

The Assembly met at 13:30.

Prayers

ROUTINE PROCEEDINGS

PRESENTING PETITIONS

Mr. Elhard: — Thank you, Mr. Speaker. Mr. Speaker, I rise today to present a petition again on behalf of producers and Crown grazing leaseholders in the constituency of Cypress Hills. The prayer reads as follows, Mr. Speaker:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the provincial government to take the necessary steps to ensure current Crown land lessees maintain their first option to renew those leases.

As in duty bound, your petitioners will ever pray.

Mr. Speaker, this petition is signed by producers and citizens of the communities of Maple Creek, Tompkins, Richmond, and Shaunavon.

I so present.

Ms. Eagles: — Thank you, Mr. Speaker. Mr. Speaker, I have a petition today signed by people that are very concerned about the condition of Highway 47 south of Estevan. And the prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to take immediate action and make necessary repairs to Highway 47 South in order to avoid serious injury and property damage.

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

And, Mr. Speaker, this is signed by the good folks from Estevan and Lampman.

I so present. Thank you.

Mr. Dearborn: — Mr. Speaker, I rise today to present a petition of citizens concerned with the closure of the Major School. The petition reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be influenced to stay the closure of Major School until the departments of Rural Revitalization and Education can put together a plan on a uniformed front for rural Saskatchewan.

And in duty bound, your petitioners will ever pray.

This petition is signed by the good people of Major and Unity, Saskatchewan.

Thank you.

Mr. Brkich: — Thank you, Mr. Speaker. I have a petition to improve Highway 42:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to make the necessary repairs to Highway 42 in the Arm River constituency in order to prevent injury or loss of life, to prevent the loss of economic opportunity in the area.

As in duty bound, your petitioners will ever pray.

Signed by the good citizens from Tugaske, Brownlee, Central Butte.

I so present.

Mr. Weekes: — Thank you, Mr. Speaker. I have a petition from citizens asking for fairness for Crown leaseholders. The prayer reads:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the provincial government to take the necessary steps to ensure current Crown land lessees maintain their first option to renew those leases.

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

Signed by the good citizens of Biggar and district.

I so present.

Mr. Allchurch: — Thank you, Mr. Speaker. Mr. Speaker, I rise in the Assembly again today to bring forth a petition signed by citizens of Saskatchewan that are concerned with the government's handling of the Crown land leases. And the petition reads as follows, Mr. Speaker:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the provincial government to take the necessary steps to ensure current Crown land lessees maintain their first option to renew those leases.

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

The signatures on this petition, Mr. Speaker, are from Rabbit Lake, Glaslyn, and North Battleford.

I so present.

READING AND RECEIVING PETITIONS

Deputy Clerk: — According to order the following petitions have been reviewed and hereby read and received.

A petition concerning the annual deductible amount for prescription drugs in Saskatchewan; and

Addendums to previously tabled petitions being sessional papers nos. 5, 12, and 4.

NOTICES OF MOTIONS AND QUESTIONS

Ms. Julé: — Thank you, Mr. Speaker. Mr. Speaker, I give notice that I shall on day no. 15 ask the government the following question:

To the Minister of Government Relations: how many municipalities including cities, northern municipalities, rural municipalities, resort villages, towns, and villages applied to have projects approved under the Canada-Saskatchewan Infrastructure Program in the fiscal year 2001-2002; please provide the names of the communities that applied for CSIP projects in the fiscal year 2001-2002; and please provide the types of projects these communities applied for in the fiscal year 2001-2002; please provide the names of the communities who had their CSIP projects approved in the fiscal year 2001-2002?

And, Mr. Speaker, I have a similar or the same question that applies to the year, the fiscal year rather, 2002-2003.

I so present.

Mr. Dearborn: — Thank you, Mr. Speaker. I give notice that I shall on day no. 15 ask the government the following question:

To the minister of Social Services: how much funding did the Early Childhood Intervention Program receive in the fiscal year 1998-99?

Also I have similar questions for the fiscal years '99-2000, 2000-2001, 2001-2002, and 2002-2003.

