

The Assembly met at 13:30.

Prayers

**ROUTINE PROCEEDINGS**

**PRESENTING PETITIONS**

**Mr. Kwiatkowski:** — Thank you, Mr. Speaker. I rise to present petitions on behalf of citizens of Saskatchewan disappointed by this government's treatment of the snowmobile industry in this province. The prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the provincial government to recognize the financial savings that could be made by contracting the Saskatchewan Snowmobile Association to groom provincial trails and obtain funding for this through the sale of provincially owned grooming equipment, and mandatory trail permits on Crown land and provincial parks, and the attachment of trail permits to snowmobile registrations.

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

There are five petitions here, Mr. Speaker, and they are signed by citizens of Regina, Mistatim, Wadena, Yorkton, Melfort, Little Bear Lake, Lower Fishing Lake, Codette, Gronlid, Saskatoon, Choiceland.

And I so present. Thank you, Mr. Speaker.

**Ms. Julé:** — Thank you, Mr. Speaker. Mr. Speaker, I present a petition on behalf of citizens of Saskatchewan concerned about the sexual abuse and exploitation of children in our province. And the prayer reads as follows, Mr. Speaker:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to immediately implement all 49 recommendations of the final report as submitted by the Special Committee to Prevent the Abuse and Exploitation of Children Through the Sex Trade.

And the signators on this petition, Mr. Speaker, are from the community of Wadena.

I so present.

**Mr. Hermanson:** — Thank you, Mr. Speaker. I have a petition signed by residents of Saskatchewan that regards the long-term care fee increases in the province of Saskatchewan. And, Mr. Speaker, the prayer reads:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to immediately reconsider the exorbitant fee increases for long-term care services in Saskatchewan.

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

Mr. Speaker, there are a number of signatures on this petition and they are from the two communities of Elrose and

Rosetown. And I'm pleased to present this petition on their behalf.

**Ms. Draude:** — Thank you, Mr. Speaker. I rise today to speak from people in the province who are concerned about the Snowmobile Association:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the provincial government to recognize the financial savings that could be made by contracting the Saskatchewan Snowmobile Association to groom provincial trails and obtain funding for this through the sale of provincially owned grooming equipment, mandatory trail permits on Crown lands and provincial parks, and the attachment of trail permits to snowmobile registration.

The people that have signed these petitions are from Yorkton, Fort Qu'Appelle, Muenster, Humboldt, Lipton, Rouleau, Mistatim, Nipawin, Meadow Lake, Regina, and Yorkton.

**Mr. Gantfoer:** — Thank you, Mr. Speaker. I rise this afternoon on behalf of citizens who continue to express their concern about long-term care fees. The prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to immediately reconsider the exorbitant fee increases for long-term care services in Saskatchewan.

Signatures this afternoon on this petition are all from the city of Regina.

I so present.

**Mr. Bjornerud:** — Thank you, Mr. Speaker. I also have a petition to do with long-term care fees. The prayer reads:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to immediately reconsider the exorbitant fee increases for long-term care services in Saskatchewan.

The signatures, Mr. Speaker, are from the city of Yorkton and the town of Saltcoats.

**Mr. Wakefield:** — Thank you, Mr. Speaker. I have a petition from concerned citizens of Saskatchewan, concerned on the long-term care fee increases. And the prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to immediately reconsider the exorbitant fee increases for long-term care services in Saskatchewan.

And this petition is signed, Mr. Speaker, from people in Regina.

I so submit.

**Mr. Stewart:** — Thank you, Mr. Speaker. I rise this afternoon to present a petition signed by citizens concerned with fee increases for long-term care services. And the prayer reads:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to immediately reconsider the exorbitant fee increases for long-term care services in Saskatchewan.

Mr. Speaker, this petition is signed by individuals from the communities of Canora, Foam Lake, and West Bend.

I so present.

**Mr. Elhard:** — Thank you, Mr. Speaker. I rise today to present a petition concerning insurance premium hikes and coverage reductions instituted by the crop insurance program this year through the direction of the provincial government. 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 almost exclusively by producers in the Cabri area.

**Ms. Eagles:** — Thank you, Mr. Speaker. Mr. Speaker, I stand to present a petition on behalf of citizens who have ongoing concerns regarding the long-term care fees. And the prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to immediately reconsider the exorbitant fee increases for long-term care services in Saskatchewan.

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

And this is signed by folks from my constituency, namely, the city of Estevan.

I so present.

Thank you.

**Mr. McMorris:** — Thank you, Mr. Speaker, I too have a petition to present on behalf of citizens of 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 loss of life and injury and to prevent the loss of economic opportunity in the area, Mr. Speaker.

Mr. Speaker, this petition is signed by many people in the Sedley and Francis area.

I so present.

**Mr. Brkich:** — Thank you, Mr. Speaker. I have a petition here signed by the citizens from the good town of Davidson.

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to immediately reconsider the exorbitant fee increases for long-term care services in Saskatchewan.

As in duty bound, your petitioners will ever pray.

**Mr. Wiberg:** — Thank you, Mr. Speaker. I have a petition this afternoon I'd like to present on citizens who are concerned about the abuse of children through the sex trade in our province, and the petition reads as follows, Mr. Speaker:

Wherefore your petitions humbly pray that your Hon. Assembly may be pleased to cause the government to immediately implement all 49 recommendations of the final report as submitted by the Special Committee to Prevent the Abuse and Exploitation of Children Through the Sex Trade.

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

Mr. Speaker, this petition is signed by the good people of Prince Albert.

I so present.

**Mr. Weekes:** — Thank you, Mr. Speaker. I also would like to present a petition concerning the abuse and exploitation of children through the sex trade. The prayer reads:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to immediately implement all 49 recommendations of the final report as submitted by the Special Committee to Prevent the Abuse and Exploitation of Children Through the Sex Trade.

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

Signed by the good citizens of Wadena.

I so present.

**Ms. Harpauer:** — Thank you, Mr. Speaker. Mr. Speaker, it probably comes as no surprise to you today that I have a petition with citizens concerned about the deplorable state of Highway No. 15, and the prayer reads as follows:

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 conditions of Highway 15 for Saskatchewan residents.

And again the signatures demonstrate how well travelled this highway is. They are from Imperial, Kindersley, Watrous, Simpson, Manitou Beach, Englefeld, Pilot Butte, Saskatoon, and Regina.

I so present.

**Mr. Allchurch:** — Thank you, Mr. Speaker. Mr. Speaker, I also rise in the Assembly today to bring forth a petition signed by citizens of Saskatchewan. And the prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to immediately reconsider the exorbitant fee increases for long-term care services in the province of Saskatchewan.

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

And the signatures on this petition, Mr. Speaker, are all from the . . . Duck Lake.

I so present.

**Mr. Peters:** — Thank you, Mr. Speaker. I have a petition signed by concerned residents of the province. And the prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to immediately reconsider the exorbitant fee increases for long-term care services in Saskatchewan.

Mr. Speaker, the petition is signed by folks from North Battleford and Battleford.

I so present.

**Mr. Huyghebaert:** — Thank you, Mr. Speaker. Mr. Speaker, I also have a petition from citizens that are very, very concerned still with what's going to happen to long-term care fees in this province. And the petition reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to immediately reconsider the exorbitant fee increases for long-term care services in Saskatchewan.

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

And, Mr. Speaker, this petition is signed by the good folks of Meyronne, Saskatchewan.

I so present.

#### READING AND RECEIVING PETITIONS

**Deputy Clerk:** — According to order the following petitions have been reviewed and are hereby read and received as addendums to previously tabled petitions being sessional paper nos. 7, 11, 17, 18, 23, 24, 31, and 59.

#### NOTICES OF MOTIONS AND QUESTIONS

**Ms. Draude:** — Thank you, Mr. Speaker. I give notice that I shall on day no. 42 ask the government the following question:

To the Minister of Learning: what was the name of each published departmental policy report, study, review, or consultant's report undertaken by this department or its predecessor, the Department of Education and the

Department of Post-Secondary Education, in the year 2001-2002; and what was the cost of conducting each of these to the government?

Mr. Speaker, I have the same question for the years right back to the year 1992-1993.

**Mr. Brkich:** — Thank you, Mr. Speaker. I give notice that I shall on day no. 42 ask the government the following question:

To the Minister of Government Relations: how many houses were relocated in Saskatchewan in the year 2000 under the housing authority program; and further to that, where were these houses relocated from and where did they go?

Also I have another question for . . . dealing with the year 2001.

#### INTRODUCTION OF GUESTS

**Mr. Kwiatkowski:** — Thank you, Mr. Speaker. It is my pleasure to introduce to you and through you to all members of the Assembly, a group of students from Arborfield School. These students are here today on a job shadow program, Mr. Speaker. They are all keenly interested in the legislative process and are hoping that they can learn as much as possible this afternoon and possibly meet a number of the MLAs (Member of the Legislative Assembly) as well.

You will remember, Mr. Speaker, some of these students were the more enthusiastic of the participants during your visit to Arborfield. And I think from that afternoon, we actually have the premier and the leader of the opposition amongst the students.

And I would ask each of them to stand in turn as I introduce them. Firstly we have Nicole Kapeller, grade 9. We have Megan Thoreson, grade 9; Bryant Campbell, grade 9; Bonnie Cummings, grade 12; James Vickaryous, grade 12. And they are accompanied today by my constituency assistant, Shelley McCrea and volunteer, Bridgette Spranger.

I would ask all members to join me in welcoming to the Assembly today.

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

**The Speaker:** — By leave of the Assembly, members, I would just like to express my own appreciation through, at this time, to the students for accommodating the Speaker on his visit to their school. And I do want to advise the members here that these students understand quite a bit about parliamentary process.

**Mr. McMorris:** — Thank you, Mr. Speaker. Through you and to you to the rest of the Assembly, I'd like to introduce 16 grade 12 students from the Sedley High School in my constituency. Their teacher is Sandi Robertson, chaperones Gwen Nell and Nadine Jensen. Some of the faces I recognize because they are pretty close to my home area, just about half a mile down the road.

I have the opportunity also of meeting with them after QP

(question period) and hope to be able to explain some of the things that take place in this House during question period. And it's only during question period, the other five hours of the day is quite a bit quieter. So we'll certainly talk about that, I guess, with our meeting after question period.

So I'd like all members to welcome them.

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

## STATEMENTS BY MEMBERS

### National Nursing Week

**Ms. Junor:** — Thank you, Mr. Speaker. The week of May 6 to 12 is National Nursing Week. The theme this year is "Nurses Always There For You: Caring For Families." Mr. Speaker, the first thing that needs to be said about Saskatchewan's practising nurses is that this theme does say it all.

As we publicly thank nurses, we also recognize that although their role in health care delivery is expanding into areas unheard of a few years ago, the basic philosophy of nursing remains the same — providing access to quality care.

(13:45)

Nurses provide the day-to-day care of patients and today that care expands far beyond traditional support and caring into educating family members, promoting healthy life habits and focusing on preventing illness.

Nurses need a depth of knowledge and involvement in the community that takes into account diversity among families and family members.

Nursing has evolved with the fundamental changes in society and will continue to evolve as needed. The focus of health care is shifting from in-patient treatment to improved community supports that include education and prevention.

Nurses are providing these services in the health care system. They are educated not to just provide care but to also promote good health, to educate, and to work with individuals and families.

Mr. Speaker, nurses have always and will continue to play a critical role in delivering and maintaining our health and our health care system. National Nursing Week is one brief period to recognize this year-round contribution, and we thank all of our nurses for all that they do. Thank you, Mr. Speaker.

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

### Nipawin Volunteer Recognized

**Mr. Kwiatkowski:** — Thank you, Mr. Speaker. Mr. Speaker, Marjorie Moisan of Nipawin was honoured for her years of volunteer service at the Nipawin Hospital Complex with permanent recognition on the Pineview Wall of Fame. Marjorie joins a select few individuals and groups singled out for outstanding volunteer contributions to the lives of residents and staff of the Nipawin Nursing Home.

Marjorie, affectionately referred to as the queen bee of Pineview's volunteers, was recently named the 2001 Volunteer Wall of Fame inductee at a special ceremony which featured tributes to this special volunteer. Joining her there was her husband of 42 years, Ernie, and mother, Dinah Smith, a Pineview resident.

Her volunteer work began at Pineview Lodge 25 years ago when she was asked to do residents' hair once a week. Then 10 years ago, when her parents became residents at Pineview, she became much more involved in every aspect of volunteer work. These duties ranged from planting flowerbeds to serving on the long-term care accreditation committee.

Marjorie, who was honoured earlier this winter for years of service with the Nipawin Junior Hawks hockey team, worked in the medical records department at the hospital for almost 20 years.

I would ask all members to join me in congratulating Marjorie for her recent honour of being named 2001 Wall of Fame inductee. Thank you, Mr. Speaker.

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

### Saskatoon Chamber of Commerce Installs First Nations President

**Hon. Ms. Lorjé:** — Thank you, Mr. Speaker. Ours is truly a province of firsts: first with hospitalization and medicare, the first Arts Board, the first bill of rights, the first Native law centre in Canada, first synchrotron in Canada, first province to give 18-year-old adults the right to vote, and even the first human-made mountain.

Mr. Speaker, yesterday, I was proud to be present at another first — the installation of a First Nations president of a major Canadian city's chamber of commerce. I'm even prouder that the city is Saskatoon.

In the 95 years of the Saskatoon chamber's history, this is the first time that over 30 Elders from Muskeg Lake First Nations were invited, the first ceremony where Chief Gilbert Ledoux spoke, and the first that added an honour song and traditional gift giving to the passing of the gavel.

As a former city councillor and former Minister of Aboriginal Affairs, I am very familiar with the accomplishments of Saskatoon Chamber of Commerce president, Lester Lafond so I know that he is an excellent choice as well as an historic one.

I am particularly impressed with his belief that the best way to solve many of society's problems is through economic activity. As a First Nations leader, and as a business leader, Lester is the perfect person to promote the idea that the best social program is a job.

Lester says that generally he is an optimist. Now that Lester Lafond is running the show in Saskatoon, I too am more optimistic than ever about my city's progress towards economic opportunity and social harmony. Thank you.

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

### North Battleford Youth Business Excellence Awards

**Mr. Peters:** — Thank you, Mr. Speaker. Last Saturday evening I, along with my colleagues, the members from Redberry Lake and Shellbrook-Spiritwood, were privileged to attend the Youth Business Excellence Awards in North Battleford. Their purpose is to link education and business to help young people find opportunity in their own community and in themselves.

Ninety-four young people entered the competition in categories of special achievement, business plan, and business venture. It was very encouraging and exciting to hear about the accomplishments of our young entrepreneurs. It is truly amazing what imagination and a bit of encouragement can produce.

This was a great step toward success in the business world for our future leaders. I would like to thank and congratulate the leaders and organizers of this successful venture, and I would like to ask all members to join me in congratulating our youth for their achievement and encouraging them in their future endeavours.

Thank you, Mr. Speaker.

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

### North American Occupational Safety and Health Week

**Mr. Trew:** — Thank you, Mr. Speaker. May 5 to 11 is North American Occupational Safety and Health Week as observed in Canada, United States, and Mexico. This year's theme is: Prevention is the Cure.

Mr. Speaker, as a former safety officer myself I'm proud to point out that this is the 30th anniversary of Saskatchewan introducing the most comprehensive occupational health and safety legislation in North America.

That legislation has worked. In fact, from 1977 to 2000 the time-loss injury rate in Saskatchewan has declined by more than 35 per cent. WCB (Workers' Compensation Board) claims have declined by 28 per cent since 1972 alone.

Today there are more than 4,000 active occupational health and safety committees in Saskatchewan, Mr. Speaker. We know health and safety in the workplace works, because we've got the data to prove it right here in Saskatchewan.

And we're making even more improvements. This year we've added four new safety officers and Saskatchewan Labour and the Workers' Compensation Board have developed an initiative called Work Safe Saskatchewan.

Mr. Speaker, despite our best efforts, every year too many people are injured or become ill from workplace accidents. Too many are killed, too many are injured — one is too many. In the spirit of this Occupational Safety and Health Week, let us all recommit to making every workplace and every job as safe as we possibly can.

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

### Wakaw Lake Canal Feasibility Study Released

**Ms. Julé:** — Thank you, Mr. Speaker. Mr. Speaker, the town of Wakaw and the Wakaw Lake Canal Committee have announced the completion of a feasibility study into the development of a canal linking the town of Wakaw to Wakaw Lake.

