-election in Elphinstone and Riversdale and people there have bars on their doors, they have bars on their windows, they have locks, they have security systems, and many of them have fences with dogs. That is what we're talking about in Saskatchewan. Homeowners have to protect themselves against crime.

This government has abandoned farmers. It has abandoned students. And they've abandoned the elderly.

Mr. Speaker, just the other night I had the opportunity to talk to a sweet little lady who is about 80 years old, and she told me that she supported Tommy Douglas and the CCF (Co-operative Commonwealth Federation). And she said to me, you're a politician aren't you? Well will you tell the NDP for me that what they are doing . . . what are they doing having Mr. Romanow, who destroyed health care in Saskatchewan, heading up the commission to fix it for Canada? It is terrible.

Mr. Speaker, even the people who supported the CCF now realize this government has abandoned them, and they have had enough.

Mr. Speaker, in 1944 this province took a turn that has put it decades behind of where it should be. We as a province have more . . . then had more than our neighbours. It is too bad it has been abandoned and squandered through a socialist mentality that has proven to fail for decades.

In 1944 Saskatchewan had a greater population than our

neighbour to the West, more oil production, and a much brighter future. Today we have one-third of the population of Alberta, and much, much less strength in our economy.

We hear about the negative, defeatist attitude in Saskatchewan. But I lay that right at the feet of the government that has given us 60 years of socialism. We need to go no further than to look at excerpts from the CCF *Regina Manifesto*, which states, and I quote:

. . . government will not rest content until it has eradicated capitalism . . .

If we read that, we understand why we have a business community and an economy that has given up and has its very own self-worth almost defeated.

Mr. Speaker, many of our young people . . .

The Speaker: — Order, again please. Order.

Ms. Bakken: — Mr. Speaker, many of our young — and many not so young — have left our great province for lures of a brighter future. I have three young sons that have started to make a new life for themselves in Alberta.

I believe that they'd like to return to Saskatchewan, but first there has to be a reason for them to come back.

Mr. Speaker, it is not only my sons who want to come home, but many more. During one of our Grow Saskatchewan meetings that was in Indian Head, a young man was at it and he was originally from Saskatchewan. And he had moved away and had come back about three years ago and was working here and he had his family here. And he was contemplating whether he should stay or go back to Alberta.

And so I said to him, I said, it is my belief that most of the people that have left Saskatchewan would like to come back. And I said to him, is that true? And he said, I'll tell you what — if we took all the ex-Saskies and put them in McMahon Stadium and said to them, who wants to go home, that 90 per cent of the people would stand up.

Mr. Speaker, I believe it is my challenge and all members of the Saskatchewan Party's challenge to form government and to start on the wrong . . . long road to turning Saskatchewan around so that we can make the place where our deported children and many others will want to come home and will want to make a future here.

For those who have left, but most importantly for those of . . . who have decided to stay behind, an election in Saskatchewan cannot come soon enough.

Mr. Speaker, I would just like to take this opportunity to say a couple words about the member from Kindersley. The member from Kindersley is the reason that I got into politics in the first place and has been an inspiration to me.

Today and yesterday have been very sad days for myself and it is a sad day for the people of Saskatchewan. The member from Kindersley is a unique kind of politician because not only does

he have a keen mind, a great knowledge of agriculture and business, he also has a heart and truly cares for the people of this province.

He not only talked about and fought for how this province should be run, he lived by example every day. He is a great politician, a great ambassador for our province, but most of all he is a friend extraordinaire. Mr. Speaker, I will miss him. I will miss the member from Kindersley, and I miss him and I wish him well.

Mr. Speaker, I will not support the budget and I will support the amendment.

Some Hon. Members: Hear, hear!

(11:15)

Hon. Mr. Melnychuk: — Well thank you, Mr. Speaker. And what I'll focus on today in my address in response to the budget address are concerns with regard to education, my . . . the new Department of Saskatchewan Learning, and how this budget impacts on Saskatchewan learning.

And I would say right from the outset, Mr. Speaker, that I will be supporting the budget because it is very good for education and I will not be supporting the amendment of the members opposite.

Now as everyone knows, preparing for this year's budget presented our province and our government with some major challenges: a sluggish North American economy, declining oil and gas revenues, disappointing revenue estimates from Ottawa, and the need to maintain a budgetary focus on our priorities.

And one of the ways we are responding to these challenges is by striving to make our government leaner, more efficient, and more effective in order to provide the maximum possible financial resources where the public services are actually delivered.

More provincial money for autonomist systems and institutions within the broad-base learning sector. Now that is the purpose of the reconfiguration and restructuring of the provincial government that the Premier announced on March 26.

One of its central elements, of course, is our new flagship department, the Department of Learning. Its mandate is as follows, and I quote, Mr. Speaker:

To advance the social, economic, and personal well-being of Saskatchewan people. This shall be accomplished through leadership and support programs for early childhood development through pre-kindergarten through grade 12, to technical training and post-secondary education, and public library services. The department shall provide responsive leadership to meet the learning and development needs of Saskatchewan children, youth, and adults, and to meet the employment needs of the labour market.

In order to secure the future of Saskatchewan and the future of Saskatchewan people, we must continue to build a healthy,

prosperous, free, and democratic society and a province where knowledge and learning are pursued for several purposes, Mr. Speaker.

To acquire valuable tools, sharpen them and develop our practical skills. And also to expand our horizons and the richness of human knowledge and to enrich and ennoble the human heart, the human spirit, and the human condition.

Our vision entails healthy and school-ready young children who are prepared to take full advantage of the learning opportunities through public school and beyond. Our Kids First program helps give these youngest children those most important first steps.

And we envision young adults and adult learners who have a variety of opportunities for high-quality post-secondary education so they can participate fully in Saskatchewan's economy and communities all becoming lifelong learners. Educated for adulthood, educated for citizenship, educated for careers, educated for life — lifelong learners, well prepared to benefit and to contribute to our culture, our society, and our economy, Mr. Speaker.

Learner support in their own communities by a high-quality public library system. Not closed repositories of dusty archives, but instead what they are today in fact, tools for dynamic and transactional resource-based learning for children, youth, and adults.

Now the Premier and our coalition government have assigned to this new department a broad vision, a broad mandate, and a broad responsibility, Mr. Speaker. Now let me unequivocally be clear on one central point. We have reconfigured and restructured the departments of the provincial government. It is not our purpose, our intention, or our plan to reconfigure the discrete constituent elements of the broadly construed learning sector. Their discrete systems and sectors and institutions will not be reconfigured; they will be supported, Mr. Speaker.

We shall respect and nurture their integrity and build on their many strengths, identifying opportunities to enhance, complement, and reinforce the many significant strengths of their separate systems and institutions.

Now as I reflect on the broad mandate and responsibilities of the new ministry of Learning, I note some significant common conceptual and policy themes. Themes that each one of them is already contributing to, and I shall cite just four: meeting the needs of our Aboriginal population; fully exploiting the opportunities of learning technologies; strengthening communities; and serving the needs of a sparse and dispersed population.

Now I want to assure all members and the people of Saskatchewan my own determination as Minister of Learning and that of the new department to publicly reconfirming the government's commitment to sustain and strengthen our many significant initiatives already underway and supported by this budget, Mr. Speaker.

And to name just a few: our commitment to Aboriginal education and training; our commitment to Campus

Saskatchewan and learning technologies; to nurturing the new and independent apprenticeship commission; to implement the vision of School^{PLUS}; to continue to redefine the post-secondary education sector plan and accountability framework; to continue to support the revitalization of our universities — value their critical contribution in teaching, in research, and in service; to support the provincial library system-wide technological leadership; and the restructuring of school divisions.

And I'm reconfirming to the House today my previously communicated expectation that 18 months from now, by October 2003, we will have 25 per cent fewer school divisions.

Now during my two and a half years in cabinet, my most satisfying times have been in close dialogue with stakeholder leaders and visiting schools, classrooms, teachers, and students.

And just a few examples, Mr. Speaker. The community high school, Wesmor in Prince Albert — beautiful school, enjoyed my visit there very much. The Internet-based distance education classes developed and taught at Sheldon-Williams Collegiate and designed and implemented by classroom professionals right in that school.

The brilliantly innovative new joint use Carpenter High School in Meadow Lake, Mr. Speaker, or the integrated service program at the Churchill Learning Centre in La Ronge — all excellent examples of progress being made in education in this province, Mr. Speaker.

Now with much broader ministerial responsibility, I'm very much looking forward to close dialogue with a wide set of major stakeholders and new opportunities to visit students, researchers, and institutions throughout this great province.

Now at the outset of my remarks this morning I cited some of the major challenges we faced as a province this year in preparing our budget, and I would just like to add a few contextual comments as well.

Now you will know that the circumstances being presented in some other provinces and you'll have seen what's happened in British Columbia and Alberta, for example, and how they've responded to similar circumstances. And later this month we'll also know how Manitoba responds in its budget.