Further, Mr. Speaker, I give notice that I shall on day no. 15 ask the government the following question:

To the minister of Social Services: how much funding did the Head Start program receive in the fiscal year 1998 to 1999?

And I have similar questions for the years '99 through to 2003.

I so present.

INTRODUCTION OF GUESTS

Hon. Mr. Wartman: — Thank you, Mr. Speaker. Mr. Speaker, it is my pleasure to introduce to you and through you to the rest of this legislature, Dennis Apedale, who is assistant vice-president of government affairs for Canadian Pacific Railway.

Dennis has been here discussing the work of the railroads, some of the future that we have in relationship, and has contributed very often to the forums on rail and the economic development of Saskatchewan.

So I'd like you to join in welcoming Dennis to this legislature.

Hon. Members: Hear, hear!

Mr. Yates: — Thank you, Mr. Speaker. I'd like to introduce to you and through you to all the members of the Assembly,

Shelley Johnson, who is sitting up in the west gallery, a long-time friend of mine and a representative of the Saskatchewan Government Employees' Union.

And I'd like all members to welcome Shelley.

Hon. Members: Hear, hear!

STATEMENTS BY MEMBERS

Saskatchewan Junior Curlers Win World Championships

Ms. Atkinson: — Mr. Speaker, congratulations to Team Canada's men's and women's junior curling teams, who swept the world curling championships over the weekend. And, Mr. Speaker, we are especially proud that both of these teams come from Saskatchewan and curl out of Saskatoon.

Mr. Speaker, the women's team of Marliese Miller, Teejay Surik, Janelle Lemon, Chelsey Bell, and Tammy Schneider went unbeaten through the entire competition and then defeated the United States with an angle raise, double takeout with their last rock in the 10th end to win. An angle raise double takeout for the world championships, Mr. Speaker — talk about performance under pressure.

And, Mr. Speaker, the men's team of Steve Laycock, Chris Haichert, Michael Jantzen, Kyler Broad, and Ben Hebert went into an extra end to defeat Sweden to win their world title.

I might add, Mr. Speaker, that this was Canada's sixth consecutive Junior Men's World Championship.

Mr. Speaker, I would ask all members of this Assembly to join me in congratulating all of these fine, young Saskatchewan curlers who have worked hard and dreamed big, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Allchurch: — Thank you, Mr. Speaker. Mr. Speaker, last Friday was budget day and all eyes and ears were on the Finance minister as he delivered his budget speech. And there was little good news and uplifting to the citizens of Saskatchewan.

But, Mr. Speaker, Saturday was a different case, a different scene. All eyes and ears were glued to the TV watching the curling finals. A member from the Shellbrook area, Marliese Miller, captured the Women's World Junior Curling Championship in Flims, Switzerland.

The win capped a 11-0 run at the world championship for Miller. It was the first time that any team had won the world championship without suffering a loss since the event started in 1988. Miller's team swept the first team all-star awards, a feat that was also accomplished while winning the Canadian Junior Women's Championship in Ottawa. Miller was also the winner of another award, the Women's Sportsmanship Award.

For those who watched the game, it brought many memories of the late Sandra Schmirler. The final shot in the 10th end, an angle raise double takeout, cinched the win for Team Canada.

Members of the Miller rink were Teejay Surik, Janelle Lemon, Chelsey Bell, and alternate, Tammy Schneider.

I would ask all members of the Assembly to help me congratulate the team from Team Canada on this win. Great job done.

Thank you.

Some Hon. Members: Hear, hear!

Saskatchewan Party Decision

Mr. Yates: — Well, well, well, Mr. Speaker, in the world of politics, like any game, there are winners and losers, fair play and foul. This weekend all of Saskatchewan was watching the Saskatchewan Party to see if they believed in fair play or foul play, Mr. Speaker.

Well, Mr. Speaker, the Leader of the Sask Party — the defender of democracy, the cultivator of grassroots — once again has failed to defend the basic principles of fair play and democratic rule. I believe that makes his record 0 and 2, Mr. Speaker.

Once again, Mr. Speaker, 60 faceless members of the Sask Party huddled this weekend in a backroom with the aid of a conference call and overturned the publicly counted votes of 1,100 of their bona fide party members.