The study was overseen by a 12-person committee chaired by Ed Kidd of Wakaw. Other members of the committee were Daryl Rudichuk, Preston Kaleynuk, Lloyd Wederwer, Rick Kindrachuk, Ray Shevernoha, Russ Baker, Marge Biccum, Steve Skoworodko, Dave Kovach, Ben Nussbaum, and Diane Olchowski.

Mr. Speaker, the study concluded that the canal project is technically feasible and has little or no negative impact on the environment. Preliminary tests of economic and financial feasibility indicate that, providing market efforts are successful, the project would be a real economic boost for the town of Wakaw and area, creating tourism and economic development.

The plan includes a marina where boaters from the lake could moor, as well as a paved covered marketplace and residential lots that, once sold, would pay for the development. The next step is for the town to establish a canal corporation to develop a business plan and try to attract developers.

Congratulations to the people of Wakaw and area for their innovative ideas and for acting on them.

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

### Comedy Duo on New Television Show

**Mr. Van Mulligen:** — Thank you, Mr. Speaker. Mr. Speaker, write down this Web site address, [www.zed.cbc.ca](http://www.zed.cbc.ca). As soon as we are finished for today's business, go find that address — on your home computer of course, Mr. Speaker — follow the directions and then vote for the entry by the Regina comedy duo of James Whittingham and Kevin Allardyce.

Let me back up just a bit. CBC (Canadian Broadcasting Corporation) TV is launching a new late night series called *ZeD TV*. The producers have chosen three segments by James and Kevin of a pilot program called *Screwheads* — don't ask me why. Their segments were among 12 which were chosen from over 1,200 applicants. The people's network is showing these segments on late night TV with the idea of eventually deciding the nature of the programming which will run in the fall.

I mention the Web site address because we can vote for our favourite pilot. Mr. Speaker, I believe in cheering for the hometown team, so I think it's worth a moment to give *Screwheads* a boost.

Viewers of Regina Cable TV will remember James and Kevin from their popular show, daringly called *The James and Kevin Show* which ran between 1995 and 1998.

Mr. Speaker, as you know, we have in our small province a very active, very creative group of film and video makers and artists. Kevin and James are among them. Let's show them our support and let's vote for those *Screwheads* at [www.zed.cbc.ca](http://www.zed.cbc.ca).

Thank you, Mr. Speaker.

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

## ORAL QUESTIONS

### Response to United States Farm Subsidies

**Mr. Hermanson:** — Thank you, Mr. Speaker. My question is for the Premier. Mr. Speaker, the Saskatchewan Party is extremely disappointed in the response from the federal Liberals. I understand that Lyle Vanclief has now said there is no commitment to new money from Ottawa.

Saskatchewan farmers, as we all know, are under a massive attack from an increase in US (United States) farm subsidies and the federal Liberal government is now waving the white flag.

Mr. Speaker, what happened this morning at the ag ministers' conference? Why did it end in complete failure for Saskatchewan farmers?

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

**Hon. Mr. Lautermilch:** — Thank you very much. Mr. Speaker, I would want to say to the Leader of the Opposition that I would hope that we wouldn't prejudge the results of the meeting that has taken place in Ottawa. I think it's very clear from comments that our Agriculture minister has made that there hasn't, at this time, been a commitment to the support of the agricultural community as it relates to the trade action that was taken by the American government.

But I think it's fair to say that the national government has heard and recognized the call from this legislature, from the government motion that we are looking for action as it relates to support for the agriculture community, the agriculture producers here in our province.

I have spoken with Minister Goodale. I can say that we are waiting for a report from our Minister of Agriculture. I know that his position was that of the Government of Saskatchewan and it was put very clearly and very strongly to the federal government and to his provincial counterparts.

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

**Mr. Hermanson:** — Thank you, Mr. Speaker. I believe the minister is trying to be very positive but the public news is not very good. We understand that there's been no movement at all, up to this point, by the federal government.

Mr. Speaker, we've also heard that if any new money does come, the Agriculture minister, the federal minister, Mr. Vanclief, says it will have to be cost shared 60/40 with the provinces.

Now, Mr. Speaker, North Dakota isn't picking up 40 per cent of the cost of the new US farm Bill for the \$73 billion of increased spending in the United States. And for that matter, Mr. Speaker, Quebec, the province of Quebec doesn't pick up 40 per cent for the bailouts for Bombardier.

Mr. Speaker, it's only agriculture where it appears that the federal Liberal government is wanting to pass on responsibility to the provinces.

Mr. Speaker, why are the federal government . . . why is the federal Liberals appearing to ignore and abandon Canadian farmers, and what are the ag ministers doing to prevent complete failure?

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

**Hon. Mr. Lautermilch:** — I think, Mr. Speaker, it's fair to say that we have as government taken a very firm position as it relates to support for our farmers. We have relayed our concerns to the federal government; we have asked for them to join us here in Saskatchewan to hear people of Saskatchewan, to hear people from this legislature make representation with respect to the impact that the American actions have taken on our farming community.

Mr. Speaker, this is not, from our perspective, a 60/40 cost-share initiative. This is a trade action that was taken by a national government, the American government, and the support that needs to come to the Canadian agricultural community, the Saskatchewan agricultural community, has to be a Canadian response, Mr. Speaker.

This is not, Mr. Speaker, a matter of us sitting back and waiting for a cost-shared program. This program is the responsibility of the national government. We have said that, our Agriculture minister has said that, and our Premier will say that, sir.

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

(14:00)

**Mr. Hermanson:** — Mr. Speaker, the minister is saying this in the House but we need to know what is going to move the issue forward. Mr. Speaker, we have not gained any ground up to this point, and in fact the information seems to indicate that we may be slipping in regards to getting the required and desired response from the federal government.

Mr. Speaker, that's why we've been calling for more action to force Ottawa to listen. We believe that we need to develop a common front. Saskatchewan farmers are hearing a lot of talk from the federal and the provincial governments, but there's no action. And again it appears, unless the minister can bring new information to the House, that we are being ignored by Ottawa.

Mr. Speaker, what is the Premier going to do, what is the provincial Minister of Agriculture going to do, to get Ottawa's attention more than just speaking here in the House today? What is the government across the way going to do to force the federal government to live up to their responsibilities for Canadian agriculture?

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

**Hon. Mr. Lautermilch:** — Mr. Speaker, I can say that our Agriculture minister isn't here bellowing from his chair as the Leader of the Opposition is. I can say that he is actively pursuing solutions with his provincial counterparts and with the

federal minister.

Mr. Speaker, those discussions are taking place. The minister will report when he returns from Ottawa. I can say that our Premier is actively involved, Mr. Speaker. We intend to ensure that first ministers across Western Canada can speak and will speak with a united voice.

I want to say, Mr. Speaker, this is more than just a Saskatchewan initiative. This is a large trade initiative that needs to be managed and needs to be thought through in terms of process.

Now, Mr. Speaker, the federal government has indicated to us that they intend to join us here in Saskatchewan to hear Saskatchewan people. We are in the process and will continue to be on the process until we've come to an agreement with our federal counterparts to find a process that will work, that will ensure Saskatchewan's voice is heard to ensure that our farmers' position and our farmers' concerns are put forward, and that we find a solution that the national government can bring to us.

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

#### Financial Effect on Agriculture of Government Policies

**Ms. Harpauer:** — Thank you, Mr. Speaker. Mr. Speaker, there can be no doubt that the federal government is not living up to its responsibilities to the producers of this province. But, Mr. Speaker, the Saskatchewan farmers are telling the Premier that his government is not living up to its responsibilities either.

This morning APAS (Agricultural Producers Association of Saskatchewan) released an open letter to the Premier. And it says, and I quote:

On behalf of the farmers and ranchers of Saskatchewan, I would like to express our dismay and frustration concerning recent decisions of your government that affect crop insurance and the education tax programs. These decisions have had a negative impact on farm families, many of which are already struggling with low incomes and an impending drought.

Mr. Speaker, it's bad enough that Saskatchewan farmers have a drought and massive US subsidies to deal with, but they're also under attack by their own NDP (New Democratic Party) government. Why is the NDP attacking the producers of this province?

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

**Hon. Mr. Sonntag:** — Thank you, Mr. Speaker. If the member would have gone on in the open letter to the Premier by the Agricultural Producers Association, the letter also says, it says:

We fully appreciate the increase . . . (contrary to what the opposition members have said). We fully appreciate the increased contribution of the provincial government and the impact of higher prices . . . (in the) production on the program. We also understand the role of the federal government in clawing back funds that were advanced to

Saskatchewan's safety net package last year.

Mr. Speaker, I think that quite well summarizes the complete picture. The reason . . .

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

**Hon. Mr. Sonntag:** — Mr. Speaker, the reason for the increase in the crop insurance package is largely twofold. First of all there is a substantial increase in commodity prices reflected in the premiums, Mr. Speaker — that's logical. And secondly, the federal government has not come to the table to meet its obligations and that's why we have, that's why we have the provincial Minister of Agriculture in Ottawa today, to get a fair deal for Saskatchewan farmers and for producers across the country, Mr. Speaker.

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

**Ms. Harpauer:** — Thank you, Mr. Speaker. Mr. Speaker, it's interesting that we keep hearing from that side of the House that the federal government has not met their obligations with crop insurance. They put \$195 million in last year and they put \$195 million in again this year.

Mr. Speaker, all we ever get out of this government is a lot of talk but no action. That's what APAS is saying also. They said, and I quote — and we will tell the rest of this letter, Mr. Speaker:

. . . Actions must follow words . . . The Throne Speech . . . gave unprecedented priority to rural and . . . (agriculture issues).

Unfortunately, the realities of your government's decisions in the recent budget . . . do not echo . . . your words and send the wrong message to producers.

Mr. Speaker, APAS is specifically talking about the NDP three attacks on Saskatchewan's agriculture: the massive increase to the crop insurance premiums, the cancellation of spot loss hail coverage, and the cancellation of the property tax rebate program.

Mr. Speaker, why did the Premier betray his own words in his budget speech by launching these three attacks on the Saskatchewan farmers?

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

**Hon. Mr. Sonntag:** — Well, Mr. Speaker, the member is absolutely correct in saying the federal government put in exactly the same amount as it did last year, but as many people would know, that's the problem, Mr. Speaker. Crop insurance is a tripartite agreement, Mr. Speaker. It involves the producer, it involves the federal government, and it involves the provincial government. The provincial government increased its commitment by \$14 million, Mr. Speaker — 14 million. The federal government has not matched our contribution and that's a part of the reason why we . . .

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

**Hon. Mr. Sonntag:** — Mr. Speaker, and that's part of the reason there's a problem. Along with, Mr. Speaker, with an increase in the . . .

**The Speaker:** — Order. The Minister of Crown Investments Corporation has the floor.

**Hon. Mr. Sonntag:** — Again, Mr. Speaker, we've said it a number of times, but I think it's worth repeating: Saskatchewan on a per capita basis contributes three point four times above what the average of the other provinces contribute, Mr. Speaker, to agriculture — five times what the federal government commits, Mr. Speaker. I think that shows our commitment to agriculture, Mr. Speaker.

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

**Ms. Harpauer:** — Thank you, Mr. Speaker. Mr. Speaker, the federal government would not agree to put more than they did last year into the crop insurance program because the NDP government had borrowed \$20 million. The farmers, when they take a cash advance, they know they have to pay it back. I wonder if the NDP government could learn that they have to pay back theirs as well.

And, Mr. Speaker, APAS has said that they're undermining their own credibility on trade injury compensation by sending a mixed message to Ottawa. They said, and I quote:

We are pleased that the Government of Saskatchewan has joined the lobby for . . . Trade Injury Compensation . . . But . . . Mr. Premier, this sends a very mixed message to producers, when on one hand you argue the need for more money while on the other (hand) you reduce the funding and the priority of agriculture in your own government (in our own province).

Mr. Speaker, why is the Premier undermining his own credibility with Ottawa and with the farmers by raising crop insurance premiums, cancelling spot loss hail, and cancelling the property tax rebate program?

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

**Hon. Mr. Sonntag:** — Mr. Speaker, I've quoted it once — I don't know if I need to read it into *Hansard* again — but the Agricultural Producers Association, by their own admission, this letter acknowledges the increase that the province has made, Mr. Speaker.

They identify the fact that the federal government has not met their obligations. I've indicated that the province commits on a per capita basis more than any other province in Canada and five times as much as the federal government, Mr. Speaker.

The point is, Mr. Speaker, is that we all need to be united along with other provinces in trying to get the funding that this province and all the provinces and the producers of Canada rightly deserve, Mr. Speaker.

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

**Ms. Harpauer:** — Mr. Speaker, I would like to tell the minister

there is no dispute — we all need to be united when we discuss federal government responsibilities. However, there is provincial responsibilities here as well, something that's been neglected for 10 years now.

Mr. Speaker, APAS notes that the NDP is even ignoring its own Farm Support Review Committee report. They say, and I quote:

With producers facing potentially the most serious drought in decades, farmers have been forced without meaningful consultation to accept a diminished (insurance) crop insurance program.

It is even more frustrating that not one of the industry's recommendations from the Farm Support Review Committee advisory process was adopted in the 2002 crop insurance package.

Mr. Speaker, again I ask, why did the Premier ignore his own Farm Support Review Committee? Why did he pick this year, of all years, to gut the crop insurance program?

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

**Hon. Mr. Sonntag:** — Well, Mr. Speaker, if that member is asking Saskatchewan taxpayers to contribute an even larger portion to agriculture, then I guess that's a fair request. But, Mr. Speaker, I've indicated that Saskatchewan people contribute more to agriculture than do any other people . . . than do people in any other province, or for that matter than does the federal government, Mr. Speaker.

And I look, Mr. Speaker . . .

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

**Hon. Mr. Sonntag:** — Mr. Speaker, again I remind everyone that it's important that we stay united in our focus on the federal government, Mr. Speaker. I look, I look though, Mr. Speaker, I . . .

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

**Hon. Mr. Sonntag:** — I'm getting my exercise here today, Mr. Speaker. Mr. Speaker, I look at the document that the Saskatchewan Party put forward in the last provincial election, Mr. Speaker, under agriculture. And do you know what? They have not one commitment there other than lobbying the federal government under every bullet that they've got. Lobbying the federal government — no commitments, Mr. Speaker.

Now it's important, Mr. Speaker, that we stay united and that we do lobby the federal government. And in terms of provincial contribution, I've indicated that Saskatchewan contributes, Mr. Speaker, on a per capita basis, more than any other province does.

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

#### Investment in Ethanol Industry

**Mr. Wall:** — Thank you, Mr. Speaker. Mr. Speaker, my question is for the Premier or his designate. Will the Premier



confirm today that the NDP's ethanol strategy does not include direct government investment of taxpayers' money in the construction or operation of ethanol production facilities in the province of Saskatchewan?

**Hon. Mr. Lautermilch:** — Well, Mr. Speaker, I guess I want to share the worst kept secret in Saskatchewan with the member from Swift Current with respect to ethanol production. I want to say that I personally met, and government officials have met, with individuals, people who are interested in developing an ethanol industry in this province, with people who are interested in proposing investment to developing an industry in this province. And I have clearly outlined that we are interested in putting a business case together that makes some sense for the people of Saskatchewan.

Would we preclude public sector investment? The answer is no. We believe that there could be room for public sector investment but . . . if members opposite will listen, Mr. Speaker. If members will listen . . .

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

**Hon. Mr. Lautermilch:** — Mr. Speaker, we will put together with the private sector — and it will be a private sector driven initiative — a business plan that will allow for ethanol production, that will allow for intensive livestock to be part of that, and allow for the development of an intensive livestock industry. Mr. Speaker, that's what we're going to do. We're going to create investment opportunities. We're going to create jobs for Saskatchewan people. We're going to diversify the agricultural industry and that's what we're going to do.

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

**Mr. Wall:** — Thank you, Mr. Speaker. When the former Energy minister, the member for Regina South, announced the NDP's ethanol strategy in March, here's what he told *Leader-Post* reporter, Bruce Johnstone, and I'm quoting:

Thomson promised the province would not be involved directly in the industry either through equity investment, debt financing, or Crown corporation participation.

Today in Crown Corporations Committee meeting, CIC (Crown Investments Corporation) president, Frank Hart, testified that the government is considering direct multi-million dollar investment in the construction of ethanol production facilities in the province of Saskatchewan.

The question to the Premier or his designate . . .