But in Saskatchewan, we have first reduced the size of government — fewer ministers, fewer deputy ministers, fewer departments, and fewer civil servants. And just to give you an example within my own department — the estimates that have been tabled with this budget — that our own department, Saskatchewan Learning, will have lost more than 40 staff positions. We tightened our belts before we could say and go to the people that they needed to tighten their belts, Mr. Speaker.

And at the same time, however, we have been determined to increase the provincial operating grant support to our schools, universities, colleges, and SIAST (Saskatchewan Institute of Applied Science and Technology). And this budget does do that, Mr. Speaker, because this government has priorities and we're proud of those priorities, Mr. Speaker.

Some Hon. Members: Hear, hear!

Hon. Mr. Melenchuk: — Now we have, we have heard the call for increased provincial government financial support for the critically important capital infrastructure needs of systems and institutions in education. We have listened, Mr. Speaker, and we have heeded that call. And I am very pleased that the budget contains a very substantial increase in this year's provincial financial contribution for capital facilities in both the K to 12 and post-secondary systems and institutions. Over 65 per cent, Mr. Speaker — the largest annual increase in many, many years.

And I am particularly pleased that based on the analytical work and the recommendation of the SSTA (Saskatchewan School Trustees Association), the trustees association, and the support from individual school divisions, we will indeed be proceeding with the new facilities restoration program for schools. It will be an integral component within our K to 12 facilities capital program.

Now as the people of Saskatchewan examine this budget and compare our financial commitment to the broader education or learning sector, it is clearly apparent that learning, education, and training are indeed a central priority of our government. Under difficult economic circumstances I can say — and I am proud to say — that this budget and this government continues its commitment to the philosophy of lifelong learning, the major tenet of our new flagship department, Saskatchewan Learning, Mr. Speaker.

Now to just highlight some of the big improvements that we have seen in education in both the K to 12 and the post-secondary sector, and putting into the context of what we've seen within the parameters of this budget, we recognize that the priorities of health care, of education, of highways, and of municipal governments, have been maintained, Mr. Speaker.

When we look at what we have received in the Department of Learning, we've got an . . . over a 3 per cent increase on our foundation operating grant for the calendar year despite massive decreases in the revenue stream available to government. We've seen a substantial increase on the capital side to the tune of 7.2 per cent overall for the new Department of Learning.

We have not only that but provided our dollars on the foundation operating grant in an unconditional way so that the per student grant has increased again this year. And on top of the grant increases from last year, Mr. Speaker, in the last three years we have seen over 20 per cent increase in our foundation operating grant.

And I like to remind the members opposite that their platform would have provided no increase, Mr. Speaker. No increase. It was frozen. But 20 per cent in just three years. And with this new capital infrastructure program the amount of facilities and the amount of infrastructure that can be redone, that can be new in this province, is tremendous. And of course that will also add to the economy of our province as well, Mr. Speaker.

Now I've listened to some of the members opposite and just previously now the member from Weyburn-Big Muddy was up and she talked about school closures. And she, I think, she was saying some things that are not accurate, Mr. Speaker. And I just wanted to clarify some of that.

When she was referring to schools within Saskatchewan, and we talked about school closures, let me clearly delineate that school closures have nothing to do with reorganization of the government management structure of school divisions. In fact school boards that have amalgamated have indicated and have told us through numbers of surveys that they have absolutely been . . . have had the opportunity to improve services to truly isolated schools because of the broader mandate and the broader resources available to them.

So in fact, Mr. Speaker, school division restructuring has nothing to do with school closures. In fact in most circumstances it actually allows for greater resources to be provided to schools that would be truly isolated.

When we look at the record of the previous administration and school closures, there were more school closures in the 1980s than at any other time in the history of this province. And, Mr. Speaker, we have a program now with our isolated school factor that we do support. In our grant the recognition that schools that are a far distance away from other schools are supported and that it is not the right thing to do, to have people travelling on buses for an hour and an hour and a half each day.

And I must advise the House, Mr. Speaker, that there is a general policy throughout all school divisions in the province of Saskatchewan that no child is picked up before 7:30 in the morning, Mr. Speaker. I know there are some exceptions, especially in the southwest, but that is a general philosophy.

And our school divisions, our school boards, and this government is very concerned about the well-being of children in our education system and we will never waiver on that commitment, Mr. Speaker.

So when we talk about school closures and why school closures occur, those are difficult decisions for school boards. But we have a process that is legislated in this province that if there is an indication or a motion to close a school or even to downgrade classes or sizes of a school, that that has to go before the public; that the local board must approve of that prior to that, and if it approves of it, then there won't be the public consultation. But if they don't, then there is a wide-based public consultation and a procedure that must be followed before that school closure can be done.

The Department of Education has really no involvement. We provide the funds and over 20 per cent on the foundation operating grant in just three years. But school closures will occur as rural populations decline and as services are amalgamated. But as I said, restructuring school divisions in many cases can provide additional support to those truly isolated schools and perhaps enhance those opportunities for those children in those school divisions.

And just before I end my comments this morning, Mr. Speaker, I just wanted to comment a little bit about some of the things that were said in question period and from the member from Weyburn-Big Muddy. And we had the member from Saltcoats get up and he talked about the education property rebate and our commitment as a government to provide that for two years.

Well we met our commitment, Mr. Speaker. We provided that

\$50 million. But what the member fails to recognize and what the Finance critic fails to recognize is that \$50 million came out of the Fiscal Stabilization Fund. And I've got the member from Saltcoats saying could we have more of that money and the Finance critic saying, well that money doesn't exist. Well, which is it, Mr. Speaker? Where did that 50 million come from? It came from the Fiscal Stabilization Fund.

Where did the Centenary Capital dollars come to build schools? It came from the Fiscal Stabilization Fund. Real dollars for real infrastructure in this province.

We are building the economy of this province. We are supporting our school systems. And the members opposite in their platform had tax cuts and no support for people, no support for services, and no support for structure in this province, Mr. Speaker.

Therefore, I will be supporting our budget, and I will not be supporting the amendment of the members opposite.

Some Hon. Members: Hear, hear!

(11:30)

Mr. Stewart: — Thank you, Mr. Speaker. It's a great pleasure and a privilege to reply to the 2002-2003 provincial budget on behalf of the wonderful, hard-working, productive people of Thunder Creek.

The people of Thunder Creek, Mr. Speaker, believe in this province. They know that we're in an awful mess, Mr. Speaker, but they still believe that this province is destined to be great.

They know that we're the world's leading producer of potash, Mr. Speaker. They know that we are the world's largest producer of uranium. They understand that we are Canada's second-largest producer of oil and gas. Mr. Speaker, the people of Thunder Creek know that we have 46 per cent of the arable farmland in this country within our borders.

Mr. Speaker, the people of Thunder Creek know all of these great advantages that are ours as a province and they ask two questions. First, Mr. Speaker, they ask, how can such a naturally rich piece of real estate possibly be so badly managed as to be a have-not province?

Mr. Speaker, the people of Thunder Creek see great potential for further development of our great province and they wonder why investment capital isn't flooding in to further develop our oil and gas sector and our mining sector and agricultural value-added.

These hard-working, optimistic people see the opportunities in ethanol and uranium and cattle feeding and diamond mining and hog production and tourism.

Mr. Speaker, the second question the people of Thunder Creek ask is why aren't these opportunities being pursued in Saskatchewan? Mr. Speaker, the answer to their question is abundantly clear for those open-minded enough to see it.

For the most part of the last 60 years, Mr. Speaker, this

province has marked time with no growth in population or opportunities — excuse me, Mr. Speaker.

During that 60 years, Mr. Speaker, for the most part we have endured CCF and NDP governments — governments that tax business higher than other jurisdictions; governments that are uncooperative to business; governments that use taxpayers' money to compete with business; and governments that throw, unnecessarily, roadblocks and impediments and red tape in the way of business — Mr. Speaker, governments with a socialist agenda.

This budget, Mr. Speaker, underscores those problems in red ink. This budget gives up on Saskatchewan people. It gives up on growing Saskatchewan. It gives up on balanced budgets. It gives up on providing the most basic level of risk protection for our farmers. And it gives up on a government's duty to take care of our sick and our elderly.

Mr. Speaker, this is Glen Clark style budgeting at its worst. Budgeting that hides borrowing, budgeting that intentionally underestimates expenditures, and budgeting that intentionally overestimates revenues all in a most deceitful and misleading manner, a manner that covers up an approximate \$600 million deficit and shows that as a \$45,000 surplus.

Mr. Speaker, this bloated, inefficient, top-heavy government now spends \$12,000 a minute. Someone said in reaction to this budget, Mr. Speaker, that with a \$45,000 surplus we can't afford this government for another four minutes.

Mr. Speaker, I wonder how long the people of Saskatchewan will think that we can afford this government when they find out that the bottom line for this year is really a \$600 million deficit and not the \$45,000 surplus that this phony, deceitful document shows.

Let's get into some of the details, Mr. Speaker, and find out how this fraud has been . . .