It is worth pointing out that this group fronted by the leader is so rock solidly opposed to democracy that after an hour of argument Grant Schmidt could convince only one member of the executive council to change his vote. I wonder what they will do to this member now, Mr. Speaker.

It has been noted before in hockey, curling, and other games, the team with the most points win — a basic rule of fair play which obviously is completely foreign to the Sask Party.

Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

World Junior Men's Curling Championship

Mr. Bjornerud: — Thank you, Mr. Speaker. Mr. Speaker, I want to join with the member from Shellbrook-Spiritwood and the member from Saskatoon Nutana in congratulating the Steven Laycock rink on winning the World Junior Men's Curling Championship.

The team consists of Steven, who comes from a farm near Saltcoats; third, Chris Haichert; second, Mike Jantzen; lead, Kyler Broad; and alternate, Ben Hebert. I am sure, Mr. Speaker, that those who watched the finals will agree that these young men will show up in Saskatchewan men's curling as a team to be reckoned with in the near future.

Mr. Speaker, Steven's mom and dad, Gary and Diane Laycock, travelled to Switzerland to watch their son and his team make us all proud of them in representing Canada at the Worlds.

Mr. Speaker, in the Saltcoats area we've been very fortunate to

have two world champions. Joan Inglis McCusker was a member of the Sandra Schmirler rink, world and Olympic champions. And this year, Joan was a member of the Jan Betker rink who represented Saskatchewan at the Scott Tournament of Hearts. Mr. Speaker, the Laycock family and the Inglis family live about two miles apart. Mr. Speaker, it's got to be something in the water, whether that water is frozen or not.

Mr. Speaker, the success of Steven's rink and the girls Miller rink certainly bodes well for the future of curling in Saskatchewan. I ask everyone to join with me in congratulating them once again.

Some Hon. Members: Hear, hear!

Additional Funding for Child Care

Ms. Hamilton: — Thank you, Mr. Speaker. Last week, along with the Premier and the minister responsible for community services and employment, my seatmate, and several other colleagues, I had the pleasure of attending this government's announcement on the largest expansion of child care services in the history of this province — 1,200 new licensed child care spaces over the next four years.

Some Hon. Members: Hear, hear!

Ms. Hamilton: — Mr. Speaker, the components of child care Saskatchewan are: \$1.8 million to fund new or previously unfunded spaces and provide the capital for building development, renovations, and fire safety requirements associated with those spaces; \$1 million to increase child care subsidies an average of \$20 per child per month effective June 1; and \$200,000 increase in early childhood services grant funding to address wage and human resource requirements in licensed child care facilities.

Mr. Speaker, this government believes that all Saskatchewan people must have opportunities to contribute to the economic and social life of this province. And that means, Mr. Speaker, that quality, affordable daycare is essential for parents who are working or going to school.

(13:45)

This government does dare to care and this commitment from our government is yet another signal that the future is wide open to anyone and everyone in this province prepared to dream big, plan well, and work hard.

Some Hon. Members: Hear, hear!

Youth Criminal Justice Act

Mr. Huyghebaert: — Thank you, Mr. Speaker. Tomorrow, April 1, is the first day that the federal Youth Criminal Justice Act comes into effect across Canada.

This new Act, Mr. Speaker, replaces the 20-year-old and much maligned Young Offenders Act, legislation that was often seen as being ineffective or inappropriate for crimes committed by youth.

The Youth Criminal Justice Act was passed last year in the House of Commons but proclamation was delayed to give all sectors of provincial judicial systems enough time to become familiar with the Act and to make the necessary changes to programs and services. In fact nearly 30 million has already been spent on training police, judges, social workers, and community agencies to help prepare them for implementation of an Act that is double the length of the original Young Offenders Act and is apparently much more complicated.

Of course members on both sides of the House should bear in mind this is the same federal Liberal government that has also seen fit to force a useless, billion dollar gun registry on Canadians.

Some specifics regarding the Youth Criminal Justice Act, Mr. Speaker. There will be less jail time for less serious offences such as property crimes, more onus on police to consider extrajudicial measures such as written warnings instead of laying charges and for judges to impose the least restrictive sentence.