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

**Mr. Wall:** — Mr. Speaker, the question for the Premier or his designate is this: who is in charge over there? Is it the senior civil servant, Mr. Hart, at CIC? Is it the bureaucrats at CIC? Or is it the Government of Saskatchewan? Why is this NDP government letting Frank Hart renege on their own promises?

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

**Hon. Mr. Lautermilch:** — Well, Mr. Speaker, I'm going to

satisfy the member's curiosity and I'll tell him who's not in charge. They aren't in charge.

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

(14:15)

**Hon. Mr. Lautermilch:** — They won't be in charge and, Mr. Speaker, the reason why they aren't in charge and why they won't be in charge is because people don't trust them. Because every day they trot into this legislature — half truths, half truths.

And I want to quote what the member from Regina South said, if they'll listen, Mr. Speaker:

We want this to be a private sector driven process. (This is what he said.) If proponents come to the investment arm of the government through . . . (CIC) and ask for equity participation, we would look at that, (and we would in terms of any) as we would in terms of any other investments. I can tell you though, that we are not interested in setting up a crown corporation to market ethanol, to produce ethanol, we are simply interested in participating as any other Saskatchewan investor would, in terms of what makes sense, in terms of business.

That's what he said.

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

**Mr. Wall:** — Mr. Speaker, on the soon and coming day when this party is in charge of the province, you can be . . .

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

**Mr. Wall:** — Mr. Speaker, on the soon and coming day when this party is in charge of the province, we won't have a situation where a minister says one thing two months ago and 60 days later the bureaucrats of the government, and now his successor, contradict what that minister said, Mr. Speaker. We won't have that happening.

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

**Mr. Wall:** — Mr. Speaker, in March the former minister was pretty clear about the NDP's position. Here's what he said. Here's what he said, and I quote:

What this . . .

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

**Mr. Wall:** — Here's what the former minister of Energy, the current member for Regina South said:

What this policy does not do is pick winners and losers. It does not dictate the size and locations of facilities.

And just to make sure that no one misunderstood him, the former minister also added:

The private sector would make the investment in the

ethanol facilities and take the risk.

But today Frank Hart said — that's the president of the Crown Investments Corporation — he said the government is willing to invest directly in ethanol production facilities. Mr. Hart said that the NDP government, through its involvement, will also be directing the size and the scope of the facilities. And Mr. Hart also said that the NDP will be picking the winners and losers. Apparently they've already picked a winner — a company from Denver, Colorado. Mr. Speaker . . .

**The Speaker:** — Order, please. Order, please. Order, please. Would the member go directly to his question now, please. Order, please.

**Mr. Wall:** — Thank you, Mr. Speaker. The previous minister of Energy had it right. Will the current minister please tell the Assembly why in two short months this government has changed its plan with respect to ethanol. Why are they now investing directly into the ethanol industry when the previous minister said they would not be doing that?

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

**Hon. Mr. Lautermilch:** — Mr. Speaker, I gave a quote about a minute and a half ago, from March 22, 2002 quoting, quoting the former minister responsible for ethanol. And this member two minutes, two seconds later, stands up and indicates . . . and forgets and totally ignores what I just said to him and what quote I directly put.

But, Mr. Speaker, people see through this member because every day in here it's half-truths and it's innuendo. Mr. Speaker, I say the people see through him and know him for what he is, and that's a stranger to the truth.

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

**Mr. Wall:** — Mr. Speaker. Mr. Speaker, the former minister was pretty clear about the government's ethanol strategy. The former minister . . .

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

**Mr. Wall:** — The former minister indicated that they weren't interested in getting into the debate at all about the size or the location of the plants. The minister indicated as well that they weren't going to be picking winners and losers. That is pretty clear what the minister said. Even this minister would agree that that is what his predecessor said two short months ago.

And today we found out at Crown Corporations Committee . . .

**The Speaker:** — Order please, members. Order please, members. I've got to be able to hear the entire question and the comments.

**Mr. Wall:** — Mr. Speaker, today we found out at Crown Corporations Committee that CIC is both picking winners and losers with respect to the international American-based companies they apparently are on the verge of signing a deal with; and they are getting involved in the discussion. They're also getting involved, Mr. Speaker, if only indirectly, in

determining the scope and the location of these particular plants.

So, Mr. Speaker, the question is this, to this government: why are they letting the unelected officials of Crown Investments Corporation dictate their policies? Who is in charge over there, Mr. Speaker? Is it CIC or is it the Government of Saskatchewan?

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

**Hon. Mr. Lautermilch:** — Mr. Speaker, here he goes again. He's in here portraying his interrogation of the Crown Investments Corporation officials this morning in Crown investments committee and having delivered some big revelation of some new-found secret.

You know, Mr. Speaker, I had conversation three weeks ago with one of the members of the opposition in which I outlined . . .

**The Speaker:** — Members . . .

**Hon. Mr. Lautermilch:** — Mr. Speaker, this big . . . this big revelation that the member from Swift Current brings into the House, I spoke with one of his members three weeks ago and indicated that I was going to be meeting with proponents in that area in the community with respect to where we thought ethanol development may take us. And do you want to know something, Mr. Speaker? I invited that same member to that meeting.

But, Mr. Speaker, I want to say to you, big secret. You know, that company that he's talking about has been in this province; they've been talking to proponents of ethanol development in the different communities. And I want to say, Mr. Speaker, it'll be them that puts the deal together. If they can make a business case to involve Crown Investments Corporation, that'll be fine. We'll look at that.

But I tell you one thing, Mr. Speaker, there is going to be room for local investment. There is going to be room for ethanol production. There are going to be winners in this province and that's going to be all of us because we're going to use ethanol to develop an intensive . . .

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

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

## INTRODUCTION OF BILLS

### Bill No. 42 — The Saskatchewan Medical Care Insurance Amendment Act, 2002

**Hon. Mr. Nilson:** — Mr. Speaker, I move that Bill No. 42, The Saskatchewan Medical Care Insurance Amendment Act, 2002 be now introduced and read the first time.

**The Speaker:** — Order, please. Order, please. Order. Order, please. Order, please. I would ask the two members just to hang on for a while.

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

### ORDERS OF THE DAY

### WRITTEN QUESTIONS

**Mr. Yates:** — Thank you, Mr. Speaker. By leave, today I table written responses to questions 152 through 161, and 164 through 170.

**The Speaker:** — The responses to questions 152 through to 161 have been tabled, and the responses from 164 to 170 have been tabled.

Order, please. Order. Order, please. Order, please. Order, please. Order, please.

**Mr. Yates:** — Thank you, Mr. Speaker. Move to convert questions 162, 163 for debates returnable.

**The Speaker:** — Questions 162 and 163 are converted to orders for return debatable.

### PRIVATE MEMBERS' MOTIONS

#### Motion No. 8 — The Saskatchewan Economy in the 21st Century

**Mr. Yates:** — Thank you, Mr. Speaker. I'm extremely pleased today to stand and enter into a debate and applaud the efforts of Saskatchewan businessmen, co-operatives, communities, and entrepreneurs in building a 21st century Saskatchewan economy, Mr. Speaker.

As we know Saskatchewan has an economy that has diversified significantly over the last decade, Mr. Speaker. And that diversification has put us in a position that has allowed us to stand firm through one of the most difficult periods in our agricultural history, Mr. Speaker.

I'd like to start by first thanking all those individual business people — managers of businesses, owners, co-operative owners, and entrepreneurs that are looking to build within our province, Mr. Speaker.

I want to talk a little bit about our economic history in our province and where we've come over the last couple of decades and where we are today, Mr. Speaker.

In March 2002 we had the third highest March on record following two very good months for jobs in the province of Saskatchewan. We saw a significant increase, Mr. Speaker, in employment month over month of 4,200 jobs in January and 5,800 jobs in February.

Saskatchewan has the third lowest unemployment rate in the country at 6.2 per cent, well below the national average of 8.3, Mr. Speaker. And we owe the credit to the business people of this province for our low unemployment rate and for the creation of jobs within our province, Mr. Speaker.

(14:30)

The past decade, from 1991 to 2001, saw a net gain of over 50,000 jobs in the non-agricultural sectors, including 2,500 jobs in the service sector, 6,100 jobs in manufacturing, 6,600 jobs in transportation, 4,500 jobs in resource sector, 4,100 jobs in construction sector, 3,700 jobs in finance, insurance, real estate and leasing, 2,900 in the trade sector.

And the only industry in Saskatchewan to decline in the last decade, Mr. Speaker, was agriculture with 3,200 . . . 32,200 lost jobs. Mr. Speaker, there's nobody in this Assembly that will not recognize the significant impact that those losses of jobs in the agriculture sector would have in this province.

And, Mr. Speaker, our province is going through a significant drought and a significant change in the agricultural sector.

Mr. Speaker, I want to talk about a number of the things that impact the economy and, in fact, impact jobs, and how the Saskatchewan businesses have helped to grow this economy.

Mr. Speaker, business people know that perpetuating the myth that young people are leaving Saskatchewan to find opportunities does not reflect reality. In fact, SIAST (Saskatchewan Institute of Applied Science and Technology) figures show that over 90 per cent of their employed graduates were working in this province six months after graduation — 90 per cent of the graduates of SIAST are working in this province within six months.

Now, Mr. Speaker . . . Mr. Speaker, the member opposite is asking if I've given this speech before. Not quite. But he will probably recognize many of the figures if he, in fact, reads newspapers and follows what's going on in our province.

The U of S (University of Saskatchewan) annual report states that 75 per cent of their graduates continue to work and live in Saskatchewan. Now, Mr. Speaker, the U of S annual report states that 75 per cent of their graduates live and work in this province. Now, Mr. Speaker, that's an extremely high number.

So the myth that our young people are leaving this province, Mr. Speaker, is just not, not true, Mr. Speaker. The majority of our youth are staying here, Mr. Speaker.

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

**Mr. Yates:** — Mr. Speaker, despite obvious pressures in the last year or so, Saskatchewan's economy has experienced nine years of positive economic growth prior to this year, Mr. Speaker. In fact, you'll recall that *The Globe and Mail* named us the star of the '90s because Saskatchewan posted the highest growth rate in GDP (gross domestic product) per capita last decade — from 1989 to 1999 — of any province, including Alberta.

And, Mr. Speaker, we owe a great deal of gratitude to the business people of Saskatchewan and their diversification of the economy over the last decade and their ability to generate revenue within our province, create jobs and make Saskatchewan a better place for our youth.

And, Mr. Speaker, we can't continue to talk negatively about those business people, those entrepreneurs that are building our

province. There is no doubt, Mr. Speaker, that we are going through a very difficult time in our agricultural sector but if you take the agricultural sector outside of Saskatchewan and look at what's happening in their agricultural sectors, they're also experiencing difficulty.

But, Mr. Speaker, the difficulty is greater here, largely because we have a far greater portion of the arable land in Canada — agricultural land in Canada — in this province, Mr. Speaker. So, Mr. Speaker, when we lost, have lost 32,200 jobs in the agricultural sector, Mr. Speaker, that's obviously going to hurt our economy. But many of the things that are contributing to that are outside the control of any government or any employer, Mr. Speaker.

Now I want to talk about a number of very good news items about our economy, Mr. Speaker.

Recently a new KPMG study on competitiveness ranked Saskatchewan as one of the most competitive jurisdictions in which to do business. Saskatoon ranked second among all major cities in the North American Midwest — second among all major cities in the North American Midwest. Regina ranks fourth when compared to the same group.

Now, Mr. Speaker, number two and number four among all major cities in the North American Midwest is hardly something to run from or be afraid of or not, quite frankly, be very proud of.

The Fraser Institute indicated that Saskatchewan will lead the nation's capital investment growth this year. New capital investment is expected to exceed \$6.9 billion in 2002, up by 9.3 per cent from last year. Capital investment in manufacturing will lead the way with projected growth of 200 per cent this year, Mr. Speaker.

Recent economic indicators for Saskatchewan are positive. New business incorporations are up 24.7 per cent, January 2001 over January 2002. Retail sales up 8 per cent over the same period. Department store sales up 8.6 per cent. Building permits up 94.1 per cent, February 2001 over February 2002. Building permits up . . . or pardon me, new motor vehicle sales up 12.3 per cent. Oil production up 1.9 per cent. Natural gas production up 1.2 per cent.

And, Mr. Speaker, just as important in a growing economy is, social assistance caseloads are going down, Mr. Speaker, continuing to go down as more and more people become employed in our economy.

Mr. Speaker, on the tax front, our tax reform over the last decade includes many, many initiatives including an increased exemption of corporate capital tax to as high as \$15 million announced in this budget. The provincial sales tax has been cut by 33 per cent, remains the lowest sales tax among the nine provinces that have one. Personal income taxes have been reduced four times in the last seven years; most recently, by \$430 million when our government introduced the largest personal income tax cut in Saskatchewan's history, Mr. Speaker.

We've eliminated the flat tax. We've eliminated the debt

reduction surtax. We've eliminated the high income surtax. Business taxes have been reduced nearly every budget since 1992, cutting small-business corporate income tax by 40 per cent and increasing the threshold by 50 per cent, Mr. Speaker.

We now tax capital gains from the sale of farm and business assets at our lowest tax rate, Mr. Speaker. And targeted tax cuts for livestock production, manufacturing and processing, mining and petroleum research and development, film and video production, small banks and aviation have helped to make those industries far more viable, Mr. Speaker.

And, Mr. Speaker, I just want to talk about some of the good news, economic announcements around the province in the last few weeks, Mr. Speaker, over . . . during the past year; pardon me, Mr. Speaker. Mainline Pulse in Chaplin, a \$3 million project creating 50 jobs; Trailtech manufacturing in Gravelbourg, a \$1 million expansion creating 10 jobs; Tolko Industries in Meadow Lake, \$220 million construction this year, creating 130 direct jobs and 130 indirect jobs, Mr. Speaker; Williamson Seeds in Pambrun, \$1 million expansion creating 5 to 10 jobs; Saskcan Pulse Trading in Regina, \$5.2 million with an estimated completion in July of this year, Mr. Speaker, creating 30 jobs; Minds Eye Pictures in Regina, \$35 million co-production with H535 Media of Germany, creating up to 200 jobs, Mr. Speaker; Grain Millers (Canada) Inc., \$7 million investment; Centennial Foods, \$35 million investment and up to 190 new jobs created, Mr. Speaker; Dumur Industries in White City, \$1.25 million expansion and 25 additional jobs, Mr. Speaker; New Media Campus, private animation and multimedia school, 25 jobs, Mr. Speaker; Veterinary Infectious Disease Organization in Saskatoon, planned \$14.3 million expansion, up to 60 new jobs, Mr. Speaker; Doepker Industries, 30,000 square feet production facility in Humboldt, 50 additional jobs, Mr. Speaker; Notekeu Processing Plant in Vanguard, \$3.5 million investment, 10 to 12 new jobs; Dryair at St. Brieux, 50 additional jobs created this last year, Mr. Speaker; Northern Steel, Tisdale, \$1 million expansion, 40 additional jobs, Mr. Speaker; Big Sky Farms in Wynyard, \$700,000 expansion, 6 new jobs, Mr. Speaker; Premium Brands in Yorkton, \$15 million expansion with 130 new jobs, Mr. Speaker. And the list could go on and on and on, Mr. Speaker.

I want to talk a little bit about what is being said about our climate in rural Saskatchewan and in Saskatchewan in general, Mr. Speaker. I want to talk about an ad . . . or pardon me, an article from *The Western Producer* of March 28, 2002. And it says, "Rural west bubbles with positive attitude," Mr. Speaker. And people in this province believe, quite frankly, Mr. Speaker, that there is a bright future in Saskatchewan, Mr. Speaker, for investment in rural Saskatchewan.

I'd like to go on and talk about a number of comments made by various organizations around the province about Saskatchewan and where we're going, Mr. Speaker. Mr. Speaker, I want to talk a little bit about some of the news that's coming out of rural Saskatchewan, in particular, about the positiveness about our businesses and our economic climate.

Estevan region — Ceylon, Garry's Express Bus Service is open with services to Radville, Ceylon, Ogema, Pangman, and Bengough, as well as Regina deliveries, Mr. Speaker. Garry Hofseth, a local area farmer, is the owner of the business. A

very positive new development in rural Saskatchewan.

Creelman — A & M Body and Repair is open. Owner, Adrian Macdonald will provide services such as vehicle repairs and auto body work. A new business in Creelman, Mr. Speaker.