The Speaker: — Order, please. Order, please. Members may be enjoying themselves, but they are actually interfering with the right of a member to be heard in this legislature.

Mr. Stewart: — Thank you, Mr. Speaker. Let's get into some of the details, Mr. Speaker, and find out how this fraud has been perpetrated on the people of Saskatchewan.

Mr. Speaker, this Minister of Finance says that he has transferred \$225 million from the Fiscal Stabilization Fund to help balance the budget. By the Finance minister's own admission, this fund does not exist other than as a bookkeeping entry. There's no money in the fund, Mr. Speaker, so any money that is taken from the fund to cover government spending has to be borrowed and, quite simply, must be added to the overall debt of the province.

Mr. Speaker, the Minister of Finance announced a nearly \$90 million change in the way the government accounts for education capital spending. What that means, is that they've set up a Crown corporation called the Education Infrastructure Financing Corporation with about \$90 million of borrowed money to fund capital projects in our education system.

Mr. Speaker, this government has no intentions of paying back that \$90 million that it borrowed and no plan to do so. And of course, they did it through a new Crown corporation that they made sure is never put under the scrutiny of the Provincial Auditor.

Mr. Speaker, this government took \$300 million this year from Crown corporations to balance their budget. And in the process added \$200 million of debt to those Crowns.

The Minister of Finance in this budget, Mr. Speaker, projected a \$50 million increase in the PST (provincial sales tax). It simply doesn't square with the government's own retail sales projections or anybody else's retail sales projections in a time when our population is shrinking and jobs are being lost. Mr. Speaker, at a time like this, it is surely disingenuous to project such a substantial increase in a tax that is directly linked to consumer spending.

In these fudged budget documents, Mr. Speaker, this government projects an increase in potash revenue of \$40 million and it is quite simply not supported by industry forecasts and one can only imagine what kind of last minute flight of fancy overcame the Finance minister when he needed another \$40 million to present this illusion of a balanced budget to the people of Saskatchewan.

Let's add up, let's add up the likely shortfalls in this budget, Mr. Speaker. First we have \$225 million of borrowed money transferred from the non-existent Fiscal Stabilization Fund. Then there's the \$90 million of borrowed money from the newly created Crown that is supposed to fund education capital expenditures. Of course there's no plan to pay any of this borrowed money back.

Then there's the smaller matter of the \$200 million increased debt to the Crowns, Mr. Speaker. Let's not forget the almost whimsical projection of \$50 million in additional PST revenue in a shrinking economy.

And last but not least, Mr. Speaker, oh, pardon me, \$40 million does seem to be the smallest and therefore the least misrepresentation that we can find in this budget. So maybe it is least after all. I refer to the unsupported \$40 million in increased potash tax revenue, Mr. Speaker.

Mr. Speaker, when I add those numbers up, I come to a likely budget shortfall of about \$605 million. Of course, as everyone knows, Mr. Speaker, it could be worse than that if the economy of the province takes another downturn, or it could be somewhat better than that if the economy takes an unexpected upturn.

This NDP government, Mr. Speaker, blames everything and everybody but themselves for this \$600 million deficit. They blame the terrorist attacks of September 11 when we were clearly already heading toward a huge deficit by that time of the year. It's very difficult to see how those events, tragic as they were, affected government revenues in the province of Saskatchewan to a very great extent at all.

Mr. Speaker, they blamed lower oil prices and the accompanying loss of revenue to the province for the deficit.

Oil prices are now at about what they projected and actually now they're considerably above what they projected for the year. And although they dropped below that price projected in the last budget for a while, they were above that price for a good part of the year as well. While oil and gas revenues are down somewhat they certainly can't be blamed for a deficit of anything like this magnitude.

Of course as this government likes to do, Mr. Speaker, they blame a sudden and unexpected downturn in the agricultural economy of the province for the deficit. Mr. Speaker, there has been no sudden or unexpected downturn in agriculture over the last year. Agriculture has been operating under very similar circumstances for a number of years and any honest assessment of the situation will reveal that.

Mr. Speaker, what caused this huge deficit was nothing more than a wild spending spree by a tired old government in its dying days. This government spent hundreds of millions of dollars of Saskatchewan taxpayers' money on foolhardy, hare-brained adventures in such places as Ontario, Alberta, British Columbia, Georgia, Chile, Mexico, and Australia. They invested all of this taxpayers' money in ventures outside of our borders that will not create one new job in this province and most of which will never turn a profit.

In Saskatchewan they wasted well over another hundred million dollars in such crazy ventures as SPUDCO (Saskatchewan Potato Utility Development Company) and Information Services Corporation, ISC, which is our new computerized land titles system that simply doesn't work. Many more millions will be required before ISC (Information Services Corporation of Saskatchewan) is up and running properly province-wide, Mr. Speaker.

The Government of Saskatchewan is the last of the provinces to computerize our land titles system. A working system could surely have been purchased from one of several provinces, with land surveys in a manner similar to Saskatchewan, for probably a couple of million dollars.

I suggest as well, Mr. Speaker, that for that price, staff would have been provided to get the system up and running and to train some of our people on it. But no, we had to squander \$80 million of taxpayers' money so far and reinvent the wheel by building our own system from the ground up.

A year ago in keeping with their tax and spend philosophy, Mr. Speaker, this government hired 570 new civil servants, apparently for no other reason than to increase the size of government. Now we see them in a massive deficit situation and in the position of having to fire some of those civil servants that we just couldn't manage without a year ago.

When the government undertook these hirings a year ago, Mr. Speaker, we in the Saskatchewan Party said that the \$30 million would have been better spent if it was given to urban and rural municipalities to help ease the ever increasing property tax burden on their ratepayers.

Now thanks to NDP mismanagement, there were no property tax reductions, the money is spent, and many of the civil servants are no longer employed, although the size of

government has grown and that will add substantial costs to subsequent budgets as well.

Mr. Speaker, these are just a few examples of the kind of gross NDP mismanagement that has got this government and this province into the kind of a fiscal jackpot that we now find ourselves in. And the people of Saskatchewan will sooner or later be given a chance to say what they think of it.

Mr. Speaker, those members on the other side of the floor will try to pretend that it is just us in the Saskatchewan Party that are unhappy. Well let's examine that, Mr. Speaker. Let's see what some other people had to say about this budget.

This is off a CBC (Canadian Broadcasting Corporation) Web site, Mr. Speaker, and it states:

Finance Minister Eric Cline announced in yesterday's budget that long term care fees will more than double for some people. Maximum fees will climb from \$1,500 a month to \$3,800 a month on October 1st.

Those on a graduated scale will be required to pay up to 90 per cent of their income on care.

(11:45)

Marilyn Braun-Pollon of the Canadian Federation of Independent Business says this:

Really, this budget does nothing for creating an entrepreneurial spirit in the province. It does really show that the government just doesn't get how to grow the economy.

Mr. Speaker, Richard Truscott of the Canadian Taxpayers Federation. It's all about the spending. And he says:

If this government would have had a disciplined, focused approach to overall government spending in the last three years, they would have had a couple of million dollars to reinvest back into health care and education, to cut school taxes by 10 or 20 or even 30 per cent, as well as paying down provincial debt.

But the government needs to get their heads around the fact that we need to reduce the size, the cost of government, and we need to re-evaluate the role of government in our economy. Every time the public sector expands, as it did in the last budget, the private sector shrinks. It is all about the ...

The Speaker: — Order once again. Once again I ask members to come to order.

Mr. Stewart: — Thank you, Mr. Speaker. He goes on to say:

It's all about the affordability of government and the ability for taxpayers to pay for more civil servants, for more government spending. There's a limit to that, unless we can find a way to expand the tax base in this province, which I would argue you do through lowering taxes and getting the fiscal house in order and cutting red tape.

Mr. Speaker, Murray Mandryk, a columnist from *The Leader-Post*, says this:

The problem being is they weren't honest about the toughest decision, and that was to come out and say this is a deficit budget. That's what they should have said. That's what the public should be hearing from Eric Cline today, and that's not what they heard from Eric Cline today.

John Allan, well-known economist, Mr. Speaker, said this:

By most standards, if you take your total expenditure, including your debt service charges, if that is larger than your revenues, you're in a deficit. And that is indeed the situation for the province.

This is what SARM had to say. Neal Hardy, president of SARM. He says:

The Education Tax Rebate Program, which provided \$50 million over a two year period to mitigate the effects of tax shift to agricultural property, has been eliminated with this budget. Changes have also been made to the Foundation Grant formula for education funding which will put pressure on rural school divisions to raise mill rates. This would further increase the education tax burden on rural properties.

I don't know . . .

He goes on to say:

I don't know how rural people are going to deal with these increased costs . . . Education taxes on agricultural property will have increased more than 30 per cent over the last three years. Producers are also paying more this year for a Crop Insurance program that provides less coverage, and hail insurance will also likely cost more.