Saskatchewan has one of the highest rates of youth crime in the country, Mr. Speaker, as well as one of the highest rates of youth incarceration. Members on this side of the House will be carefully monitoring the NDP's (New Democratic Party) development of programs and policies as it moves to implement the new Youth Criminal Justice Act here in Saskatchewan.

Thank you.

Some Hon. Members: Hear, hear!

Building for the Future

Mr. Iwanchuk: — Mr. Speaker, this government has a plan for this province and the plan is about building for the future. It's about growth and opportunity and building momentum and providing programs and support for Saskatchewan people.

Mr. Speaker, last week this government delivered its 10th consecutive balanced budget, but more importantly we delivered a budget that continues our tradition of strategically investing to meet the needs of Saskatchewan people while at the same time managing the province's finances in a responsible and prudent manner.

Mr. Speaker, we believe building for the future means healthy and self-reliant families and have therefore allocated a record 2.5 billion to health.

We believe building for a future means providing opportunities for youth and have allocated a record \$1.2 billion for education. We believe building for the future means the province has a modern and competitive infrastructure, a prosperous and competitive economy, and strong and vibrant communities.

Mr. Speaker, the members opposite can have all the slogans they want, but clear vision and this plan are going to be what builds the future of this province and according to recent reports, Mr. Speaker, the future is already here.

Some Hon. Members: Hear, hear!

ORAL QUESTIONS

2003-04 Budget

Mr. Hermanson: — Thank you, Mr. Speaker. Well, Mr. Speaker, the dust hadn't even settled . . .

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

Mr. Hermanson: — I guess the members opposite don't want me to ask them a question. That's because the dust hadn't settled on Friday's budget and it was ruled, it was judged to be a huge flop. Just listen to the reviews that the budget is getting.

It seems that nobody has anything good to say about that budget. Just look at the headlines. "Mayors ready for fight." "Police money short." "U of S fears cuts." "Too little tax relief." "Agriculture neglected."

The Minister of Finance hasn't had that kind of a response since he was the leader of the Liberal Party in Saskatchewan.

Some Hon. Members: Hear, hear!

Mr. Hermanson: — Mr. Speaker, how did the NDP get the budget so wrong? How did they manage to come up with a budget that everybody thinks is a disaster?

Some Hon. Members: Hear, hear!

Hon. Mr. Melenchuk: — Mr. Speaker, when we look at the response to the budget, I know that myself and my colleagues on the government side have been out all over Saskatchewan on the weekend talking to the people, talking to the public of Saskatchewan.

And what we're hearing are very positive reviews with regard to the budget, Mr. Speaker. What we're hearing is that a record expenditure of 2.5 billion in health is seen as being exactly what we should be doing. Mr. Speaker. Our priorities on education are exactly what we should be doing, Mr. Speaker.

And when we talk about the response in terms of the negativism of the members opposite, the people of Saskatchewan are very positive about the future of our province, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Hermanson: — Well, Mr. Speaker, let's look at the facts and see what really happened.

Just moments after the budget is presented, the Premier is out in the rotunda angrily attacking every mayor in Saskatchewan. Mr. Speaker, the Premier lashed out at SUMA (Saskatchewan Urban Municipalities Association), he lashed out at the mayors, and he said that the definition of being a mayor in this province is that there's never enough.

Mr. Speaker, the mayors were simply stating their concerns over the Finance minister's budget on behalf of the people who elected them. And in return they were attacked by an unelected Premier of Saskatchewan.

Mr. Speaker, why did the Premier get so angry and give Saskatchewan mayors such an ugly tongue-lashing?

Some Hon. Members: Hear, hear!

Hon. Mr. Calvert: — I will defer to other questions about the budget to the Minister of Finance today but I want to say this.

I did . . . I was a little intemperate, if I may say, during my comments about the mayors because, Mr. Speaker, it's not all of the mayors of Saskatchewan who take that point of view. But obviously some do. Obviously for some of our mayors it is never enough, Mr. Speaker.

Now the Leader of the Opposition stands today . . . I cannot believe he would stand today and talk about elected or unelected — unelected — when he and his party just put their thumb in the eye of democracy like it's never been done before in the history of Saskatchewan.