And the list goes on and on and on. Moose Jaw region — Avonlea, construction of a \$5 million specialty crop processing plant in Avonlea is beginning with construction, expected to be completed by late September 2002.

Belle Plaine, CWS Logistics Ltd., a Regina-based trucking company officially unveiled its plans to build a new 1.5 million phosphate distribution centre at IMC (International Minerals and Chemical Corporation (Canada) Ltd.).

Mr. Speaker, there's pages and pages of good economic news for Saskatchewan and pages and pages of our business people in Saskatchewan creating new business growth and employment within our province. And, Mr. Speaker, what does that mean for the people of Saskatchewan?

Now, Mr. Speaker, I want to talk a little bit about some of the comments made by the opposition about our province and our economic outcome. And I want to talk about how the opposition says they will stop the outflow of population in the province and grow the economy.

Now I have a quote here from *The Leader-Post*, April 6, 2001:

If the Saskatchewan Party . . .

And this is the Leader of the Opposition speaking, Mr. Speaker:

If the Saskatchewan Party wins the next election, Hermanson said the population outflow would be stemmed within a year or two and the province would then grow if the weather and the national economy co-operated (Mr. Speaker).

So their plan, Mr. Speaker, to grow the economy is that the weather has to co-operate and the national economy has to co-operate, Mr. Speaker. It says nothing about what they themselves would do to help stimulate the economy, Mr. Speaker. They are relying simply on someone else, Mr. Speaker.

I'd like to talk for a second about an article from Ed Galenzoski, the president of the Regina Chamber of Commerce. Mr. Galenzoski for many years lived outside our province but returned to Saskatchewan, and these are his comments about our province:

I look at the economic opportunities in this marketplace and I say we have to . . . all we have to do is take advantage of what's here.

Galenzoski said an attitude adjustment is the first order of business in Saskatchewan with business leading the way.

Business has to make it happen. Business needs to take the leadership role. I don't think we can sit back and rely on government. I think we should not be blaming government;

we should be doing it (Mr. Speaker).

He also goes on to say:

If we as a province go forward with a single strategy to get the strength of our business community behind it, all of a sudden good things start to happen.

Mr. Galenzoski does not have a negative attitude about our province. In fact, he says business needs to lead this economic growth, Mr. Speaker.

I'd like to talk a little bit about the attitude of others about the province of Saskatchewan. This is an article from *The StarPhoenix*, February 6, 2002:

Saskatchewan land of plenty for Alberta ranchers.

Mr. Speaker, they see Saskatchewan as a land of opportunity. I'd like just to quote a very small portion of this article, Mr. Speaker. It says:

Saskatchewan has many challenges, but you don't hear about Saskatchewan farmers packing up and moving to Alberta to farm. Everything considered, the agricultural advantage is here in Saskatchewan (Mr. Speaker).

So others see the opportunity in Saskatchewan, Mr. Speaker. And our business community and our farmers, they share the optimism for the future, Mr. Speaker.

I want to talk a little bit about . . . I have an article here from *The StarPhoenix*, January 4, 2002, Mr. Speaker, talking about taxes. They're playing . . . And it goes on to say:

Saskatchewan taxes. About Saskatchewan taxes, they're reasonably competitive in Western Canada, at least with Manitoba and BC, said Joel Ames, senior research economist with a Vancouver-based think tank.

(14:30)

Mr. Speaker, in comparing our taxes, the Fraser Institute thinks that we're reasonably competitive.

Here's an article by Bruce Johnstone talking of, "Alberta advantage slowly disappearing," Mr. Speaker. It says:

Let's go back to 1993, when (Saskatchewan taxpayers were at their peak) . . . Saskatchewan taxes were at their peak, and look at the Alberta advantage.

For families earning \$50,000 a year, moving to Alberta would see their provincial tax bill (including income and sales taxes, health care premiums and other taxes) cut in half . . .

In 1993, their taxes would have been cut in half, Mr. Speaker.

. . . from \$5,246 in Saskatchewan to \$3,497 in Alberta . . . (they would be) . . . savings of about \$1,750 annually.

Skip ahead to 2002 (after two years of tax reform in

Saskatchewan and a tough budget in Alberta). Saskatchewan's provincial tax bill for the same family (assuming their income hasn't increased) has fallen to 3,789 versus 2,896 in Alberta, a difference of just under \$900, (Mr. Speaker).

In other words, the Alberta advantage has been virtually cut in half in less than 10 years — for middle-income families at least.

While taxes have gone down in both provinces, utilities, such as power and home heating and other charges have gone up (more than 50 per cent here, (and) more than 100 per cent in Alberta) over the last nine years.

Having said that, the Saskatchewan NDP government deserves some credit for slowly, but steadily, lowering taxes over the last nine years.

We've come a long way and it hasn't been easy. But there (is) still a . . . (ways) to go, (Mr. Speaker).

So we're being recognized for the amount of work done by Saskatchewan people to make our business climate more competitive, Mr. Speaker.

Mr. Speaker, I want to talk a little bit about our credit rating. I want to talk about our credit rating and how others view that, Mr. Speaker. I have here CBC news interview with a Dave Rubinoff:

. . . one of the people Calvert is making a pitch to. He is a (senior) vice-president and senior analyst with Moody's Canada. We have reached Mr. Rubinoff in New York this morning. (And it says) Good morning, Mr. Rubinoff.

I'm quoting from this address, Mr. Speaker.

So we have an A-1 credit rating right now. Tell me why we have such a good credit rating.

Well Saskatchewan has really done a great job over the last few years in getting its fiscal house in order. Saskatchewan was upgraded to an A-1 credit rating from an A-2 in August of 2000. Before that, it was upgraded from an A-3 to an A-2 in July of 1998. So we have seen sort of a steady trend here, a steady progression. Saskatchewan has done a great job in addressing what was a very serious debt problem, has its fiscal house in order, and we are quite pleased with what we see.

Mr. Speaker, the vice-president of Moody's Bond Rating Agency is very, very pleased with what he sees in Saskatchewan, Mr. Speaker. And we owe that to the business people, the citizens of Saskatchewan who have worked very hard to help turn around our situation, Mr. Speaker.

Now, Mr. Speaker, I want to deal with a news release from the Fraser Institute about our business climate, and this is dated March 25, 2002:

Over the course of the last decade, Saskatchewan was the only prairie province to cut the real . . . that cut real

government expenditures, reducing spending by 9.9 per cent between 1990, '91, and 2001. Comparatively, real spending in Canada as a whole increased by 10.3 per cent, while real spending in Alberta increased by 6.4 per cent.

So Saskatchewan was the only, only province to cut government expenditures over that decade, Mr. Speaker. A move in the right direction; a move to putting us in a more competitive position, Mr. Speaker.

Well, Mr. Speaker, Saskatchewan business people go on to talk about how good Saskatchewan is as a place to do business. Mr. Speaker, many, many Saskatchewan business people have invested their money, their time, and their efforts to making Saskatchewan a good place in which to do business, and in fact, Mr. Speaker, a good place to base their futures on.

That's why I would like to move, seconded by the member from Regina Victoria:

That this Assembly applaud the efforts of Saskatchewan businesses, co-operatives, communities, and entrepreneurs to build the 21st century Saskatchewan economy, an economy projected to lead the nation in capital investment growth in 2002, and an economy building on nearly a decade of positive growth (Mr. Speaker).

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

**Mr. Van Mulligen:** — Mr. Speaker, I guess the question that I would raise at the outset of my remarks is, is the glass half empty or is the glass half full?

**The Speaker:** — Order. I think the member knows why I am standing, and you are not to use any type of exhibit in the Assembly.

**Mr. Van Mulligen:** — Thank you, Mr. Speaker. What I was holding, in a sense, was a metaphor, Mr. Speaker, for what people generally agree is a statement on optimism or pessimism.

It might equally be a metaphor for relative positions that people take with respect to the Saskatchewan economy. If you're a member of the opposition you would say that the glass is half empty, consistently. In fact you would say more than that — in fact they do say more than that.

And I think that any of the people who are watching today and who watch the Legislative Assembly regularly, they will know that the opposition on a regular basis will try to convey an impression of a provincial economy that is imploding, a provincial economy that is behaving so badly and has done so consistently since the election of the NDP in 1991, a provincial economy that is so underperforming, if you like, all other economies in Canada, in North America, in the Western world, anywhere in the world, Mr. Speaker. That is the impression that they try to convey.

Well that is the nature of opposition, Mr. Speaker. If you're in opposition, you want to be in government. The only way you get to be in government is to create an environment that so erodes the confidence that the people have in the government

that they look for a change. And part of doing that is to raise questions about how effectively the economy is doing under the government that is currently in power. That is the way that it works, Mr. Speaker, in our democracy.

So, Mr. Speaker, I think we can all agree, I think we can all agree — whether we think the glass is half empty, whether we think the glass is half full — I think we can all agree that the Saskatchewan economy is experiencing difficult times. And no one will disagree with anyone who makes that particular statement, Mr. Speaker.

Why is it that we're having difficult times? Well I think you have to look, first of all, you have to look, first of all, at what are some of the major contributors to the Saskatchewan economy and what is taking place in that . . . or in those segments of the economy so as to have an impact on the overall economy.

One of the major components of the Saskatchewan economy still — although not as significant as it used to be, and I'll get into that in a few minutes — but still, is agriculture. And again the members of the opposition would agree with the government that agriculture is still an important component of the Saskatchewan economy. And it is.

And at this point the total value of production in agriculture, the total value of goods and services produced in agriculture is still about seven and a half per cent of the overall economy — not as significant as it once was, but still significant — so that when we see, when we see worldwide trends, very, very powerful trends that affect agriculture, and that then, if you like, depresses the agricultural economy, it can't help but have a significant impact on this overall Saskatchewan economy.

And that impact is likely to be greater in Saskatchewan inasmuch as the agricultural economy, and in the main, we're speaking about a grain and oilseeds production, that when we have that kind of an impact on that percentage of our economy, it is likely to be greater in Saskatchewan than it will be in any other Canadian jurisdiction.

Because grain production in Saskatchewan, oilseed production in Saskatchewan, is a much greater component of the overall economy in Saskatchewan than any other jurisdiction in Canada. Full stop, period. And when that economy is impacted, Mr. Speaker, by these trends that I speak about, then it also has an impact on the overall economy in Saskatchewan to a much greater extent than would be the case in any other jurisdiction.

What are these trends, Mr. Speaker? Well certainly depressed prices in agriculture. That's something that people on both sides of the House have talked about for many years. It's a situation that has been ongoing since, as I understand it, about 1980, whereas we saw net exports on the part of the major grain exporting countries increase over time up until about 1980, there is peaks and valleys, trending upward to about 1980.

Since 1980 there's been a relatively, if you like, flat line in terms of net exports by the major net . . . or by the major grain exporting countries of the world — Canada, the United States, Argentina, Australia — there probably would be other countries in that as well. Why is that the case? Well again, many

countries that were not in a position to grow grain, much less export grain, are now in a position to not only meet their domestic demands but are also exporting. Why are they doing that? Well we have better strains and varieties of wheat today than we ever did 20, 25 years ago. And many more countries are able to grow grain now than they were able to do in those days and they don't need our exports.

There is also, Mr. Speaker, a recognition that in part the prices are depressed because some very powerful economic interests in the world — to name the United States as one, the European Union as another — who have decided to provide huge subsidies and support to their grain exporters as a means of enabling those exporters to stay in production. Whether that's working or not is another question. But they are nevertheless providing huge subsidies which has the effect of lowering prices throughout the world. And again, that is having a major impact on the Saskatchewan economy because our agriculture, our economy, if you like, as a whole is very dependent on the health of the grain export industry in this province, Mr. Speaker.

All of that in the last years . . . in last year has been also impacted by a drought which took place in Saskatchewan, which I understand was one of the — if not the — driest years . . . someone said the driest year in record, drier than any of the years during the 1930s that we remember as being a period of sustained drought in Saskatchewan. It was the driest year on record and which affected about 60 per cent of our grain production areas in Saskatchewan. So not only do . . . did many of our producers, were they faced with a situation of low prices, they're also faced last year with a situation of low production — a double whammy, if you like — which also had a very grave impact on our economy.

(15:00)

Agriculture is still 7.5 per cent of the provincial gross domestic product. What is the gross domestic product? That is a figure that represents . . . a dollar figure which represents all of the production from all of the sectors in Saskatchewan. If you total those up, in Saskatchewan agriculture is still 7.5 per cent. That's not 7.5 per cent of all the jobs in Saskatchewan, although it wouldn't be far off the mark in this case, Mr. Speaker.

We have seen an impact on this in people employed in agriculture. I think the latest group to bring this to our attention was the Action Committee on the Rural Economy. Rural people especially have been concerned about these trends for a number of years.

They've done some very good work and they have shown us that employment in Saskatchewan agriculture, that is agriculture as a main job, has in fact decreased from in excess of 90,000 people who said that agriculture was their main job — 90,000 people in Saskatchewan in 1987 — to about 50,000 people in Saskatchewan who say that agriculture was their main job last year.

So you have a period of about 15 years in which agriculture being listed as the main job, the main occupation, has gone from in excess of 90,000 to about 50,000 today, late last year. That is a phenomenal drop, a drastic drop.

I think it would be fair to say, Mr. Speaker, if we were to see that kind of a drop in employment in any other industry in say, Ontario or if you like, Quebec, my guess is that the federal government of the day would say that we have a major problem in that industry and that we as a federal government need to respond.

And that's part of the message that we're trying to bring to the federal government today, that this is a major industry, it is experiencing problems, we need your help. If there is to be a solution, then the federal government needs to be part of that solution.

But again, Mr. Speaker, the trend line has been very clear, that employment in Saskatchewan has gone from in excess of 90,000 to less than 50,000.

The number of farms too in Saskatchewan, I think they peaked in the mid-'30s at about 140,000 to something less than 60,000 farms today. That's correct, Mr. Speaker. In the mid-1930s there were about 140 farms . . . 140,000 farms in Saskatchewan. We have less than 60,000 farms in Saskatchewan today.

Now in part those trends have taken place because of better mechanization; better inputs; better technology, if you like, to assist farmers; better transportation to assist rural producers, but all of them have meant to decrease in farm sizes. All of that has also culminated in far fewer people being employed in agriculture today than was ever the case, Mr. Speaker.

And this is an impact not only that is taking place in Saskatchewan, but that is an impact, as the ACRE (Action Committee on the Rural Economy) report pointed out, this is also taking place in United States, in the major grain producing areas — North Dakota being one and they show examples from North Dakota. I think the European Union is another example that, notwithstanding their very great subsidies that the European Union and the Americans provide for their farmers, they nevertheless have seen reduction in the number of farms in those jurisdictions as well, Mr. Speaker.

So when you have one portion of your economy, one portion of your economy that is so buffeted, if you like, by these major trends and that portion of the economy is so significant in Saskatchewan compared to other jurisdictions, then it's little wonder that the trends in agriculture are having a huge impact overall on the Saskatchewan economy.

And I know that members opposite never want to hear that and their friends in the media never want to hear that. They all say that should somehow ignore the reality and just provide some other vision that ignores the reality, but you can't do that, Mr. Speaker. You can't ignore the reality of what is taking place and what has taken place.

These days, of course, Saskatchewan people are greatly troubled by the recent events that have taken place south of the border where the US Congress is about to or has implemented a new farm Bill. A farm Bill that will increase the government subsidy for a number of commodities including cereals, coarse grains, and canola. And it's everyone's opinion that this will lead to even lower world prices for each of the crops. And the higher support prices in the United States — and my guess is

that the European Union will also ratchet up their support for those commodities — the higher support prices will result in more acres being shifted to these crops and the use of more input to grow them.

It will also mean that increased supplies of these crops on world markets will drive down prices. And that is a gravely troubling scenario for Saskatchewan that not only have we had to contend with these subsidies in the areas of cereals for these last 10 years or so or longer, the fact of the matter is the situation is going to get worse.

The US farm Bill also includes, for the first time, subsidization for pulse crops including dried peas, lentils, and small chickpeas. The prices for these crops are extremely sensitive to changes in world production levels; increased US pulse production will drive prices down significantly. And this change, Mr. Speaker, will hurt Saskatchewan producers who are among the world's largest exporters of pulse crops.

And the impact on the Saskatchewan economy will extend beyond reduced exports and lower pulse prices, as pulse crops have been a major diversification option for Saskatchewan producers faced with subsidy-distorting world cereal grain markets.