Mr. Speaker, Richard Truscott, provincial director of the Canadian Taxpayers Federation said this when he was speaking on the . . . when he was interviewed on the Education Infrastructure Financing Corporation. And the members opposite should listen to this, Mr. Speaker. He says, he says referring to the Education Infrastructure Financing Corporation, he says:

It's creative accounting at best. At worst (at worst, Mr. Speaker) it's accounting that would make even an Enron executive blush,

Editorial in the Saskatoon *StarPhoenix*, March 28, has some very illuminating things to say about this budget. They say:

Wednesday's effort by Finance minister Eric Cline truly was a masterful document, a fine piece of unfettered creative writing the likes of which taxpayers haven't seen since the Devine era, when Bob Andrew, Gary Lane and Lorne Hepworth spun a few fantastic fiscal fairytales.

They go on to say:

You need not look any further than Cline's capital funding

scheme for the newly named Learning sector to understand the problem. No amount of explanations from the finance minister can alter the reality that his move to gas the full cost of capital commitments from the government's books by funnelling them through . . . (the) new Crown entity and amortizing them through operating grants to universities and . . . K-12 system is no more than accounting jiggery-pokery.

Cline and his boss deserve a whack to their noses (he says) with a copy of the 1992 report by the Don Gass commission to remind them of their obligation to provide taxpayers with complete transparency on public spending instead (instead) of concocting odious bookkeeping methods that make it impossible to understand the government's finances. As Gass made it so clear . . .

Mr. Speaker, he goes on to say:

. . . the moment the province guarantees a loan for a third party, it becomes a liability that needs to be recorded in its entirety on the government's books, not simply as an annual amortized payment. Without such transparent accounting, taxpayers have no clear idea as to their true level of indebtedness, hampering greatly their ability to evaluate government actions and spending decisions.

And finally this editorial wraps up, Mr. Speaker, by saying this:

This even though Cline had to go so far as to ignore rules that govern the Fiscal Stabilization Fund in depleting the rainy day fund to prop up an . . . (unstable) spending regime and in all likelihood is flouting balanced budget legislation by changing accounting rules to remove some capital commitments from the books to deliver a (so-called) "balanced" budget.

Rather than make the tough choices, the government has opted to procrastinate. (It's an election . . .) If it's an election Premier Calvert is buying time for, he should go ahead and call one without delay.

The Speaker: — Why is the member from Melfort on his feet?

Hon. Mr. Osika: — I apologize to the hon. member opposite, Mr. Speaker; with leave to introduce guests.

Leave granted.

INTRODUCTION OF GUESTS

Hon. Mr. Osika: — Thank you very much, Mr. Speaker, and I thank the hon. member opposite.

I'm very, very pleased that this morning — it's just about noon — but to introduce to this House and welcome to this great province of ours and the city of Regina, the 17 players from Nova Scotia who are here playing in the junior levels ringette nationals. And we want . . . I wanted to make sure that they were welcomed here. I had the . . .

Hon. Members: Hear, hear!

Hon. Mr. Osika: — I had the good fortune of meeting them just briefly last evening and when I found out where they were from — from Nova Scotia — I wanted to make sure we were able to welcome them here to this . . . to our legislature.

They have three coaches with them, Mr. Speaker, and five parents that help in doing the driving. And again this is a situation where I'm very pleased to commend parents and coaches that continue to support our youth and particularly these young people who are in these national champions here in Saskatchewan and in Regina. Good luck to you. Enjoy this great province of ours. Enjoy our Legislative Building. Welcome.

Hon. Members: Hear, hear!

The Speaker: — Why is the member for Wood River on his feet?

Mr. Huyghebaert: — Leave to welcome guests, Mr. Speaker.

Leave granted.

Mr. Huyghebaert: — Well thank you, Mr. Speaker. I also on behalf of the official opposition would like to welcome our guests to our fine province. It's a great province and I'm sure you'll have some fun and I really wish you well in your ringette tournament this weekend. Thank you.

Hon. Members: Hear, hear!

SPECIAL ORDER

ADJOURNED DEBATES

MOTION FOR COMMITTEE OF FINANCE (BUDGET DEBATE)

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

Mr. Stewart: — Mr. Speaker, it is truly alarming to see a government run a huge deficit and still not look after those in our society that are least able to look after themselves. And I refer to increases of over 100 per cent for long-term care for some people that will hurt our seniors, and changes to the prescription drug plan that will cause problems for many in poor health who rely on prescription drugs so heavily.

In hard-hit rural Saskatchewan, the education tax rebate which was put in place to mitigate the effects of tax shifts to agricultural property has been eliminated. Crop insurance rates will increase from 40 per cent to 200 per cent for our beleaguered farmers. And spot loss hail coverage has been discontinued, along with the variable rate option.

These changes will place the burden of thousands of dollars of extra costs on the back of the average farmer at a time when agriculture is suffering badly and when farmers are heading into what looks like the second year of a drought, or even the third or fourth year in some areas.

Mr. Speaker, changes to the foundation grant for education funding will cause many rural schools to raise their mill rate, imposing an increased burden on farmers who have already experienced property tax increases in excess of 30 per cent in the last three years. These are just some examples of hardships inflicted on people by this budget.

Mr. Speaker, in tough times people wouldn't complain about some increased costs and reduced services in order to balance the budget. However this ill-advised budget manages to hurt the most vulnerable in our province while amassing a huge deficit.

Thankfully, Mr. Speaker, mismanagement of this magnitude only occurs in the dying days of failing governments, and we on this side of the floor can offer the people of Saskatchewan hope for a much brighter future after the next election.

Accordingly, Mr. Speaker, I will not be supporting this budget and I will support the amendment.

Some Hon. Members: Hear, hear!

Ms. Julé: — Thank you, Mr. Speaker. Mr. Speaker, I stand today to reply to the 2002 budget.

Mr. Speaker, it is doubtful that in the course of Saskatchewan legislative history that the people of this province have ever been presented with a more convoluted and dishonest account of the provinces' finances.

Mr. Speaker, the way this budget was put forward, the contents of it, the way the NDP have done it, every cabinet minister of that NDP government is responsible for this scandalous document.

Mr. Speaker, the NDP continue to show utter disrespect for the people of Saskatchewan by playing accounting games in an aborted attempt to conceal their ineptness and their incompetence at governing the province. Leadership from that side of the House is badly lacking.

Mr. Speaker, in the past 10 years under the NDP, and particularly in the past two years, the frustration level of the citizens of this province has grown to an all-time high and that frustration has turned into disgust and rage.

What we have seen presented in this legislature on budget day was not a budget, Mr. Speaker; it was not a budget document, it was indeed a cookbook and in its pages are recipes for disaster.

Mr. Speaker, the province under the NDP is accumulating a great deal of debt and the most shameful thing about it is that they will not be open and honest about what's happening. The people of the province expect more. They deserve more and they will get more as soon as this government is voted out.

Mr. Speaker, I have an excerpt — in fact, I think I'll read the entire editorial — from the *Humboldt Journal* last week, with its comments about the budget:

In the hallowed halls of legislatures across the country, one subject that dogs politicians is that voters don't seem to want to go to the polls, and leaders constantly wonder why.

It is not apathy, as they usually conclude. It is for the same reason that the days of loyalty to political parties are ending. People have been told big fish stories time after time, exaggeration after exaggeration, and they are simply tired of listening to anyone who has been so economical with the truth so often in the past.

The latest provincial budget is just another big fish story. When Highways Minister Mark Wartman was asked by the *Journal* specifically if it was or was not a deficit budget he replied, "I guess there's a few ways to look at it." What a bizarre thing to say.

(12:00)

And I continue to quote:

If you spend more than you take in, it is a deficit. (It's simple.) If Mom or Dad or Uncle Charlie loans you a few bucks (and we can compare this to the . . . Fiscal Stabilization Fund), you have not balanced your budget. They want it back eventually, only you'll have to pay a bit extra for the privilege of using their money. You cannot steal or "temporarily use" money from your sister's piggy bank (like the . . . Crown corporations) and say (that) you have balanced your budget. You cannot decide to "amortize" the cost of that next chocolate bar or new bicycle tire over several years and say you have balanced your budget.

The editor goes on to say:

You cannot create a new way of doing math by putting piles of money in a newly created Crown corporation that doesn't have to be counted in your budget thanks to ludicrous accounting rules, and still say that you have a balanced budget. You cannot assume and (state next year or) state brazenly that your weekly allowance will jump 25 per cent next year, theoretically giving you more to spend on chocolate bars than you have now to spend, then call it a balanced budget. You cannot expect to be so economical with the truth and at the same time expect people to believe what you say at any other time, even if it is true, and you therefore cannot be perplexed anymore as to why nobody bothers to vote.

The most bothersome part of this budget is not that it is, as a matter of fact, in deficit. It is the fact that the government is being so blatantly economical with the truth. We have a deficit in this province, (Mr. Speaker) but it's not so much the money that matters at this point. Sadly, there is a deficit of honesty. The question is what will (the) people (of this province) do about it?