Some Hon. Members: Hear, hear!

Mr. Hermanson: — Well, Mr. Speaker, I guess the Premier is right. I think there was one mayor there that was hiding somewhere in the legislature and didn't come out and speak against the budget.

Mr. Speaker, the Premier is probably hoping . . .

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

Mr. Hermanson: — Mr. Speaker, I'm sure the Premier was hoping that not too many people saw that ugly attack on Saskatchewan mayors.

Well what he might not know is that SUMA videotaped his rant against mayors and they have now posted it to their Web site. And now they are encouraging all the mayors . . . Maybe even the mayor of P.A. (Prince Albert) will get a chance to look at this Web site. And I hear that they are getting an unusually large number of hits. So, Mr. Speaker, if the people of Saskatchewan or mayors or councillors want to have a look at the Premier's rant, they can just go to www.suma.org.

Mr. Speaker, the question to the Premier is: why did he get so angry at Saskatchewan's mayors?

Some Hon. Members: Hear, hear!

Hon. Mr. Melnychuk: — Mr. Speaker, when we look at the budget which was tabled here in the Legislative Assembly on Friday, and we look at the dollars we're putting into health care and the dollars we're putting into education and the dollars we're putting into municipalities, well the reality of the day is, Mr. Speaker, is that we gave \$10 million to municipal revenue sharing last year. We took that 10, we added another 10 this year for \$20 million, and we're adding another 10 on the 10 on the 10 — that's \$60 million to municipalities.

And I know there are groups in Saskatchewan that did not get any additional dollars in this budget and they call it an insult. Some of them do, not all of them.

Mr. Speaker, the mayor of Moose Jaw just yesterday, and reported in the Moose Jaw *Times-Herald* here today, says:

“The comments made by Mike Badham after the budget, in no way reflect the opinion of the council of the City of Moose Jaw,” said Schwinghamer, expressing embarrassment over those comments.

Mr. Speaker, we are doing lots of good things for this province.

Some Hon. Members: Hear, hear!

Mr. Hermanson: — Mr. Speaker, I know that all across Saskatchewan now mayors are going to www.suma.org and they will be joining with Mike Badham in condemning the Premier for his comments.

Some Hon. Members: Hear, hear!

Mr. Hermanson: — But it wasn't just the mayors that were angry, Mr. Speaker. Farm groups and farmers said that the NDP ignored agriculture. Terry Hildebrandt of APAS (Agricultural Producers Association of Saskatchewan) said, if you would have blinked, you would have missed the agriculture section of the budget.

SARM (Saskatchewan Association of Rural Municipalities) President Neal Hardy said there's \$40 million missing any way you cut it. Mr. Speaker, he said there's nothing built in there to allow for a disaster year. SARM also says that it was led to believe that there would be some action on education tax — not just another study.

Mr. Speaker, a couple of years ago the NDP promised to revitalize rural Saskatchewan. Now the NDP are rejecting rural Saskatchewan. Why did this budget ignore agriculture and rural Saskatchewan?

Some Hon. Members: Hear, hear!

Hon. Mr. Serby: — Mr. Speaker, tonight, tonight, Mr. Speaker, at midnight, the CFIP (Canadian Farm Income Program) program in Saskatchewan ends. No more CFIP program. And in our budget, Mr. Speaker, we don't show any money for CFIP. Why? Because there's no more program, Mr. Speaker.

And I say to the member opposite, you need to stop embarrassing yourself and you need to stop embarrassing . . . the member from Watrous needs to stop embarrassing herself because every time they get up to talk about agriculture, Mr. Speaker, they have no idea.

Do Canadian farmers and Saskatchewan farmers a favour and stay out of the ag file because every time you're in, you cost them money, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Hermanson: — Well, Mr. Speaker, the agriculture says that CFIP is over with, a program that was a disaster for Saskatchewan, and now there's even less money than there was under the disastrous CFIP. How disgusting, Mr. Speaker.

Mr. Speaker, this budget was given a thumbs-down by the mayors, a thumb-down by agriculture, and the list goes on and on. The nurses' union said that the budget failed to address the nursing shortage. The Canadian Federation of Independent Business said it was too little and too late. The Canadian Taxpayers Federation said that the NDP is living in fantasyland.