And there are other changes in that Bill, Mr. Speaker, that will also increasingly hurt livestock production in Saskatchewan and Canada as the program is phased in over the next two years, and seriously again threaten diversification efforts as individuals attempt to move away from production of cereal grains to other primary agriculture production, Mr. Speaker.

So whatever concerns we were having in Saskatchewan, these are hugely magnified now by the US farm Bill, and there is a great deal of uncertainty, Mr. Speaker, in the agricultural economy, indeed, and the whole Saskatchewan economy, Mr. Speaker.

Now, Mr. Speaker, I had mentioned earlier that if you're an optimist, or whether you're a pessimist, you can look at these things differently. And now I've been presenting a . . . or portraying a picture of a Saskatchewan economy that has been greatly affected by changes that we see taking place and have taken place in a portion of our economy and the impact that it's having.

But the glass, to me, Mr. Speaker, is also half full because even though these changes have taken place in agriculture — and these have been massive changes because earlier I talked about the number of people being employed in agriculture having gone from in excess of 90,000 to something in the neighbourhood of 50,000 today, and this is huge, very huge in a province such as ours — the fact of the matter is that agriculture is today something less of the total economy in Saskatchewan than it was 10 years ago.

Today, as I mentioned, agriculture represents about seven and a half per cent of the total gross domestic product in Saskatchewan. Ten years ago agriculture represented 10 per cent of the overall economy in Saskatchewan. And the changes that are taking place today in agriculture and the changes that are about to take place because of the US farm Bill, which



provide a great source of concern for us, if those changes had taken place 10 years ago, it's fair to say that Saskatchewan would have been in a state of continual recession because agriculture was at that time a much greater slice of the pie.

Now having said that, the fact of the matter is that even though agriculture as part of the overall economy may be less now than it was then, there are other aspects of the economy that have grown in Saskatchewan. And that's a long, roundabout way to the point that I wanted to make in support of the motion that's before us, Mr. Speaker. A motion that says that we:

... applaud the efforts of Saskatchewan businesses, co-operatives, communities and entrepreneurs to build the 21st century Saskatchewan economy, an economy projected to lead the nation in capital investment ... in 2002, an economy building on nearly a decade of positive growth.

The fact of the matter is, Mr. Speaker, that we have seen a great deal of positive growth in Saskatchewan as aspects of the economy unrelated to agriculture have grown tremendously for a variety of reasons, Mr. Speaker.

And part of it is, I think, the fact that we have seen stability in government, unlike the kind of destabilizing investment climate that we saw in Saskatchewan especially in the latter part of the 1980s and into the early '90s, Mr. Speaker, where those people who wanted to invest in Saskatchewan were faced at all times with uncertainty as to what it is that they would expect to find in the Saskatchewan economy because of the actions of the government of the day.

The fact of the matter is that we have, as a government, attempted to stabilize the investment climate. We have, as a government, set our books right. We have set our budgets right so that we no longer run deficits.

Because if you run major deficits as a government as it was done in the 1980s, it creates uncertainty in the minds of investors about when it is and how it is that the government will attempt to pay those deficits back. Because everyone knows, as the former premier of Saskatchewan, Grant Devine, once said, a deficit is simply deferred taxes. So that those who are looking to invest could see that the government of the day was running huge deficits and they knew at some point that someone had to pay that price.

Well what we've done, Mr. Speaker, is to be very clear in our budgets about what it is that we're doing; that we're not living beyond our means; that if we have rough years, that we set the money aside to deal with the changes that are taking place around us, Mr. Speaker, but that we not borrow and go further into debt as the Devine government did to the extent of ... I think the total debt load in Saskatchewan was in the area of 15 billion.

Mr. Speaker, if I might digress for a minute, I can never understand it. I can never understand it how members on that side of the House, the minute that you mention the Devine administration, you mention the PC (Progressive Conservative) government in the 1980s, they start getting up in arms. They're being defensive about the things that were taking place in the

1980s.

But then in the same breath they say, oh that wasn't us; we've got nothing to do with them; we're not PCs, we're Saskatchewan Party people. Well you know they say on the one hand there is no connection, but then by their very body language if you like, and their remonstrations here in the House, Mr. Speaker, you begin to wonder if there isn't some connection between the Saskatchewan Party today and that PC government of the 1980s, Mr. Speaker.

So, Mr. Speaker, not only has the Government of Saskatchewan I think done a very good job in getting its fiscal house in order ... and I'm not the only one that's saying that. Every credit rating agency that we deal with in North America, whether it's the two major credit rating agencies in New York, and the two Canadian credit rating agencies, all agree that Saskatchewan has done a very good job of getting its fiscal house in order, including their ability to then increase or improve our credit rating so that we as a province are seen as a more creditworthy risk for investors.

And that also sends a very powerful signal to the people inside Saskatchewan who are looking to invest in our economy. They know without a doubt that our economy ... or that at least our government is sound, and they need not worry on that score as to how it is that the Saskatchewan government will impact them and impact, for example, their ability to make a livelihood.

In fact just about every budget that we've seen since 1991 has been very sensitive to that issue, and we have always tried to create and improve the conditions for investors in Saskatchewan so that we can see businesses grow and thrive, and that is exactly what has been taking place, Mr. Speaker.

(15:15)

Mr. Speaker, in the area of jobs, just this last month the statistics that I have for the month of March, it said that employment in March 2002 was down 1,100 over the same period a year earlier. And that is non-agricultural jobs grew, offsetting largely a decline — but not totally — a decline in agriculture jobs. So remember earlier I talked about that 15 years ago we had over 90,000 agriculture jobs in Saskatchewan, down to 50,000 today, and that this trend is going down, and it's a real trend. Nevertheless, we see job growth in other sectors.

In this past decade, Mr. Speaker, from 1991 to 2001, there has been a net gain of over 50,000 non-agricultural jobs in Saskatchewan, including 25,000 jobs in the service sector; 6,100 jobs in manufacturing; 6,600 in transportation, warehousing, and utilities — and you don't need to go very far, Mr. Speaker, to know of some people who have taken jobs in these industries — 4,500 jobs in the resource sector; 4,100 jobs in the construction sector; 3,700 in finance, insurance, real estate and leasing; and 2,900 jobs in the trade sector.

The only industries, the only industries, Mr. Speaker, in Saskatchewan to see a decline, the only industries were agriculture with a loss of about 32,200 in that 10-year period — and of course it was greater over the 15-year period — and the public sector. And this is something that the opposition parties

don't talk about. They like to give some impression that the only growth that we're seeing in Saskatchewan is the public sector.

That's not true, Mr. Speaker. The fact of the matter is that major growth in Saskatchewan has been taking place in those industries that I've mentioned. In the private sector, in manufacturing, in service, in transportation, in resource, in construction — that is where the growth has been.

The only problem that we have, Mr. Speaker, is that we did not see the same level of growth that we would like to see in agriculture, but that is something that is beyond, beyond, I would submit, the control of the province of Saskatchewan. And if we're to believe the stories that are coming out of Ottawa, it sounds like the federal officials are beginning to throw up their hands as well. We hope not, Mr. Speaker; we hope not, Mr. Speaker.

Mr. Speaker, the fact of the matter is that the Saskatchewan economy has been — with the major exception of agriculture again, and agriculture being such a significant part of our economy — the fact of the matter is that if you were to take out agriculture, the Saskatchewan economy has been doing very, very well, thank you very much. And that is a credit to the many individuals, people in Saskatchewan who have chosen to invest in their own businesses and other businesses, in businesses that help Saskatchewan to grow.

My colleague, the member for Regina Dewdney, went through a list of some of those recent businesses that we've seen.

I know that in the case of Regina that we have seen significant job growth in all kinds of sectors that, well, 10, 15 years ago you would never have thought about. I think the film industry is one, is a very significant one, where we've seen tremendous growth. And it's an industry where the government too has decided to make significant — or not significant — but appropriate investments so that we can see that industry continue to grow.

It's an industry where we've also made tax changes. Earlier I talked about how in all of our budgets, we have made changes that have enabled, that have encouraged economic growth. One of those changes is in the area of the film industry where we've made changes to the tax regime for people who are involved in the film industry and that has allowed the film industry to grow even more in Saskatchewan.

It's an industry where the provincial government will be investing, along with the federal government, in a sound stage so that we provide, if you like, an infrastructure for even more growth in the film industry in Saskatchewan.

That's some of the changes that I've seen in my own city, in the case of Regina, Mr. Speaker. But the story goes on around Saskatchewan.

I think Saskatoon significantly has seen a tremendous amount of growth these last 10 years as these other sectors, these other industries I've talked about have expanded; that these 50,000 jobs have grown and many of those 50,000 jobs have grown in our major urban centres, Mr. Speaker, where there are economic

opportunities.

Well, Mr. Speaker, I don't want to get into a list of all these businesses that my colleague got into. Suffice it to say that Saskatchewan over the period 1992-2000 had the third fastest growth in the gross domestic product among all the provinces.

Mr. Speaker, recently a study by KPMG, which is a consulting firm, did a study on competitiveness and they ranked Saskatchewan as one of the most competitive jurisdictions in which to do business. Saskatoon ranked second among all the major cities in the North American Midwest. Regina ranked fourth when compared to the same group.

So I think that we are well positioned, Mr. Speaker, to continue to grow in Saskatchewan. And again, Mr. Speaker, they may say, they may say that the glass is half empty. Well, Mr. Speaker, I look at all the changes that have taken in place in the Saskatchewan economy. I look at all the things that the Saskatchewan government, over the course of the last 10 years has done to create a climate for business growth in Saskatchewan. And I say — and I say unequivocally, Mr. Speaker — the glass is half full.

And without too much ado, Mr. Speaker, and without too many more years, that glass will be full, Mr. Speaker, because there is a brighter future in Saskatchewan thanks to this government, Mr. Speaker. And I will be supporting the motion, Mr. Speaker.

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

**Mr. Wakefield:** — Thank you, Mr. Speaker. I appreciate an opportunity to respond to the motion that was put forward to us today.

There was some interesting statistics brought forward, and statistics usually tell the story that you wish them to tell if you put them in the right place and you try to construct them . . . or construct the right message around them. I really do agree with the member from Regina Victoria that, in fact, if we look at the analogy of the glass half full, it probably is — the question should be why isn't the glass full at this particular stage.

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

**Mr. Wakefield:** — There's been 10 full years of NDP administration trying to put those fundamentals in place. And what do we see? We don't see any of the fundamentals that will create the confidence needed for investment in this province. It's just, it's just not there.

When you look at the record, the record is quite clear. Whether you want to consider the numbers that the motion referred to or not, the fact is that people are leaving the province. The fact is that jobs are leaving the province. The fact is that the population has not grown in this province, and by the last census, the province has experienced a decrease in growth — the only one, the only province in all of Canada that has experienced a decrease in growth. That has got to be a signal that things aren't right; that the fundamentals are, are not in place.

Just this morning when we looked in the paper, there was a

headline “Sask. loses ground as a place to invest.” They talk about Saskatchewan dropping from third place on the survey to seventh place in the survey.

And they outlined a couple of quick items that resulted from that. And they highlighted the fact that it's high Crown corporate . . . high corporate income tax rates which we have tried to highlight to this government for several months now — the highest usage of corporation capital tax in the country.

And they also included one other item that doesn't come forward very often. And all of this corporate tax includes provincial sales tax on business input costs. That is not very competitive when we're looking at other jurisdictions that we have to compete against, when we're talking about our economy.

You have to remember, Mr. Speaker, that we in this province, whether we like to think we're isolated and immune from the rest of the things that are happening in Canada and in the rest of the world, we have to be competitive in here. We have to be competitive to try to attract investment. We have to try to be competitive to attract the jobs and the businesses that will result from that investment.

What we've seen is again those high taxes that have not been attractive to the investment in this province. We've seen things like the GDP. Just recently reported, the GDP in Saskatchewan was actually at a negative — the only place in Saskatchewan.

We've seen, and again this is part of the record, the last two years we're looking at a budgetary deficit. We're looking at the revenues over expenses and we see budgetary deficits and, in fact, the total debt increasing when you look at the total debt and liability of the province. That is not a good signal. It is not creating the proper fundamentals for attracting that investment. Because investment, remember, is a basis of confidence.

I remember a story once, Mr. Speaker, that was relayed to me. It's not an original story; it was a story that was relayed at a conference on the economy. And they were talking precisely about this situation where investors need the confidence to come and do what investors do.

And investors were . . . In this case, the analogy went, the investors are like gophers. Gophers, in fact, in this province — and we all know about them — gophers do what gophers do best and that's dig. And where gophers dig is where it is the easiest for them to do the job that they are designed to do or destined to do, and that is digging holes.

Investors are the same, Mr. Speaker. Investors do what they do best and that is invest wherever the opportunities arise and wherever there is confidence that a return can be made on that investment. The things that I talked about so far have not given the signals that would allow that kind of confidence in investment in Saskatchewan.

What we have seen, as I alluded to, Mr. Speaker, is the outflow of jobs and people over the years. Month after month we get the statistics. In the last two years, the statistics are showing that the number of people and jobs are on the decline.

And as the member from Regina Victoria alluded to, he focused particularly on the agricultural economy. And certainly there is some problems in the agriculture economy and we'll talk about that in a minute.

But the fact is that we are losing jobs from my perspective in my constituency, we can see people on the move virtually on a daily basis, moving across the border. And decisions are made on the basis of comparison from one side of the border to the other. And I've talked about that and I don't mind using that as an example once again.

The people that are moving is a big concern. The people that are moving across that border are the people that are in the age group that are the largest wage earners and therefore the people that we need to have in this province to keep them in the province or attract them back to this province so that we can start building the economy based on those kinds of people. We need that tax base so that we can provide what governments are supposed to provide in terms of infrastructure, roads, health cares, and schools.

It is the dynamics of the age of the people that is most troubling. We certainly have a higher than normal proportion of age group up to 25, and we also have a disproportionate amount of people in the age group 65 and over. It is that centre group that are young and middle-aged high-wage earners, trained people, educated people that in fact are leaving the province. That is not the right way for the province to go if we're trying to grow the economy.

(15:30)

Really to grow the economy by a mere 1 per cent a year surely is not too much to ask. And why can't that be a legitimate target? The population of Canada is growing at 1 per cent a year. The population of most of the other provinces, growing at 1 per cent a year. Our neighbouring province, which this government is reluctant to try to compare to, is growing at a rate of maybe 3 per cent a year and continuing to attract people out of our province.

However, what we have to do is to try to put the fundamentals in place, not to try to ignore those things, but let's put the fundamentals in place to see what is going . . . what they're doing right in order to build that economy and attract those kind of people.

The difference, Mr. Speaker, in my constituency in the city of Lloydminster is — and I'm going to use that comparison again — it's the . . . it's exactly the same people. It's with . . . the same sun is shining and the same wind is blowing.

There's only two things different that results in the third. The first one is taxation difference between one side of the border to the other. The other is regulation. There's a regulation difference from one side of the border to the other. Those two together, Mr. Speaker, result in a third and probably a more important factor, and that is an attitude or a confidence in what their future is.

That confidence is a most critical element in developing and attracting investment and developing your economy. If you

don't have the proper attitude, there's a whole chain of things that will not happen. If the attitude is correct and the fundamentals are there to be the base level, that is a key element.

And let me give you an example. In the last year or two the government has tried to put forward a strategy with glossy brochures and radio ads talking about, we have to change the attitude in this province; we have to get the attitude up and away and we can feel much better about ourselves. A very positive thing to do if in fact the fundamentals are in place.

But you can't, you can't get investment, you can't get the confidence of investment and you can't get the confidence of people just because they have a better attitude. It has to be based on something that can make a return in the . . . in this whole process of attracting people and attracting investment.

If you don't have the confidence, first of all you're not going to get the investment. And the investment I think is the most critical element of economic development. Investment is the key generator, and it has to be investment from an outside source. You can use investments from your own savings account for a period of time but you've got to have some kind of outside injection of capital or investment to make things happen.

If you continually use the investment from within the province, for instance, with Crown corporations or taxpayers' money, it would be similar, Mr. Speaker, to . . . I would compare it to a mechanic trying to make a living servicing his wife's cars and his son's cars. You've got to have something outside with fresh investment injecting into your economy to actually grow the economy, otherwise it becomes more and more stagnant; it becomes self-defeating and you finally run out of money and you run out of vigour.