Mr. Speaker, I cannot and will not support this budget. But I will be supporting the amendment.

Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Hon. Mr. Calvert: — Mr. Speaker, I want to say immediately how grateful I am to have the opportunity to speak in the budget

debate.

I think the events of yesterday in this House, as we saw Bill Boyd depart this legislature, should have been a reminder to all of us how precious is the right to speak in this Chamber and how important it is to occupy a seat in this Chamber.

When we think of a province of a population of over a million people, there are but just 58 of us who have the privilege to stand in this House, to occupy a seat, and to speak in these debates. And so I would be remiss if I didn't begin my remarks today without thanking the constituents of Riversdale who give to me the opportunity to occupy a seat in this House. So each time we stand in this House, I think it is important that we recall for ourselves how significant an honour it is.

That said, Mr. Speaker, I'm very pleased to rise in this budget debate to support the motion put forward by the Minister of Finance and of course to oppose the amendment that has been advanced by members opposite.

And if I can say, Mr. Speaker, I have sat now in this House 15 years and I have watched budget making from both the outside and from the inside.

I watched it from the outside sitting in the opposition benches in those latter years of the Devine government when the ancestors of the current party opposite were spending on average a billion dollars more per year than revenues would allow, putting this province, as described by one of their own members who sat on this side of the House, Mr. Grant Hodgins, who the day he left this House stood up and admitted that the province was on the verge of bankruptcy.

I watched budget making from the outside, and I have observed budget making from the inside, particularly in those early years — the 1990s — in what I would call the dark days of the early '90s when the government of the day was vested with the horrendous responsibility of turning the finances of this province around.

Let me say this. Having observed budget making from both the outside and the inside over this period of time, I can say with absolute certainty that not since those early days of the 1990s and the challenges that it presented has a government caucus been faced with such significant challenges as this government caucus was faced with in this budget year in preparing this budget.

I just want to remind the House again of the challenges that have beset not just government but this province, and not just this province but the nation over the course of the past 12 months. Challenges that had to be met in this budget exercise.

We have, Mr. Speaker, just come through the most significant period of drought in this province's history. The driest 12 months in Saskatchewan's history we have just come through. A drought which has affected 60 per cent of our province. That layered on to the continuation of the international grain subsidies that force and keep our farm commodity prices low; that layered on to the loss in farm employment that we've all recognized and seen; that in addition to the continuing inattention of the federal Government of Canada to the needs of

producers in this province.

Mr. Speaker, in this past year we have met the challenge of the punishing tariffs being levied onto our softwood lumber industry. Recall, Mr. Speaker, that more than half of our province is forest. An area greater than the size of Germany. The softwood lumber tariffs by our American neighbours have hurt. It's been a challenge.

It's been a year recognized as a year of collapse in oil and gas revenues. And it has been a year of terrorism — the events of September 11. A year of international economic downturn resulting in Canadian economic downturn resulting in lower consumer confidence, all of which has dramatically affected corporate income tax revenues to this government and every government.

And it has, Mr. Speaker, been a year of challenge, the awakening of us all, to the concerns about safe drinking water in our communities. And, Mr. Speaker, if I may say it's been a year of challenge when voices from without and from within would question the sustainability of publicly funded health care in this province and in this nation.

And so I say without, without question, since the early days of the '90s, no government caucus has been faced with the set of challenges in budget making that have been faced by this government caucus in the preparation of this budget.

And I want to say this, Mr. Speaker, I tell you what. In good times it is easy to govern. In challenging times, it takes leadership to govern.

Some Hon. Members: Hear, hear!

Hon. Mr. Calvert: — And if I may say, Mr. Speaker, and if I may say, not since, not since the days of the early 1990s have I witnessed a government caucus more unified in its purpose, more willing to change, more determined, more rock solid in its belief in the future of this province than I have seen in this government caucus today that put this budget together.

Some Hon. Members: Hear, hear!

Hon. Mr. Calvert: — And just while I'm on the theme, Mr. Speaker, not since the days, not since the days when Ed Tchorzewski served as the minister of Finance — in those early days of the '90s — not since the days when Ed Tchorzewski served as the minister of Finance in this government has a Minister of Finance demonstrated the kind of leadership necessary to bring to this House and the people of Saskatchewan a budget of this quality.

Some Hon. Members: Hear, hear!

Hon. Mr. Calvert: — And here, Mr. Speaker, is where I want to discuss the budget, because what this budget does, what this budget sets out to do and what this budget accomplishes is to meet the challenges that have presented themselves. Not just to meet the challenges, but to take those challenges and build from them opportunities for the people in the province of Saskatchewan and that's what this budget does.

I want to say that is truly in the character and nature of the people and province of Saskatchewan to take challenges, to meet the challenges, and to turn those challenges into opportunities. That's the character, that's the nature, of the people and the province of Saskatchewan and that is captured in the work that's been presented to this House by the Minister of Finance.

Some Hon. Members: Hear, hear!

Hon. Mr. Calvert: — I want to share with the House today, Mr. Speaker, on this theme of the nature of our people and our province meeting challenges and turning them into opportunities, I want to share with this House a lengthy quote from the current Governor General of Canada, Adrienne Clarkson. I want to share it with the House to ensure that this quote is in the official record of the *Hansard* of this legislature.

Adrienne Clarkson visited this province on September 17 to speak to the Regina Canadian Club. She visited this province precisely six days after the horrific events of September 11. And this is what the Governor General of Canada said in Saskatchewan about Saskatchewan and about Saskatchewan people. She said, in that very, very time of uncertainty after September 11, she said:

Nobody knows what's going to happen. Uncertainty and rumour reign. So what we can do is to hang on to the values that have always made us what we are: values to which Saskatchewan has contributed so much, and which the rest of Canada must not forget.

She went on to say:

It was in Saskatchewan that you taught us to believe that the public good could manifest itself in helping all citizens, no matter what their income or background. You taught us that resources, like your potash, could be part of the common good.

She said:

You taught us that our health could be part of the common good. You taught us that we are all part of each other and that, collectively, we can . . . (do) more than what we are as one selfish individual (can do) or even as one happy family.

She said, Mr. Speaker, of Saskatchewan and Saskatchewan people:

Prairie people know adversity . . . Here in the Prairies, it's the hand of nature that can parch the land with drought, beat it with hailstones, petrify it with cold. And the history of family life, ranching life, farming community life in Saskatchewan is a story of adversity and triumph over . . . (adversity).

But if any people (the Governor General said, if any people) can bring . . . something (to bear) to (a) tragic loss . . . it's the Prairie people.

Now note these words, Mr. Speaker, in the context of this budget:

You know (as Prairie people) you can carry on, and you know that you can help to create something good even when nothing good is happening to you.

Creating "something good even when nothing good is happening to you," Mr. Speaker, that is the character of Saskatchewan people, that is the character of our province. And that, if I may say, is the true character of this budget and this government.

Some Hon. Members: Hear, hear!

Hon. Mr. Calvert: — Mr. Speaker, my time is relatively short today. I do, however, want to illustrate from this budget precisely how we have taken the challenges and turned them into opportunities — met them and turned them into opportunities.

A few moments ago, the Minister of Learning spoke to this House about what's happening and what will happen in education. We have challenges, Mr. Speaker, in education. We have the fastest growing young population in Canada — the fastest growing youth population in Canada. We have a very quickly changing and growing economy in this province, in this nation, and this world.

We have need of skilled tradespeople. We have need of professional people to teach, to nurse, to counsel. We have need to prepare our young people for the future. This is our challenge, and shortly put, we need the tools to do the job. This budget, Mr. Speaker, this budget opens the way for Saskatchewan people to build schools, to build university colleges, to equip our young people with the tools they need for the future of this great province.

Some Hon. Members: Hear, hear!

(12:15)

Hon. Mr. Calvert: — We have a challenge, Mr. Speaker, we have a challenge and we are turning this challenge into an opportunity, And I tell you what, I tell you what, Mr. Speaker. They can criticize us from across the way for doing it; they can criticize us, others can criticize us. Mr. Speaker, they say don't build the schools, they say don't build the colleges. Well I say I don't care about their criticisms. We are going to build the schools. We are going to build the colleges for the sake of the young people of Saskatchewan.

Some Hon. Members: Hear, hear!

Hon. Mr. Calvert: — We are not about to close the doors to the future for Saskatchewan young people. We are going to open the doors of the future.

Mr. Speaker, across Canada today we are well aware of the challenges facing health care, the challenges in funding facing health care. There are those who say — if I may say, who have the courage to say their convictions — there are those who say that publicly funded hospital and doctor care is no longer sustainable in Canada. There are those who would say publicly funded, universally accessible hospital care and doctor care is no longer sustainable in Saskatchewan. There are those who

would say, Mr. Speaker, this budget says just the opposite, just the opposite.

This budget introduces another \$129 million into the funding for publicly funded health care in this province, providing the largest commitment of public funding to health care in the history of the province of Saskatchewan.