So the confidence is really a basis of where the . . . how the investment is going to be placed. If an investor has confidence and the project is right, the two will come together very rapidly. And we've seen that in all kinds of examples and models all across both our province but particularly in other provinces. Because if you don't have the investment, you're not going to create the businesses and you're not going to then create the opportunity that the business can fulfill. And without the businesses, you're not going to have the jobs that will follow through. And all of those things along that chain are the elements that will be supplying the tax base and an increasing tax base that we have to have in this province.

And so it's a spiral. It's a . . . and it can spiral up and it can spiral down. And what we've seen in this province is that whole spiral going down and the economy going flat and without an increase in jobs or in numbers. That can be corrected because we . . . and it will have to be corrected if we want to develop the economy in this province.

One of the things that we have to do in order to attract those kinds of people is to make sure that the confidence level is there and not deterred by the fact that maybe you're going to be investing in the province and then in competition with government money through either Crown corporations or direct government intervention. That is probably one of the factors

that will deter an investor more quickly than anything if he knows that . . . if he's going to be competing against his own tax dollars. That just is one of the things that have to be corrected, and particularly if the investments are in areas where there's already private industry invested, whether it be security systems or whether it be television cable distribution. The signals that are being sent there are most devastating when it comes to attracting investment and therefore those kinds of opportunity.

That's a huge thing that we have to overcome. And the signals that have been sent out so far with Crown investments into the economy certainly goes back to people remembering things like the potatoes. There's about \$30 million that was invested and then lost in potatoes. There was about \$60 million now tied up in Information Services that still hasn't been tested out to be a . . . and operating efficiently. That has yet to be seen. We're still talking about a \$20 million investment in places like Atlanta, in an Atlanta-based dot-com company.

It just seems to me that if you're going to put equity and investments into a . . . into an economy, it's got to be here in this province, and it should be outside. We don't need the public money that the government is responsible for to be invested in places from Australia to Alberta to Atlanta. Certainly we don't need these kinds of investments in . . . from Tennessee to BC (British Columbia). We need the investments here. We need to create the opportunities. We need to create the jobs and the tax base so that we can expand this province here, and nothing that we have seen yet from this government in the last 10 years has turned that around.

We're still having problems trying to recover from a lack of money from this province, and we need to increase that investment and that tax base as I mentioned.

When we're looking at the investments that should be in this province, much of the time we're seeing a reverse of these investments that are actually leaving the province. And unfortunately that's the case with a lot of people that are leaving, certainly agriculture that has a large capital base. We're seeing retirees leaving this province because they find that there is a better return on their scarce retirement investments in other provinces, and when that happens the investment goes and doesn't come back.

I know when there is a farmer that has decided to leave the province and he decides to sell some of the land, capitalize it, and it becomes part of his retirement fund, he will go to where he gets the best return or the best service for that money and very often than not that leaves the province. It not only leaves, but the investment leaves, the person leaves, and likely never to return. That's something that is a real problem.

We have . . . When workers leave the province to look for opportunities outside the province, we don't see a great influx of those people coming back. When we see employers that have businesses leaving the province — they set up businesses outside — we don't see them rushing back into the province under the circumstances that are in place now.

What we have to do, in getting back to an earlier statement, we have to make sure that we in this province are creating a

competitive environment for investing here, a competitive environment for attracting those investments and for regulation as well. Without those two elements, we are going to continue to leave or have people leave and jobs leave the province.

Some of the other signals that are rather disturbing, Mr. Speaker, that sends the wrong signals again is the budgetary process that we have. We're showing that the budgets are focusing merely on one part of our economy in this province. It's the General Revenue Fund budget and it's being . . . numbers being added and subtracted so that it can end up with a supposed budget surplus of, in this case, a very small amount this year.

But there's other things that are leaving, taking out of that budget and being put into other areas such as the education capital proposal that is put forward here, things that are not under the perusal of the legislative debate when it comes to looking at the budget.

And so a very large percentage of our population, a large part of our economy, Mr. Speaker, is in fact outside of the purview and the debate in this Chamber when it comes to the budget. That is not a great signal. We have to look at the entire picture of the economy in this province so that decisions by investors can be made on how the province is doing. We just don't have that kind of information, certainly not at hand, when we're trying to make these kinds of decisions.

The agricultural part of our economy certainly is in some problems. We're trying to work our way through these as a province, and we've had some suggestions that we thought might help. And the member from Regina Victoria is correct in saying that the percentage of the economy attributed to agriculture is in the . . . in decline and it would be certainly nice if we could make it . . . revive it to the point where it was — I think he used the figure of 15 years ago — that would make it look a lot better. Even though it's not . . . it's only 7 per cent, it is in fact a substantial part of our economy.

But my question would be, what has been done in the last 10 years to make it a better industry? What has been done to try to put the fundamentals in such a way that more investment can be made into agriculture? We haven't seen an influx of investment capital into agriculture for a great long time.

In fact, it looks like it's . . . there are other signals that are in place. We're seeing a reduction . . . or an increase in the crop insurance rates with a reduction in coverage. We've seen the hail coverage of crop insurance going down. We've seen an increase in the property tax base, particularly for education.

Those are not comforting signs and signals to the producers in this province. And so the question that producers have, what do we have to do in order to try to make a living and what assistance is there? What fundamentals can be changed so that we can in fact make a living from this farm?

Well what can be done is in fact you've got to start looking at the magic word of value added. You've got to look at the more intensive agriculture. And there are models around the world, and I've been there to see some of these models that have in fact turned the basic production agriculture into a much more

valuable and value-added part of the economy.

(15:45)

And we need those incentives put in place from the government, not to get involved in an equity sense like we hear that they will be doing coming up in an ethanol case, but we need to have the government put the fundamentals in place that attract the investment and interest right across the board.

We can't be picking which we think might be a winner in the industry and going with that. The job of the government is to put those fundamentals in place that apply to everybody and try to attract.

There is an opportunity in this province and I fully agree. The opportunity is immense in this province and I think basically it's because the rest of the provinces and the rest of the world has had an opportunity gain and we have been very flat in the development of our economy here.

That opportunity gap is substantial. But I think with the right fundamentals in place — and I've talked about some of the things that have to be done — if the right fundamentals are in place with the right incentives, there is going to be a great interest in that opportunity and that opportunity gap will close rapidly. And I think that there will be a great deal of interest from investors right across both Canada and from outside of Canada.

So I implore, I implore the government that has the mandate to make sure that those fundamentals are in right for all aspects of our economy, to do the right thing. Don't wait for something naturally to happen. Don't wait to blame others for what can be done here. What we need to do is to make sure that that confidence is elevated, but the fundamentals are in place so that we can build on it.

Mr. Speaker, I would at this time like to move an amendment to that motion. And, Mr. Speaker, I'll read the amendment into the record. That . . . I move, seconded by the member from Saskatchewan Rivers:

That all words after "Saskatchewan economy" be deleted and the following substituted therefor:

despite the hurdles placed in their way by the NDP's failed economic strategy which has resulted in Saskatchewan trailing all other provinces in economic growth over the last four years and also trailing the rest of the economy in job creation.

I so move.

**Mr. Wiberg:** — Thank you very much, Mr. Deputy Speaker. It's a pleasure this afternoon to rise to speak to the amendment to the motion. Certainly the amendment more accurately reflects the economic climate in Saskatchewan and certainly as we listened to the member from Regina Victoria in his speech, certainly be able to understand that he would also agree with that amendment.

He has made some very thought-provoking comments that

reflect that the province of Saskatchewan has certainly been a detriment in the last 11 years to economic growth in Canada and certainly put a tremendous strain upon the province of Saskatchewan in the last 11 years as we've tried to recover from the detriment that was placed upon the province in the 1980s.

Mr. Speaker, as we talk about economic development in the province, it's often incumbent upon us to look back on how economic development, or lack of economic development, has affected the province in several areas. I can take a look in my own constituency of Saskatchewan Rivers and see, Mr. Deputy Speaker, the detrimental effect that the NDP government has had upon my constituency in the last 11 years. Businesses are closing at a record rate, at a pace that has been unprecedented probably since 1929.

That's unfortunate, Mr. Speaker, that when we look at the change in the millennium, that what we have to hold up to is the huge Depression that hit our province, the huge problems that hit Saskatchewan in 1929, and reflect that we're probably very much in the same situation today as we were back then.

Unfortunately this province has tried its best to hold the province down, develop policies since the *Regina Manifesto* that has stated very clearly that we need to hold the province down, we need to depopulate rural Saskatchewan. Certainly the NDP government, in following its predecessor, the old Canadian Commonwealth Federation, that depopulation of rural Saskatchewan would be an unfortunate side effect of expanded socialism in this province.

And it has certainly taken a tremendous toll on rural Saskatchewan and economic development in rural Saskatchewan. And unfortunately, Mr. Speaker, that also reflects upon urban Saskatchewan, very much so. You take a look at urban Saskatchewan and what has happened throughout the many decades since 1944 is that urban Saskatchewan has not grown appropriately either . . . but because of the decline of, the decline of rural Saskatchewan since 1944.

We take a look at some of the statistics that have been brought to us, certainly on this side of the House, where we have a preference for looking at statistics that have been brought to us by those in the statistics gathering area that have a credible reputation, rather than just come from, just come from assistants inside the NDP caucus office.

But certainly what we have seen in the last several years, Mr. Deputy Speaker, is a decline in growth in this province. We've seen investment leave this province. And unfortunately, since the election of the new leader in January of 2001 for the NDP is that the decline in economic development, the decline in economic opportunity in this province has actually accelerated at a rate, as I previously mentioned, probably comparable to 1929.

We certainly, of course on this side of the House, very much respect the efforts that have been made by Saskatchewan businesses, by Saskatchewan co-operatives, by the communities that we represent in this House all over Saskatchewan. And we certainly want to commend the efforts of entrepreneurs of all ages who've tried at their very best, Mr. Deputy Speaker, to achieve that type of economic development, economic growth

that is necessary for sustainable communities — whether it's in the hamlet of Bladworth or it's the city of Saskatoon. That same entrepreneurial spirit exists in every community in this province, Mr. Deputy Speaker.

What is needed, what is really needed at this time in our history, Mr. Deputy Speaker, is the kind of infrastructure, the kind of attitude change in this province that is so desperately needed, Mr. Deputy Speaker, to turn this province around and to make it into one of the most successful provinces in the country and in the history of Canada.

Often we, we on this side of the House take a look at what we could achieve here on this side on the House. And certainly, Mr. Deputy Speaker, both you and I will be able to take a significant advantage of the five bucks that are now owed to us.

But, Mr. Deputy Speaker, the province of Saskatchewan is probably one of the most blessed provinces and one of the most blessed jurisdictions in the world. We take a look, we can . . . (inaudible) . . . and the other side of the House we do this often — take a look at what we have in this province.

We have a significant percentage of the arable land, the arable land, Mr. Deputy Speaker, in the province of Saskatchewan. Land that is some of the most productive, certainly in North America. Many areas throughout the world that are . . . that is comparable to the ability to grow all sorts of grains and oilseeds, grains and oilseeds, Mr. Deputy Speaker, that can be used to feed the people of the world.

We're experiencing, unfortunately, at this time a bit of a tough time in the growing sector of the arable land sector. Many parts of the province have been suffering under a drought for a couple of years. And certainly the new US farm Bill is going to have . . . put a significant attack upon our agricultural producers.

But it's more than that, it's more than that, Mr. Deputy Speaker. What the attack that is being placed upon the agricultural producers in our province, and as the member from Lloydminster has actually portrayed, agriculture is a significant portion of the economy in Saskatchewan. It's not the only one — we have many sectors and I will be getting to them, Mr. Deputy Speaker. But certainly agriculture is going through some tough times right now.

But probably the biggest attack, Mr. Deputy Speaker, being placed upon the agricultural producers of Saskatchewan is actually coming from their own provincial government. You know what, Mr. Deputy Speaker? This government actually has the highest . . . some of the highest property taxes in anywhere, anywhere; the highest in Canada, we have the highest property taxes in Canada. It's more than double, more than double, Mr. Deputy Speaker, than property taxes are for other jurisdictions on an average throughout the rest of Canada.

That puts a significant strain upon, not only agricultural producers, although it puts a lot of strain on agricultural producers in this province having, you know, paid double the property taxes that their neighbours do in Alberta or Manitoba.

But it puts a tremendous amount of pressure also on business,

on business, other business in this province, Mr. Deputy Speaker. Whether we look in Saskatoon or Regina or Prince Albert or Moose Jaw, they are also suffering from the same economic doldrums because of this one issue alone, Mr. Deputy Speaker.

And there are many other issues, and we need to spend some time this afternoon going through . . . we'll spend some time, we'll go through some of these issues to help the people of Saskatchewan understand just how devastating to the provincial economy this NDP government has been.

We can move into the energy sector, Mr. Deputy Speaker. Saskatchewan again — like the agricultural sector, the agricultural sector is blessed with a high percentage of arable land in the country of Canada — in the energy sector, we take a look at the oilfields. We compare ourselves to the other provinces and territories in Canada. Again we can play a leading role in the development of oil in this country.

Since 1944 it has been the practice of first the Canadian Commonwealth Federation and then its successor, the New Democratic Party, is that we need to save oil energy in this province for a rainy day.

Well, Mr. Deputy Speaker, I would suggest to the NDP government today is that it is a rainy day. People are leaving this province in droves, our tax base is shrinking. And so then if that doesn't constitute a rainy day . . . When in fact in the year 2001 we were the only province, we were the only province, Mr. Deputy Speaker, that actually suffered a recession. We suffered a recession last year, Mr. Deputy Speaker, in Canada. And so then if that's not a rainy day, then certainly on this side of the House we don't know what else could be.

Apparently, you know, they talk about the half-full cup syndrome. And certainly that's one way to look at it. The NDP have always preferred only to have their cup half full.

On this side of the House . . . And it was previously mentioned by the member from Lloydminster, is that with all the wealth and resources that we have in this province our cup should have been full from day one. It was full during the '30s; it was full during the '20s. It was full into the '40s — it was full into the '40s, Mr. Deputy Speaker.

But for some reason or other because of the proponents of the *Regina Manifesto*, it was decided that half full, half full was adequate; we need to wrestle control of the economy away from those people who wanted to succeed in life and hand it over to those people who have absolutely no business background and see if they couldn't even do worse and . . . which is exactly what they did, Mr. Deputy Speaker.

We also — in the energy sector, Mr. Deputy Speaker — is that the province of Saskatchewan has been blessed with natural gas. Certainly as politicians we've heard quite often that . . . Many people refer to the NDP government as being already being blessed with natural gas, but it's not that natural gas I'm referring to, Mr. Deputy Speaker.

(16:00)

We have a natural gas wealth in this province that is being, again, hoarded for a rainy day. Certainly jurisdictions surrounding us, to the east of us, to the south of us, are looking for cheap energy. And Saskatchewan is blessed with plenty of this cheap energy. And for some reason this government has decided it would be more appropriate if we waited, if we waited just a little longer, then we would be able to use that in a more appropriate fashion.

Well what's appropriate here, Mr. Deputy Speaker, do we use a commodity that has a price and a value to it today or do we wait for 40 or 50 or 100 years and wait for an alternative energy source to be developed and lose that opportunity and lose a job creation and the economic growth that could be related to the energy sector through the sales of natural gas and the development of energy that we could use in this province for economic growth and certainly for the economies of jurisdictions, more specifically to the south and east of us, that are crying for that type of an energy, Mr. Speaker?

Again as we look around the province at all the opportunities that are available and that the NDP government has decided that it's more appropriate to save for a so-called rainy day. The only rainy day that we've ever noticed from this NDP government, of course, is their rainy day fund, which turns out that nobody can find and doesn't have a bank account number and is probably registered with the bank of never-never land.

But anyway as we look around this province and certainly in my area of the world, Mr. Deputy Speaker, and other members from farther north, you get north of Saskatoon and into the areas of Shellbrook-Spiritwood, Carrot River Valley, Athabasca, Meadow Lake, Cumberland, one of the most incredible renewable — renewable — resources that we have, Mr. Deputy Speaker, is our forestry sector.

Large, very large tracts of Saskatchewan have been blessed with some very outstanding forestry opportunities. A forestry opportunity that is looked upon in this province with a great deal of pleasure. It's something that can be used for tourism, people are willing to travel from all over the world just to see our pristine forests.

And certainly one of the things we have not done very well is gone out into the world, is in fact . . . and saying that we've not done very well, of course, Mr. Deputy Speaker, is a bit of an understatement. The fact of the matter is the Government of Saskatchewan has seen in their wisdom is that we don't want people, we don't want people from around the world to know about us, as that . . . I'm not sure whether they believe that Saskatchewan should be the world's best kept secret or what it is, Mr. Deputy Speaker. But certainly we take a look at forestry and the opportunities of being able to sell our pristine forests to . . . for the pleasures of . . . viewing pleasures of the people of the world. We have done almost nothing in allowing that to happen.

But there's a bigger . . . There's a bigger aspect to that, Mr. Deputy Speaker. When we talk about forestry, we have a bit of a curious phenomenon with our forests in Saskatchewan.

And certainly we've heard from groups throughout the world that there needs to be an appropriate harvesting method and we

look at forests that protects . . . that protects new growth and protects young forests from raping and pillaging. And certainly that's very appropriate.

We take a look at jurisdictions, whether they're in North America or whether they're in Europe or Asia. They're talking about . . . They're talking about forest, that we need to protect young forests and allow them to mature appropriately so that the species can regenerate and that our forests will continue forever.

Well in Saskatchewan, of course, our forests are slightly different than forests in many parts of the world. We can take a look at some of the old growth forest, whether . . . in British Columbia. We can take a look at some of the old growth forest down that entire West Coast seaboard, right down into northern California. They're talking about old growth forests that achieve ages of up to 300 years of age — 300 years of age, of course, Mr. Speaker.

Well in Saskatchewan our forests are a lot different from that. They're a lot different. The trees are smaller. They don't have the blessings of the rain that the West Coast get, certainly. So the trees are smaller here. And unfortunately, because of the drier conditions, they're also . . . they're also much more acceptable to disease at a much younger age.

A very, very old forest, a very, very old forest in the province of Saskatchewan, Mr. Deputy Speaker, is actually 90 years of age. It's only 90 years of age. Old growth forest or a forest that's considered to be old growth in Saskatchewan is actually only 60 years of age — 60 years of age, Mr. Deputy Speaker — and that's in the coniferous forest, in the pine and the spruce, the balsam.

When we take a look at other species and most specifically the aspen — the aspen, Mr. Deputy Speaker — in the provincial forest, the fact of the matter is an aspen is . . . actually reaches maturity at only 20 years of age and is actually in quite a disrespectful . . . disrespectful state by the time it reaches 40 years of age for a tree, Mr. Deputy Speaker.

So, Mr. Deputy Speaker, what we're having, what we're seeing now is that, because of the invasion of man so much more significantly into Saskatchewan in the last 200 years, is that forests in Saskatchewan, because of better firefighting methods and care and nurturing of the forests is that they're . . . forests in Saskatchewan in a much larger scale are staying on and living to reach maturity.

Because of that, because of that, Mr. Deputy Speaker, we now have forests that are dying from old age, that they're dying from disease. We have spruce budworm getting into the old growth forest. We have dwarf mistletoe, Mr. Deputy Speaker, getting into the old growth forest.

What's going to happen, Mr. Deputy Speaker, is we're going to be struck with a tragedy. So that what's going to happen is if we don't take advantage of these forests, a tragedy is going to strike the forests and we're going to lose them. We're going to lose them, Mr. Deputy Speaker.

And so then we need to develop harvesting practices to

immediately take advantage of this opportunity so that economic growth and economic development and economic wealth — economic wealth most specifically, Mr. Deputy Speaker — can be taken advantage of in this forestry sector.

The last little one I just want to make a few comments about, of course, is the mining sector in the province. Certainly we saw in the budget that the government has put together some rather, some rather iffy numbers surrounding potash in this province. And we certainly see that what's happening is of course potash is probably not going to see any growth in the next little while because of economic conditions in this province. They're heavily taxed and because of that they're going just to kind of maintain a constant level for the next few years until after the next election.

One of the things though that we also notice on this side of the House is that what's happening is that in the uranium sector, is that again it's kind of on a hold basis. And what's happening is that the mining companies are just producing enough uranium to just help to pay their taxes, make sure they can pay their wages, and produce enough product for their parent companies in France and Germany. And again, they would like to take a lot more advantage of economic growth and development and wealth in this province, and are being restricted because of the regressive tax policies of this NDP government.

And so then it is with a great deal of pleasure today that I'm supporting the amendment brought forth by the member from Lloydminster. I think it's a great amendment. It most accurately reflects the economic conditions in Saskatchewan. But more time needs to be spent by this government to take a look at the wrongs that they've inflicted upon the province of Saskatchewan. And so it's most appropriate, Mr. Deputy Speaker, that we adjourn debate.

Debate adjourned.

#### **Motion No. 9 — Funding for Education**

**Ms. Draude:** — Thank you, Mr. Speaker. I'm delighted to stand in the House today to talk about one area of government that affects most people in this province, and that is education and usually our children's education we're talking about.

The government's decision this year to change the Department of Education to the Department of Learning and combine the two departments is something that ensures us that we all know that learning for life is going to be a recognized name or a recognized slogan that we should be hearing right across the province.

Mr. Speaker, in the last number of years we've heard about the problems in health care and the problems with highways and the different problems that we believe happened because of this NDP government. But education is one area that we don't hear about very often.

And I think we can actually congratulate the school boards and the teachers for the fact that they are holding together a department or an area of life that the government has let down, that they've assumed the responsibility and they've made sure that there's still work going on and that we . . . and that



education is still going to be a priority for their children and for themselves.

Mr. Speaker, it's easy to . . . Mr. Deputy Speaker, it's easy to talk about the problems in health care when we have waiting lists that are increasing every year. It's easy to see that there's problems with the highways when you have pieces of asphalt coming through people's windows. But with education, we're not going to see the problems till later on, till down the road, because in the meantime school boards and teachers have been, have been making sure that they pick up the slack and taking the responsibility that this government has ignored.

The Throne Speech this year was interesting and I was delighted to hear that the government indicated that education was the third pillar in their stone of building the province. Quality education, they said. And this is something that I think most, most of the people in the province thought finally the government has their priorities straight. It's something that we can all bank on and ensure that not just children but adults and very young people are going to have an opportunity to be the very best people they could be.

But just 10 days later our hopes were dashed when the budget came down and we realized that this government again just gave lip service to education. The SSTA (Saskatchewan School Trustees Association) and the STF (Saskatchewan Teachers' Federation) and people right around the province, before the budget came down, had indicated that there was going to have to be \$25 million added to the education budget just to have the status quo. That wasn't going to include any of the increases for teachers' salaries that are being negotiated. They weren't talking about the increases to the fuel or the utility rates. Just to maintain the status quo was going to be \$25 million.

And on budget day, what happened? We learned that there was only going to be \$14 million put into education, Mr. Deputy Speaker. So again the province has let down the children of the province, and they've let down businesses, and they've let down the citizens of Saskatchewan.

Mr. Speaker, when the, when . . . This winter the member from Lloydminster and the Leader of the Opposition party went to Ireland to look at the Irish model that had been worked on for the last 10 years. Mr. Deputy Speaker, Ireland was in the same sort of situation that Saskatchewan was about 10 years ago. They had a . . . they were in a recession; they had people leaving in droves; they had businesses that were not encouraged to go to Ireland. And they made a turnaround that was remarkable in the European economy.

And when our leader and the member from Lloydminster went there and talked with these people, they learned that although there was lots of different issues that had to be dealt with, there was three areas that basically had to be changed in order to turn the economy around.

The first one was cutting taxes, Mr. Deputy Speaker, and that's something that we as the Saskatchewan Party have talked about a lot.

The second one was a social partnership making sure that all people that were dealing with the economy, that is the business

people, the working people, labour people, First Nations people, all worked together. And that was one of the keys to changing — to turning the economy around.

And the third part of it was education. Mr. Deputy Speaker, in Ireland they recognized that education was the key to success and they worked on that, and we have found that Ireland is now the jewel in the economy.

In 1905 when Saskatchewan was made a province — that's less than 100 years ago, Mr. Deputy Speaker — our pioneers and our grandfathers knew that there was some areas that they couldn't look after themselves. And they elected a government and told them that the responsibilities that they were entrusting to them where ones that no matter how hard they worked themselves they couldn't look after these areas. That's health care, and highways, and a social safety net, and education.

And, Mr. Deputy Speaker, that's something that we feel that this government . . . all four of them is something this government has been neglecting.

Mr. Deputy Speaker, with the cuts on budget day we have had many phone calls from different school boards and teachers saying that because of the downloading again onto local school boards, there's going to be, there's going to be cuts; there's going to be cuts to programs that are issued that are available to students. There's going to be cuts to staff. We're going to see teacher layoffs right across the province.

(16:15)

We're going to see more school closures and we're going to see a rise in taxes.

Mr. Deputy Speaker, the Saskatoon Public School Board's chairperson, Mr. Gordon Wyant, actually talked to the media about the changes in funding and what has happened to his school board because of the decrease in funding.

And he's made the point that the government has unilaterally changed the rules governing education, leaving the Saskatoon Board of Education in the untenable position of having to raise taxes on our ratepayers or cut services to students.

He acknowledges there was an enhancement to the foundation operating grant but the board's actual funding from the province decreased by 1.71 per cent, despite the fact that the province then indicated K to grade 12 education increased about 4.2 million.

The Saskatoon Public School Board received less funding because of its decision to change the elements of the funding formula, known as the computational mill rate, to 17 mills from 16 mills.

This is the discussion I had with the Minister of Learning for the last time we had estimates up and he wouldn't acknowledge that this change was actually going to affect taxpayers in this province substantially. By making that change \$37 million of responsibility for education is going to be downloaded onto taxpayers.

The change has a dramatic impact on the budget in Saskatoon. It signals a belief that a greater portion of the cost of public education should be controlled by local taxpayers, contrary to the government's stated policy.

Mr. Deputy Speaker, there has to be an acknowledgement that by changing this mill rate the government is actually ensuring that taxpayers are going to take up more of the burden of paying for education and the province itself is taking less responsibility.

In my area, in the Wadena School Division, there was the . . . the administrator says that the most prominent questions that were at . . . should be answered on budget day were still unanswered. There are a lot of numbers to come forward and they . . . the government has not acknowledged that there is . . . the teaching negotiations are still going on and that the decisions on the increase is going to be made by the government. And that responsibility is going to be passed down and the ratepayers are going to have to pay for it.

Three quarters of the budget is going to . . . depends on teachers' salaries. And when that change happens, it's going to be the responsibility of not just the school boards that get some money from the government but there are now 14 school divisions in the province that have zero grant forwards, meaning they get no funding from the government at all.

So then the negotiations are going to be going on and then the government is going to say this is how much you have to pay your teachers this year. That responsibility then is going to be going back to the taxpayer.

Mr. Deputy Speaker, in 1992, the operating grant from the . . . for K to 12 education was \$374,346,000. In 1997-98 it was 370,000. Mr. Deputy Speaker, in that time, in the . . . from 1991 to 1998, the amount of money that government cut out of education was \$357 million.

In other words, if this government would have frozen the funding at the level that they . . . was given . . . that they gave taxpayers in 1991-92, there would have been \$371 million more to our education system.

So I am always amazed at the members opposite when they talk about freezing. I think the education sector would have been delighted that this government would have froze spending to education. At least they wouldn't have downloaded that much onto the taxpayers.

The members opposite have been talking today about the province suffering because of revenues going down and the budget, whenever we talk about the budget and the amount of money that's being spent, they continue to say that they're . . . because of the decrease in revenues they've had to make cutbacks that are going to be hurting across different areas.

Well, Mr. Deputy Speaker, I think that the province is suffering not so much because revenues are down, but because this government has misplaced priorities. There is lots of money as far as they're concerned for out-of-province investments and overseas investments, but there isn't money for education and health care and the priorities for people of this province.

Indeed, this NDP government has ignored schooling and municipal funding for the last 10 years and it's not . . . we can't continue to do that and see our province grow.

The Canadian taxpayers association indicated that in 2001 Saskatchewan families were hit with huge property tax increases. The total property taxes, municipal and education, were up 7 per cent. The total rural property taxes were up 9.5 per cent. The total urban property taxes was up 4.3 per cent. The total property taxes on agricultural land, up 10.3 per cent.

Mr. Deputy Speaker, this is the kind of information that we are trying to make sure the members opposite recognize when we talk about farm families and the hurt that's happening to them financially at this time and . . . along with the drought and the other, the other experiences with subsidies from the US that's hitting them.

Mr. Deputy Speaker, Saskatchewan schools have the . . . school taxes is the highest in all of Canada. Saskatchewan pays 59 per cent of education funding is derived from property taxes. The Canadian average is 25.9. We're over double the Canadian average for the amount of money that we're expecting property owners to pay for education. This is affecting businesses right across the province. It's affecting landowners; it's affecting people's decision on whether they should live in this province or not. It's not something that the government recognizes and I . . . or publicly recognizes. They have talked about the decrease in personal income tax, but the education property tax is something that I don't hear the government talking about.

The education costs due to . . . The provincial government has indicated that because of the decrease to property taxes, Regina public and separate school boards are going to have an increase this year of over 1 per cent.

Mr. Deputy Speaker, the situation has progressed to a point where there was tax revolts across the province a number of years ago, and we're hearing talks of that happening again, especially since the NDP has cancelled the education property tax rebate program. That's something that although a lot of farmers had indicated it wasn't a lot of money and the programs could have been carried out . . . administered a lot better if it could have been done through the municipalities rather than having to send it into Regina. It was still some monies that they could count on. And this year that \$25 million was cut out of the budget.

What the NDP doesn't seem to understand as well, property and education taxes have been increasing, taxpayers' incomes have not been increasing. And it's not just farm families, it's labourers and seniors. The wage earners of this province are not seeing the increases that they need, but the property taxes have been going up.

I believe that the Minister of Learning hasn't lived up to his responsibility as the one who is the caretaker of learning in this province. When he was the . . . When he was campaigning as the leader of the Liberals in 1999, he campaigned on a promise to increase the provincial share of education up to 45 per cent. Well, Mr. Deputy Speaker, this isn't happening. The people across the province would have loved to have seen any kind of an increase and it didn't happen; there was actually a decrease

this year.

Saskatchewan's Department of Education is actually planning for a loss of 35,000 students by the end of the decade. This is the type of situation where we know the government has decided to manage a decline instead of working for a growth in the province.

Saskatchewan is ranked 8th out of the provinces in terms of provincial operating grants per student. Many of our schools, colleges, and universities are working out of facilities that are using obsolete materials. They are . . . and the buildings themselves have been condemned and they have deteriorated to the point that we acknowledge that there is 70 per cent of our educational facilities are over 30 years old and they are all going to be in need of major repairs.

While many states and provinces and private educators are offering complete high school, college certificates, and diploma classes through long distance education on-line, Saskatchewan has been slow to utilize that technology. Again, this is a place where the government seems to be . . . (inaudible) . . . to lead rather than . . . rather than to lead, you're going to follow.

Small town populations are declining and schools are struggling to recruit and retain teachers. This is an issue that we hear about whenever we go out to our small towns to talk about the problems with getting not just math and science teachers but principals and . . . and it's an issue that we have to be facing.

Twenty-five per cent of youth are at risk of not completing high school and the figure is moving towards 40 per cent, in spite of some of the actions that are taking place. Forty-eight per cent of public respondents to surveys believe that the major issue or problem facing Saskatchewan schools is lack of funding. That number has risen from 38 per cent in 1995 and 14 per cent in 1984.

Rural taxpayers are extremely disappointed with the NDP's decision not to continue with the educational farm land property tax rebate and SARM (Saskatchewan Association of Rural Municipalities) has indicated it's disappointed with this decision as well.

Education numbers aren't just an indication of the number of students in the school system. They're an indication of the economic climate. A growing education population means a growing economy — other provinces have done it but Saskatchewan has not.

Mr. Deputy Speaker, education is not a stand-alone department. When we have this . . . when we talk about education needs we're talking about one of the departments; it's a cog in the wheel. We have the economic climate in this province is not encouraging growth. That means our young people are leaving and young families are leaving the province in droves and this government has done nothing to change that.

Mr. Speaker, there's been the other . . . one issue that I haven't heard the minister speak about very often is the First Nations children. Last week or two weeks ago there was a report that was brought forward by FSIN (Federation of Saskatchewan Indian Nations) and FSIN Vice-chief Lindsay Cyr made some

comments that I think the Minister of Learning and the department itself should be very concerned about.