Some Hon. Members: Hear, hear!

Hon. Mr. Calvert: — This budget, taking the challenge into opportunity, begins to implement the action plan for health in our province. I haven't got time to detail. This budget recognizes the need for the training of health care providers. This budget, Mr. Speaker, does not introduce user fees, does not introduce medical savings accounts, does not introduce private-for-profit hospitals, does not layer onto the families of Saskatchewan a burden of a health care premium of \$1,100 or \$1,200 as they've done in Alberta.

Mr. Speaker, in the challenges that we've had to face, even in these difficult times, this government has supported and will continue to support sustainable, publicly funded health care in Saskatchewan.

Some Hon. Members: Hear, hear!

Hon. Mr. Calvert: — Mr. Speaker, we've had challenges in infrastructure in this province, particularly in our road network. With the abandonment of the rail, the increase in trucking, we've had challenges in our road network. We've met the challenges, we're meeting the challenges, with a three-year \$900 million infrastructure program.

Some Hon. Members: Hear, hear!

Hon. Mr. Calvert: — The largest infrastructure project in the history of Saskatchewan. And we are not being deferred by the challenge of today. From that program \$300 million to highways, fixing the roads in Saskatchewan, in this budget.

Some Hon. Members: Hear, hear!

Hon. Mr. Calvert: — And if I may say, Mr. Speaker, turning challenge into opportunity, just stay tuned. For in a matter of days or weeks, the Minister of Highways will be making an announcement about how in this challenge of rebuilding the highways of Saskatchewan, we will be seizing new opportunities in new technologies that will again lead the continent.

Some Hon. Members: Hear, hear!

Hon. Mr. Calvert: — Mr. Speaker, in information, in information technology and the movement of information in this province, we have a challenge. We've got a widely dispersed population in Saskatchewan — many small communities that want to participate in the economy, that want to have the possibilities of education for their people. What are we doing? We're accepting the challenge. We're putting in the infrastructure of high-speed Internet across the province. Through CommunityNet, we're going to lead the continent, Mr. Speaker.

Some Hon. Members: Hear, hear!

Hon. Mr. Calvert: — Mr. Speaker, we're all facing the challenge of global warming in every corner of the globe. This province is showing leadership in the challenge. We've identified a greenprint. We've identified and will fund an office of energy conservation. We've begun the process of building wind power generation in this province. And I am proud that my own Legislative Secretary, the hon. member from Greystone, will be leading this initiative.

We have a challenge . . . we are finding opportunities. Some of the biggest challenges we face, there's no doubt about it, Mr. Speaker, in this province is in rural Saskatchewan, particularly in our agricultural community.

Now as I travel across rural Saskatchewan, I find economic development happening everywhere in small communities, and large. I fundamentally disagree with the editorial policies of the Saskatoon *StarPhoenix* when they say, when they say that economic activity in this province is going to be centred in large urban areas.

Yes, there'll be economic activity in large urban centres. But as I travel this province, I find economic activity and enthusiasm everywhere I go. But there is no doubt about it — our farm families are facing great challenges.

In light of this, in light of this, Mr. Speaker, in this budget, even in these difficult times, we have maintained all of our funding — all of our share of funding for the Saskatchewan Crop Insurance Program.

Not only have we maintained the funding in these difficult times, we've added to the funding another \$14.9 million. We've maintained the cash . . . the crop cover program. We've maintained the transition program. We've maintained the benefits of fuel tax relief to our farm families. We're injecting new money into municipal government through our revenue-sharing plan. We're injecting new money into policing across Saskatchewan.

Mr. Speaker, which level of government is not maintaining their support for rural Saskatchewan? The one level of government that seems to be defended by members opposite, that's defended by the new Leader of the Liberal Party — the federal government.

Mr. Speaker, we have initiated, not just on behalf of rural Saskatchewan, on behalf of all of Saskatchewan and all of Saskatchewan people, a plan to build the ethanol industry in this province. The most solid, progressive plan for ethanol development, again, anywhere on the continent.

Some Hon. Members: Hear, hear!

Hon. Mr. Calvert: — We will be, Mr. Speaker, the first jurisdiction in North America to mandate the use of ethanol in our vehicles.

Mr. Speaker, we're challenged in our families. We're challenged with too many people living in poverty. This budget doesn't turn its back on the poor of Saskatchewan, on struggling

families, as we've seen happen in other jurisdictions very close to us. No, this budget injects even further support to families. This budget leads to the building of . . . the further building of the building independence program in our province.

Mr. Speaker, we're building for the future. We're seizing opportunities in research and development. Want to talk about a plan? We've got plans in research and development. We're working with the film production industry in opening the sound stage in this capital city. We are working to build the Synchrotron Institute to seize the opportunities of research around the synchrotron.

And, Mr. Speaker, in these difficult times, we're able to do this and not raise the provincial sales tax. We're doing this and not foregoing our plan to continue to make our income tax system competitive across Canada and for Saskatchewan people.

Mr. Speaker, we're able to do this — why? We're asking more, we're asking more from some of our citizens in tobacco taxes, we're asking more in liquor consumption taxes, but we're doing this fundamentally on good planning that puts some money aside. Money aside in a savings account for the rainy day. And when the rainy day came, we've used it. We've used it, Mr. Speaker, against all the advice from members opposite who for the last two years on an almost daily basis were telling us, spend the money — spend the money. Cut the taxes; spend the money.

Well, Mr. Speaker, I will lay the concepts of this budget beside any plan that they care to identify. Any plan they . . .

Some Hon. Members: Hear, hear!

Hon. Mr. Calvert: — And, Mr. Speaker, I'll tell you I'll go to any community in Saskatchewan and I'll talk about our plan and our budget for this province and I'll stand on any platform with them and we'll compare plans.

I just want to tell you, Mr. Speaker, last night, last night I had opportunity to travel out to the community of Raymore — Raymore, Saskatchewan. I went out to the community of Raymore to talk about this plan and this budget. You know what, Mr. Speaker. I had more people in the high school gymnasium in Raymore last night than they had in their 40 meetings across the province combined.

Some Hon. Members: Hear, hear!

Hon. Mr. Calvert: — You see, Mr. Speaker, these folks over here have got it all backwards. They've got it all backwards. The way good public policy is made and implemented is as follows: you meet people; you travel to their communities; you talk to people; you take from the community of people you seek to represent, their ideas, their thoughts, their concerns; and you bring that in; then you form your public policy; then you implement your public policy; and then you go back to those same people and say, what next? What's working? What's not? What's next? That's what we did, Mr. Speaker.

We travelled the province — 6,000 — 6,000 people we talked to across this province. We've met with people in chambers of commerce, we've met with people at the Saskatchewan

Federation of Labour, we've met with people on our university campuses. Out of that we build a plan, a sustainable plan, a plan that meets the challenges. And then we implement. And then when we go to Raymore, when we go out to rural Saskatchewan, when we go to urban Saskatchewan, people are anxious to talk to us.

Now they have it all backwards. What did they do? Typically, typically somewhere in the dead of night, they hatched up a one-page plan.

An Hon. Member: — One-line plan.

Hon. Mr. Calvert: — Well a one-line plan — cut the taxes and we're into nirvana. And then what did they do? They go out and they say, well here's the plan. Everybody should come and appreciate the plan.

Well we saw how the people came to appreciate the plan. I don't know. Where was it there were 20 people — I think that was the biggest crowd, 20 — I'm not sure where that was. But I know this — I know this. There were seven people — seven people — showed up at Morse, five people showed up at Fort Qu'Appelle — one of them was one of ours I think. No, four in Meadow Lake wasn't it? I think there was 12 out in Moose Jaw, two in Assiniboia. Mr. Speaker, it's all backwards. You don't build and hatch a plan somewhere here and then take it out.

Well now the member from — where is he from? — Indian Head, the member from Indian Head says I should call an election. He ought to be careful what he asks for, Mr. Speaker, because I've been out to Indian Head. I've been out to Indian Head and they're telling me they're looking forward to a new member after the next election.

Some Hon. Members: Hear, hear!

Hon. Mr. Calvert: — Mr. Speaker, oh there's so much more I could say, so much more I want to say, Mr. Speaker. But let me just say this. This, Mr. Speaker, is a budget that meets the challenges and the challenges have been many and onerous. This is a budget that meets the challenges, that takes those challenges and takes from them opportunities. Why, Mr. Speaker, because this is the province of opportunity.

It is the character of Saskatchewan people when nothing good is happening to take that circumstance and make something good of it. We've done it before, we're doing it today, and we'll do it in future with a government that shows the leadership and the capacity of leadership demonstrated by this Minister of Finance in taking us forward.

Some Hon. Members: Hear, hear!

Hon. Mr. Calvert: — Mr. Speaker, the people of Saskatchewan someday soon or perhaps later will have an opportunity to voice their opinion at the ballot box. Mr. Speaker, I predict today — I predict today — just as they have rejected their plan they will reject that party. They will re-elect a strong New Democratic Party government to take this province into the future.