The province's education system both on- and off-reserve is failing to provide First Nations children with the basic level of knowledge and skills to complete their schooling. Cyr, who holds the education portfolio, said that a study released shows 78 per cent of First Nations youth have less than a high school education, compared to 49 per cent of non-Aboriginal youth.

We have work to do in terms of guaranteeing our people have the tools that are required to deal with the education needed at the post-secondary level. Despite the amount of money spent on educating First Nations people and preparing them for universities, entry-level tests show that they lack the level of education that is required. Certificates show that the students having a grade 10 level education, but with their own testing and military testing it shows they do not.

This is a concern that should be seen by the minister and by the government as something that's really disheartening and frightening when we realize that perhaps the level of education that the kids have going out of school is not adequate.

Are they prepared to compete on the same basis as other children? And what are we doing to make sure that we're all on the same playing field?

Mr. Deputy Speaker, the Role of the School and School<sup>PLUS</sup> documents was brought out last year and it actually had a number of recommendations that many of us could agree with and something that we feel could change the province and help many of the problems that we do have.

Teachers and boards are dealing with issues that are far beyond the education issues. They're dealing with health care. They're dealing with social services and justice. And many of them are indicating that some of the problems that they deal with is making sure that the students are even fed and clothed and know that they're ready to learn when they get to the school.

So the community schools initiative that the government has implemented is something that we can believe in but at the same time we aren't seeing the dollars go forward to actually work with the role of the schools to ensure that the children are ready for learning.

Last week I had the opportunity to attend a community school meeting with some of the teachers. And I was interested to hear them note that when they came to school they all were working on the same line — that they all had the needs of the children in mind.

And, Mr. Speaker, they open with a prayer that I think the members on both sides of the House would be interested in hearing, and I'm going to read it to you. The teacher that delivered it told me that I could share it with you and I'm hoping that the members opposite will understand that when the teachers go to their jobs in the morning, they're doing the wishes of the parents and of the school boards and knowing that in their hands is the future of the children and thus the future of

our province.

(16:30)

The prayer starts:

Lord, let me remember that today is a new day.

Let me forget about Johnny sharpening my favourite pen in a pencil sharpener.

Let me forget about Sarah breaking her crayons into a million little pieces.

And let me forget about messy desks and spilled glue and paper airplanes that never quite made it to the garbage can.

Dear Lord, this is what I pray that you will help me to remember.

Remind me that Jennifer's mom and dad just divorced so I may need extra patience and understanding.

Remind me that Chris needs a snack when he gets to school and he rarely gets to school on time for breakfast and he can't pay attention when his tummy is growling.

Remind me that Cassie has a brand new baby at home and make sure I give her plenty of attention.

And Lord, remind me not to frown when Joey tells me he didn't get his homework done again. Let me not forget that he doesn't have a desk, that he doesn't have a room, and he doesn't have a home of his own, and he does the best he can.

There are so many needs to share with You — children who need shoes on their feet, jackets on their backs, and school supplies — and these are just the physical needs.

Lord, you hear their prayers at night. Give them strength and courage to be the best they can be. Please let me be a positive influence on their lives and let my classroom be a warm, safe haven against the storm.

And, O Heavenly Father, I almost forgot. Lord, I pray that you will help me to teach every child how to read and write and count.

Mr. Speaker, we can get really carried away in politics in this room and think that we're talking about numbers all the time. But we're not. We're talking about children and we're talking about our future. If we don't grow our children, we're not going to grow our province.

We don't have silos in government. We don't have different departments that work independently of each other. We have people that are working together as cogs in a wheel to make sure that everybody can grow together.

And when this government makes decisions to invest in another country rather than to invest in education, when they make decisions to download onto taxpayers so that they move away, that's affecting our children. And I don't see the sincerity that this . . . that the budget speech talked about when it they said that education's the third pillar in growing the province. I don't see it, Mr. Deputy Speaker.

Your actions follow your words. And if they are . . . when we

. . . when I hear it and then I see that they've decided that again we're not going to fund education, then I can't believe that there's any truth to what the . . . to what this government is saying.

So, Mr. Speaker, I'm going to bring forward a motion and it's seconded by the member from Humboldt. And I would like leave to make a change in the wording. There was a . . . It's actually a typographical error that I will take blame for. I want to say, with leave:

That this Assembly condemns the provincial government for its continued downloading of education costs onto boards of education, forcing cuts in programming, teacher layoffs, and higher property taxes.

**Ms. Julé:** — Thank you, Mr. Deputy Speaker. Mr. Deputy Speaker, I'm very pleased to engage today in the debate regarding the motion put forward by the member from Kelvington-Wadena. The motion that reads:

That this Assembly condemns the provincial government for its continued downloading of education costs onto boards of education, forcing cuts in programming, teacher layoffs, and higher property taxes.

Mr. Deputy Speaker, the entire population of Saskatchewan have made it known to this NDP government for the last five or six years for sure that their priorities are misplaced, that their priorities are not on the children of our province, on the education of those children.

The people of this province are really concerned that this government's priorities are spending millions of dollars for out-of-province and overseas investments — dollars that have been lost, taxpayers' dollars that have been lost, Mr. Deputy Speaker; money that could have been put into education; that could have been put into health; that could have been put into any of the services that we need in this province.

Mr. Deputy Speaker, let me give you a bit of a rundown on the losses that the taxpayers of this province have incurred at the hands of the NDP government in Crown corporation investments overseas and within our province.

Eighty million dollars lost so far by the NDP's new Information Services Corporation on a computerized land titles system that still doesn't work. Sixteen million dollars lost on Channel Lake.

Twenty-eight million dollars lost, and counting, on the NDP's government-owned potato farm. And, Mr. Deputy Speaker, that was one of their success stories. There appears to be dollars for rotten potatoes, Mr. Deputy Speaker, but nothing for school boards.

Two point three million dollars lost on IQ&A, a company the NDP set up to sell personal health information; \$2 million lost on an on-line auction company the NDP set up to compete with eBay, a private business; \$80 million on an investment in Australia by SaskTel; \$3 million lost by the NDP trying to buy a power company in Guyana. And millions more being invested by the NDP in money-losing dot-coms in British Columbia, Ontario, and even Nashville, Tennessee.

SaskTel has spent millions to set up new Crown corporations to compete with existing private sector security companies, cable companies, and farm implement dealers. Rather than letting the private sector do business, this NDP government is insisting that they're going to compete with businesses, driving private business people out of the province — fewer taxpayers for our tax base. How in the world, Mr. Deputy Speaker, do we expect to have funding tax dollars to support education?

As a result, what the government does — because they don't have any policies to grow this province — they download on municipalities, they download on school boards. And our children are the ones that end up paying the price because they no longer have programs in place that will help them become well educated.

Mr. Deputy Speaker, the other part of this is we're losing teachers because school boards have had to lay teachers off because they can't afford to keep them. So we now have higher student/teacher ratios than ever before. I ask you, Mr. Deputy Speaker, is that going to, is that going to point to quality education for our children? I think not.

Mr. Deputy Speaker, the Saskatchewan Party has time and time again been trying to instruct the government that we need to grow the economy in order to have the tax base here to provide services to our children, to schools, to our health sector, to improving highways and every other sector. If we do not grow the population, we cannot possibly have the money to supply the services needed.

We need to have competitive tax rates in this province. We need to have streamlined regulatory environment. We need fair and competitive labour laws. We need to have an investment-friendly economic development policy. And that is not the case under the existing NDP government.

We need to have some requirements put in place for growth. We need to have a strong supply of private sector investment capital. We need strong infrastructure. And we need public policy that eliminates barriers to the flow of private sector investment capital.

What we have now under the NDP government, Mr. Speaker, are high taxes; we have over regulation; we have unfair labour laws; we have Crown corporations that are competing with private sector business. These things do not contribute to an expanded population or to an expanded tax base, which we need in order to ensure that we have funding for quality education.

Mr. Speaker, I would like to just read to you some of the media releases that came across from the SSTA which reflect their disappointment in the NDP government and its promises. It's asking the government to back up its promises. There was a media release from the SSTA on March 14, 2002. It said:

Boards of education want the provincial government to back up statements made in the Speech From the Throne on Thursday with action on Budget Day, March 27.

They say:

We have heard the government's talk, and on budget day

we want to see them walk that talk . . .

And that was from the president of the Saskatchewan School Trustees Association, which represents all boards of education in the province. The president says:

Boards of education want to provide the best possible education and other services to students, but often (they) are limited in that ability because of lack of resources.

Over the past number of years, the increased costs of funding education have fallen too heavily on property taxpayers. Boards have repeatedly said that they cannot continue to go to property taxpayers to make up for a provincial shortfall. The government funds just 40 per cent of education costs on a provincial basis. Property taxes cover 60 per cent.

For instance, we know that teachers will ask for salary increases at the provincial bargaining table, . . . (Now) The government makes the decisions at that table, but boards of education are left to pick up the tab. The government must follow through on promises to cover those costs, in addition to the costs of provincial programs.

Boards of education appreciate government support for new programs such as ones outlined in the Role of the Schools Task Force report, but that support must be backed (up) by financial support, not just increased expectations placed on schools.

And what did the SSTA get when the budget came down? Barely enough money to cover the increased cost of salaries, \$14 million — \$4 million for specialized programs; \$10 million is actually what they got. They had been asking for \$25 million in order to just keep up with the cost of inflation.

Mr. Deputy Speaker, they expressed their disappointment subsequently to the government and they are very, very upset that this government is expecting, yet one more time, that at the local level the boards of education in municipalities have got to increase their taxes in order to maintain somewhat of an education system for the children.

This is not fair. It's impossible for property taxpayers to continue to pick up the pieces and to go on.

Rural families have been hit the hardest, Mr. Deputy Speaker, and the Canadian Taxpayers Federation recently put out some reports about how the downloading on municipalities and school boards is affecting the rural area of the province.

As recently as October 2001, the Canadian Taxpayers Federation did a lot of research and they started to renew their fight for lower property taxes. And they released numbers, Mr. Speaker, from the provincial Department of Education itself through the freedom of information Act that showed that:

. . . the burden of education taxes on Saskatchewan property owners is more than twice as heavy as the rest of Canada.

"Property taxes in Saskatchewan (they say) are punitive

and out of whack with the rest of the country . . . The enormity of the gap between this province and the rest of the country is just astounding.”

Property taxes fund 59% of education costs in Saskatchewan, compared to the average of 26% for all provinces. The next heaviest burden is in Manitoba, where 51% of education is paid for by property taxes, while in New Brunswick . . . (Prince Edward Island) and Newfoundland education is funded entirely by the province with other tax revenues.

School taxes (they say) have increased dramatically across the province since 1985, but particularly in rural areas while farm income has plummeted. This has prompted grassroots “tax revolt” meetings across the province. (And) last spring . . . the (Canadian Taxpayers Federation) presented a petition with the names of 12,500 taxpayers to Premier Calvert demanding a significant decrease in education taxes.

And they go on to say:

“The government’s policies on property taxes and school funding have compounded the problems facing Saskatchewan, particularly in rural areas. There needs to be some serious changes in the next budget as to how we fund schools.” . . .

(16:45)

So, Mr. Speaker, what the Canadian Taxpayers Federation have said has certainly been backed and concurred with by the Saskatchewan Party. Because I have another Saskatchewan Party press release dated April 15, 2002, where the member from Saltcoats puts forward his views on how farm families are hit because of downloading by this present NDP government.

And this press release goes like this, Mr. Speaker. Saskatchewan Party municipal affairs critic Bob Bjornerud today said that many farm families will pay as much as \$10,000 more as a result of the NDP budget. And that’s just this past budget, Mr. Speaker.

And he goes on to say changes to the computational mill rate and the foundation grant formula as well as the cancellation of the farm land property tax rebate program will mean a property tax hike of at least 30 per cent over last year. If you combine that with increases in crop insurance premiums and spot loss hail coverage, farm families are taking a huge hit.

And Mr. Bjornerud goes on to say in this press release, the NDP can drop 20 million at the snap of their fingers into American dot-com companies and \$80 million for telephones in Australia, but hit Saskatchewan farm families with a \$10,000 bill. Bjornerud says it’s wrong. Rural Saskatchewan cannot continue to pay for the NDP’s wild spending sprees.

And the member from Saltcoats says that the assault on rural Saskatchewan in this budget flies in the face of what is needed to revitalize the economy and that we cannot continue to pay for the NDP’s wild spending sprees.

Mr. Speaker, we have a situation in the province that is totally deplorable and will continue to be as it is as long as the NDP maintains governing the province. Rural taxpayers are extremely disappointed with the NDP’s decision not to continue the farmland property tax rebate, and SARM (Saskatchewan Association of Rural Municipalities) has also indicated its disappointment.

It’s no surprise, Mr. Speaker, that the NDP-Liberal coalition has dropped the incentive for the property tax rebate because like so many other things that should be done to help grow Saskatchewan, the NDP has given up. It says, the status quo is good enough. It says, that things can’t change, that the situation can’t be improved.

And instead of addressing the issue, the NDP have told their departments to manage the negative change. How very disappointing and how devastating this is for Saskatchewan.

Education numbers aren’t just an indication of the numbers of students in our school system, they’re also an indication of the economic climate in the province. A growing education population means a growing economy. Other provinces have done it, but Saskatchewan has not.

Mr. Speaker, this government has failed miserably in managing our province’s affairs properly and it appears that their idea of growing Saskatchewan is to grow the Crown corporations — 62 Crown corporations whose goal it is to control all of the province’s resources: human, mineral, and vegetable.

Mr. Speaker, this is not the way to grow a province. The way to grow a province is to have the private sector be able to grow.

In Saskatchewan, most people know that we could be and should be a have province. We have millions of acres of best farmland in the world. We have more natural gas, oil, and coal than Alberta. We have all the potash in Canada with the best quality in the world. We have the richest uranium deposits in the world. We now have gold, diamonds, copper, and other base metals. We have pulp and paper. We have 100,000 lakes, yet we have the second-lowest standard of living within the Canadian borders. And this government, this NDP government, appears to have more purpose in destroying small business and farms by ways of rules, legislation, taxes, and unfair competition by its Crowns than having the foresight of allowing the natural successes for independent thought.

NDP repressive control of businesses in this province and the private sector investment is what is destroying the province and destroying our education system. Mr. Speaker, in the long run, the children of our province are the ones that are the losers. This is not acceptable. And the Saskatchewan Party, when they form government after the next election, will make sure that things are changed. Thank you, Mr. Speaker.

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

**Mr. Forbes:** — Thank you very much, Mr. Speaker. I stand because I can’t stand to support this motion. I think this motion illustrates how the other side focuses on the doom and gloom, talks about a totally deplorable situation, and that’s just not the situation here in Saskatchewan. We do have some challenges,

that is for sure. But with our partners, with the SSTA, the STF, we rise to those challenges. And I think that this budget this year speaks well to that.

What kind of things are we doing in this budget this year? We're allocating \$474.3 million to the school divisions — an increase of 3.1 per cent. Community schools, an excellent example of how we're reaching out to the kids who are at risk — a very, very important initiative.

As well, two important programs that we're very proud of. The pre-kindergarten program, that this year we have started six new programs that help kids get a good start. As well the early childhood development program, an excellent example.

So therefore I would like to move an amendment, seconded by the member from Regina Dewdney that:

Delete all the words after "Assembly," and replace it with the following:

. . . applaud the government's continued commitment to K to 12 education, demonstrated by a 19.3 per cent increase in funding over the past three years.

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

**Mr. Yates:** — Thank you, Mr. Speaker. I'm very pleased to stand and second the motion made by the member from Saskatoon Idylwyld. Mr. Speaker, as the member very accurately pointed out, the government has put 19.3 per cent in over the last three years, Mr. Speaker. And clearly, unlike the members opposite, we have an optimistic outlook for our children in this province and the future of our province.

And, Mr. Speaker, I'd just like to conclude my remarks by talking a little bit about how their platform in the last election saw a freeze, Mr. Speaker, a freeze in education spending — certainly wouldn't have been 19.3 per cent, Mr. Speaker.

So due to the facts that the opposition put forward a zero per cent increase over five years, Mr. Speaker — in fact a freeze — and we've spent 19.3 million . . . 19.3 per cent over the last three years, obviously the members opposite have a distortion in the reality of what the situation is, Mr. Speaker.

Therefore I will . . . I'm extremely pleased to support the amendment made by the member from Saskatoon Idylwyld and of course oppose the original motion.

And at this point, Mr. Speaker, I'd like to adjourn debate.

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

Debate adjourned.

The Assembly adjourned at 16:54.