Some Hon. Members: Hear, hear!

(12:30)

The Speaker: — Order please. Members of the Assembly . . . Order please. Members of the Assembly it now being 12:30 on the fifth day of the budget debate it is incumbent on me to request, or offer, the Minister of Finance 20 minutes to close the budget debate. I recognize the Minister of Finance.

Some Hon. Members: Hear, hear!

Hon. Mr. Cline: — Well thank you very much, Mr. Speaker. And I'd like to begin this morning . . . or this afternoon by personally acknowledging and thanking the people of Saskatoon Mount Royal, my neighbours, who send me to this place. And I feel very privileged to speak in the legislature. And I feel it's an honour and a privilege to present a budget to the people of the province as I've had the great privilege to do now under two different and equally distinguished premiers.

And I want to say, Mr. Speaker, also that I'd like to thank my colleagues on both sides of the House for their contributions to the budget debate. I found their comments to be sometimes helpful, sometimes informative, sometimes entertaining if nothing else, Mr. Speaker.

And I want to thank the members on this side of the House for their continuous support and encouragement of what I think is overall a very positive budget for reasons I'll get into later.

I also want to take a moment, Mr. Speaker, to thank the very dedicated women and men who work in the Saskatchewan Public Service who do a very good job throughout the year. And they strive to provide the government and the cabinet and the public with the very best information and analysis that they can.

And I especially want to thank the women and men in the Department of Finance for the very good work they do on a day-to-day basis. I'm very proud to work with them and especially at budget time, because the development of a budget, Mr. Speaker, is actually very difficult.

It's very easy to poke holes at decisions. It's very easy to be all things to all people and say we'll cut all the taxes, we'll increase spending and so on. But when you're actually in the position of having to come up with a budget, you have to make the tough choices and then you have to be prepared to defend them. And that is done with the support of people at the Department of Finance who work very hard, do a good job, and sometimes work very late at night at this time of year leading up to a budget, Mr. Speaker. And I appreciate the good work that they do.

Well those difficult decisions have to be made in any year and, as the Premier has said and it's true, Mr. Speaker, this has been a particularly difficult year because of the drought, the softwood lumber dispute, the American recession, the Canadian economic slowdown, and much lower oil and gas prices. We've come through a difficult year.

But I think the key is, Mr. Speaker, we've come through that difficult year. We've come with a budget that is going to be a budget of building, Mr. Speaker. And the Premier has said

we're going to build the highways by fixing the roads. We're going to build the schools and the universities. And we're going to work with the municipalities by increasing municipal revenue sharing.

And I want to say, Mr. Speaker, that, you know, the opposition is very, very negative about everything that happens in the budget, everything that happens in the House — I think everything that happens in the province. And you could get depressed, I suppose, if we didn't go all over the province talking to the people, Mr. Speaker.

And I want to say in the nine days since the budget was tabled, Mr. Speaker, I've had the pleasure of speaking to hundreds of Saskatchewan people — in Saskatoon, in North Battleford, in Moose Jaw, in Regina — in person, on the telephone, people from all over the province, at meetings and on open-line shows as well.

And my colleagues also have been around the province. And I want to report to you on what they have heard. And what we have heard from the people of the province, Mr. Speaker, is this — Saskatchewan people like the budget.

Some Hon. Members: Hear, hear!

Hon. Mr. Cline: — Now why do they like it, Mr. Speaker? They like it because we didn't raise the sales tax. We didn't raise the sales tax as the Leader of the Opposition's cousin in British Columbia did. The Leader of the Opposition is on record as saying we should do everything they are doing in British Columbia. What did they do there? They raised the sales tax as well as the medicare premiums. Well we didn't do that.

They liked the budget, Mr. Speaker, because it did not introduce a medicare premium. Again, listen to what the opposition says. They always say do what they do in Alberta, do what they do in British Columbia. What do they do? \$1,400 tax per family per year for medicare premiums in Alberta, Mr. Speaker. Same in British Columbia. That's what they want to do. But Saskatchewan people are pleased that this budget did not do that.

Also, Mr. Speaker, they like the budget because it continues with our income tax reform and it continues cutting the income taxes in the province. Saskatchewan people support that.

Business people like the increase in the corporate capital tax threshold, which makes us the province with the highest threshold in the country for the corporate capital tax which will save business money and create jobs in Saskatchewan.

They like the plan that we have on this side of the House to increase health care spending by 5.8 per cent. We've heard from the opposition that they would freeze health care spending, Mr. Speaker. That is not the policy of our government. This budget puts more money into health care and I think the people approve of that.

I think the people approve of the fact that this budget, Mr. Speaker, increases health care research by 80 per cent, Mr. Speaker. I think they like that fact.

And I think, Mr. Speaker, they approve of increased funding for education, contrary to what the members opposite say, because they would say they would . . . they'd say they would freeze education.

And I say, Mr. Speaker, the Saskatchewan people like the ethanol plan that we have in this budget. Because this government is saying that we're going to develop the ethanol industry in this province, as the Premier has said. And I think, Mr. Speaker, the people of the province support that.

And I've even had people say to me, Mr. Speaker, that they approve of the increase in the tobacco taxes and the liquor tax. They understand that. They say, if you have to get more revenue — and in difficult times maybe you do — don't raise the PST as the opposition might; don't raise the income taxes as the opposition probably would do; but cut the . . . or raise the tobacco and liquor taxes if you have to. And that's what we've done.

I think, Mr. Speaker, they're pleased with the 18 per cent increase to municipal revenue sharing that is a result of this budget. I think they support the increase to police funding that is in this budget, Mr. Speaker.

In short, Mr. Speaker, I think the people of the province support this budget. And I think they recognize that it's a budget that has been put together in challenging times.

And the question is, Mr. Speaker, I think we should consider this question very carefully: why are the members opposite upset with the budget? I think it's quite simple. They know that we've had difficult times, Mr. Speaker, and what they wanted this government to have to do was to increase the sales tax. That's what they wanted. What they wanted was, they wanted the government to have to increase the income taxes. That's what they wanted. They wanted a budget that would increase health care premiums. That's what they wanted, Mr. Speaker.

And we didn't do that. We said, we're going to live within our means; we're going to do some new things, but we're going to live within our means; but we're not increasing the PST; we're not increasing income taxes; we're not bringing in medicare premiums. We didn't do those things, Mr. Speaker. And the fact of the matter is, that makes those members very unhappy.

Some Hon. Members: Hear, hear!

Hon. Mr. Cline: — Because that is really what they wanted so that they would have something to complain about. That's what they wanted.

Now since they don't have that, what they have to do — and we've seen it day after day, Mr. Speaker — they have to grasp at straws in order to come up with some way to criticize the budget. So what do they say? They come into the Legislative Assembly and they go out into the media and they say, well it's not the real picture. They're hiding something. It's not a balanced budget because there's no money in the Fiscal Stabilization Fund — they say.

But what we have to remember, Mr. Speaker, is what they were saying a year ago — and this is on the public record, Mr.

Speaker, this is on the public record — what they said a year ago was the Minister of Finance is sitting on \$700 million. Sitting on the money. That's what they said.

And they said that money should immediately be sent out to the people in the form of energy rebates and tax cuts and to the nurses and fix the roads and all that. The point is, Mr. Speaker, they said that we were sitting on a slush fund, they called it; we were saving it for the next election. And they went so far — and it's a matter of public record — as calling for a special legislative session to be called. To do what? To come in, to bring the money in, and to spend it. That's what they said a year ago.

Now fast forward to this year, Mr. Speaker. Now they come into the House and they go out to the media, and what do they say to the people this year? They say, oh, there is no money.

So one minute, there's all this money that we're supposed to . . . that I'm sitting on apparently. I haven't found it yet. One year, there's all this money; the next year, all of a sudden there's no money. Well which way is it? I mean it can be one way or it can be the other, but it can't be both ways, Mr. Speaker. And the reality is when you talk out of both sides of your mouth at the same time, eventually you get caught out, Mr. Speaker.

Some Hon. Members: Hear, hear!

Hon. Mr. Cline: — And I think, I think that's what's happening here.

But now fast forward to last . . . the other day, Mr. Speaker, and then what we had was, we had first of all, the opposition saying well, there's no money there. Now that's their position. Then I said to the media, well, I thought we should change the Fiscal Stabilization Fund to allow us to draw down the \$300 million reserve and spend that on highways and fixing the schools and fixing the university buildings and giving some of it to the municipalities.

And then the opposition critic came in — he had been saying there's no money there — and all of a sudden he said, well why are you changing the legislation to allow you to access that money? Well that's kind of strange, Mr. Speaker.

An Hon. Member: — How does that work?

Hon. Mr. Cline: — How does that work, one of the members asks. And it's a good question because one minute, there's no money there and then we're back to, well, the money's there after all.

Well, the reality is, Mr. Speaker, as . . . Well, I'll put it this way. There isn't a person in this province, Mr. Speaker, that doesn't know that when those people were in office they ran up a debt of a billion dollars a year which we have been trying to pay down. There's nobody in the province that doesn't know that, Mr. Speaker. And there's nobody in this province that takes that opposition seriously when they come in and talk about fiscal responsibility, Mr. Speaker. Nobody takes that seriously at all.

Now, I want to, I want — and to demonstrate this point, Mr.

Speaker — I just want to say that just as there should be accountability on the part of the government, there should be accountability on the part of the opposition.

Now last year when we presented the budget, I estimated in the budget that the price of natural gas would be \$5.35 for the year. What did the members opposite do? They came in — and they're all running around like chickens with their heads cut off — and they said, oh my God, he's underestimating the price of natural gas, and it's because he wants to build up a big slush fund because we know that the price of natural gas isn't going to go down. They said it's going to stay high. They said we're trying to build up this slush fund.

Now of course what happened, Mr. Speaker — and I'm not taking any personal credit for this — but what happened was the price of natural gas did fall and it was more or less what we said it would be in the budget.

Now did the opposition ever come forward and say, well, whoops we were wrong. No. No, what they did instead is they go on to the next item.

So then they say — and I even heard a member say it this morning — they say you know what the government is doing? They say they're overestimating potash revenues by tens of millions of dollars. They said it last week; one of them said it again this morning.

Even though, Mr. Speaker, the industry has come forward, the analysts from the potash industry have come forward and they've said the government projections are probably correct. That's what they've said, Mr. Speaker.

But undaunted, the experts in the opposition go on and they say, oh well, but the government then is fudging the numbers by overestimating the sales tax revenue. That's what they said last week. I think somebody said it again today. And they keep saying it, Mr. Speaker, even though the analysts have come forward and said, well, no, it looks like the government's projections are fairly reasonable. That's what the analysts say, Mr. Speaker.

And what does it mean, Mr. Speaker? It means that what we have over there — and the public need to recognize this and I think they do — is a group of men and women that will say anything in order to do one thing, Mr. Speaker, in order to do one thing. And that is to obtain power. Because that is their one goal, Mr. Speaker.

(12:45)

And the problem with people that have very little in the way of principle, nothing in the way of consistency is this, Mr. Speaker. The problem is that if you ever give power to them, then what you will have in Saskatchewan is the same thing that we presently have in the Province of British Columbia. You will be buying a pig in a poke, a bunch of people that come along, do one thing before an election, and do something after an election.

And I would predict, Mr. Speaker, that if it ever came to pass that this group of individuals came to the treasury benches and

to this side of the House — and it's not going to happen — but if it did what you would see, Mr. Speaker, would be massive tax increases, because that's what they would have to do to fund their promises. You would see massive firings of public servants at the same time, because that's what you'd have to do. You would see a freeze to education. You would see a freeze to health care. And ultimately, Mr. Speaker, what you would see is the destruction of the public health care system and the two-tiered, American-style health care system, Mr. Speaker. Because that is what those people are all about when you really get down to the basics, Mr. Speaker.

Some Hon. Members: Hear, hear!

Hon. Mr. Cline: — And they would sell the Crown corporations to do it, Mr. Speaker. That's exactly what they would do.

And I want to say, Mr. Speaker, that you know it's very strange to listen to the members opposite say that they're going to vote against the budget, because what are they going to vote against? They're going to vote against \$90 million of capital construction for schools and universities. That's what they're going to vote against.

They're going to vote against this government's plan to fix the roads, because that's what we're doing, Mr. Speaker. They're going to vote against it. They're going to vote against the building independence plan that is taking families off of welfare, Mr. Speaker. They're going to vote against it.

They're going to vote against — I can hardly believe this one, Mr. Speaker — they're going to vote against increased funding for the municipalities. They're going to vote against that, Mr. Speaker.

Now I want to say a word about this, Mr. Speaker. The member from Wood River was up this morning talking about the record of this government in the last 10 years. Well I'll tell the member what the record of this government in the last 10 years is.

The record of this government, Mr. Speaker, is taking this province from being one of the worst provinces in Canada when it comes to debt, to being one of the best, Mr. Speaker. The record of this government in the last 10 years, Mr. Speaker, is a government that saw the economy of the province grow by 28 per cent in the last 10 years, Mr. Speaker. That's one of the best records in this country, Mr. Speaker.

The record of this government on taxation, Mr. Speaker . . . What is the record? It is this: personal income taxes down one-third since 1993, Mr. Speaker; sales taxes down from 9 per cent to 6 per cent, Mr. Speaker; and the small-business tax, Mr. Speaker, down 40 per cent.

Some Hon. Members: Hear, hear!

Hon. Mr. Cline: — Now, Mr. Speaker, let's look at this record. They talk about taxes, Mr. Speaker. Personal income tax down one-third, small-business taxes down by 40 per cent, sales taxes down by one-third. Now, Mr. Speaker, does anyone in the province seriously believe that these people could take office and have a better record than that? I don't think so.

Mr. Speaker, the problem with the opposition and what they have to say is this: what they have to say just doesn't add up, Mr. Speaker. It doesn't add up.

And when it comes to a budget, Mr. Speaker, we can listen to the negativity in the opposition, we can listen to the negativity in some aspects of the media, Mr. Speaker. But you know, I'm not going to listen to the opposition, I'm not going to listen to the negative parts of the media. I and my colleagues, Mr. Speaker, are going to listen to the people.

Some Hon. Members: Hear, hear!

Hon. Mr. Cline: — And the people, Mr. Speaker, believe that we should build the schools and believe that we should fix the roads and believe that we should build the universities. That's what we're going to do — without their support, Mr. Speaker.

Some Hon. Members: Hear, hear!

The Speaker: — Order. Why is the member from Saskatoon Sutherland on his feet?

Mr. Addley: — Mr. Speaker, with leave to introduce guests.

Leave granted.

INTRODUCTION OF GUESTS

Mr. Addley: — Thank you very much, Mr. Speaker, and thank you hon. members. Many may wonder why my decorum suddenly improved in the House a few minutes ago. That's because the four most important people in my life just entered. And that's my wife Karen, and my three sons, David, Eric, and Connor. And they are down here for spring break which is why I haven't been to a lot of meetings this week. I've been able to spend some quality time here.

And my wife Karen, as we know, is a very powerful person and is also a very good student who learned from one of the better teachers in Prince Albert, Mr. Speaker.

And what we're doing now is just voting on a Bill to go into . . . sorry, a motion to go into the Committee of Finance so we'll be ringing the bells and going.

All hon. members please welcome my family.

Thank you.

Hon. Members: Hear, hear!

SPECIAL ORDER

ADJOURNED DEBATES

MOTION FOR COMMITTEE OF FINANCE (BUDGET DEBATE)

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

The Speaker: — Members of the Assembly, it is now incumbent upon us to vote the motions with respect to the budget debate.

The division bells rang from 12:53 until 12:54.

Amendment negatived on the following recorded division.

Yeas — 23

Hermanson	Elhard	Heppner
Julé	Krawetz	Draude
Gantfoer	Toth	Wakefield
Stewart	Bjornerud	Eagles
McMorris	D'Autremont	Bakken
Wall	Brkich	Wiberg
Weekes	Hart	Allchurch
Peters	Huyghebaert	

Nays — 30

Calvert	Addley	Atkinson
Hagel	Lautermilch	Serby
Melenchuk	Cline	Sonntag
Osika	Lorjé	Kasperski
Goulet	Van Mulligen	Prebble
Belanger	Crofford	Axworthy
Nilson	Junor	Hamilton
Harper	Forbes	Jones
Higgins	Trew	Wartman
Thomson	Yates	McCall

The division bells rang from 12:56 until 12:57.

Motion agreed to on the following recorded division.

Yeas — 30

Calvert	Addley	Atkinson
Hagel	Lautermilch	Serby
Melenchuk	Cline	Sonntag
Osika	Lorjé	Kasperski
Goulet	Van Mulligen	Prebble
Belanger	Crofford	Axworthy
Nilson	Junor	Hamilton
Harper	Forbes	Jones
Higgins	Trew	Wartman
Thomson	Yates	McCall

Nays — 23

Hermanson	Elhard	Heppner
Julé	Krawetz	Draude
Gantfoer	Toth	

The Speaker: — Order, order, please. Members this is a very important part of the business of the members and it must be heard and it should not be interrupted. And I ask everybody to observe that decorum. I will proceed with the vote.

Wakefield	Stewart	Bjornerud
Eagles	McMorris	D'Autremont
Bakken	Wall	Brkich

Wiberg
Allchurch

Weekes
Peters

Hart
Huyghebaert

Some Hon. Members: Hear, hear!

COMMITTEE OF FINANCE

The committee reported progress.

Hon. Mr. Lautermilch: — Mr. Speaker, I move the House do now adjourn.

The Speaker: —I wish everyone a good weekend and a safe drive home.

The Assembly adjourned at 13:02.