And, Mr. Speaker, most importantly, the people of Saskatchewan that we spoke with over the weekend said that this budget has no plan and it has no credibility. It's a clear sign of a government on its last legs.

Mr. Speaker, I ask the Premier, how did he let his people come up with such a budget, a budget that nobody in Saskatchewan likes?

Some Hon. Members: Hear, hear!

Hon. Mr. Melnychuk: — You know, Mr. Speaker, when we talk about the reaction to the budget . . . and the reaction to the budget will keep coming in over the next week or two. And the initial reaction from the public of Saskatchewan is extremely positive, Mr. Speaker.

They've complimented this government on having its 10th consecutive balanced budget, Mr. Speaker. The public of Saskatchewan has complimented this government on the fact that it has had 10 credit rating upgrades, Mr. Speaker. The public of Saskatchewan has complimented this government on the fact that we are investing \$2.5 billion in health care — the biggest investment they've ever had, Mr. Speaker. And the public of Saskatchewan that says, you have got your priorities right, Mr. Speaker, in health care and education and highways.

And they're asking, what are the priorities of the members opposite, because we don't know, Mr. Speaker. What do those people stand for?

Some Hon. Members: Hear, hear!

Mr. Krawetz: — Thank you very much, Mr. Speaker. You know, Mr. Speaker, the biggest problem with this budget is it's just not credible. Let's look at the economic forecast.

(14:00)

The Conference Board of Canada says Saskatchewan's economy will grow by 2.7 per cent this year — that's The Conference Board of Canada. Other private sector forecasters are predicting a growth of around 3 per cent. But apparently the new Minister of Finance knows more than the leading economists in Canada. His entire budget is based on an economic growth of 6.8 per cent; that's more than double all the private forecasts, more than double the expected growth in every other industrialized country in the world, Mr. Speaker.

How does the Finance minister expect anyone to believe this forecast when it is so out of touch with reality?

Some Hon. Members: Hear, hear!

Hon. Mr. Melnychuk: — You know, Mr. Speaker, I won't apologize for being optimistic about the future of this province.

And I won't apologize for looking at the future of Saskatchewan and saying it's wide open, Mr. Speaker. And I won't apologize that not only myself but other forecasters are saying the same thing, and let me quote, Mr. Speaker. For example, CIBC (Canadian Imperial Bank of Commerce) World Markets notes, and I quote:

. . . the associated level of real output falls within the band foreseen by economic forecasters . . .

CIBC World Markets "Provincial Budget Briefs," March 28, 2003.

And, Mr. Speaker, what does the Bank of Montreal say? They simply note it's based on a return to normal crop levels after two years of severe drought — BMO Nesbitt Burns Economic Research, Saskatchewan highlights, March 28, 2003.

Mr. Speaker, there's more and more and more. Our numbers are realistic. Our forecasts are realistic. And we're very positive about the fortunes of this province, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Krawetz: — Mr. Speaker, most Finance ministers try to make cautious projections about economic growth, and if they exceed them, the government will then have additional revenue at the end of the year. But not this Finance minister. He's throwing caution to the wind. He doesn't care what the private forecasters say. He doesn't care what The Conference Board of Canada says. He knows better. In fact, Mr. Speaker, if you added up the expected rate for Australia and Canada, both combined, you won't even arrive at the minister's projection for Saskatchewan.

You know, Mr. Speaker, if it wasn't so funny it would be ridiculous. But this is quite serious. This one number undermines the credibility of the entire budget. How can the Minister of Finance expect anyone to believe his budget when his economic growth forecast is so out of line with reality?

Some Hon. Members: Hear, hear!

Hon. Mr. Melnychuk: — Mr. Speaker, the officials in the Department of Finance, myself, and this government stand by our numbers. But we're not the only ones, Mr. Speaker.

We're very positive about the outlooks for the province of Saskatchewan, Mr. Speaker. And I know that the members opposite don't like to hear that because they are the sultans of doom and gloom. But the reality of the day, Mr. Speaker, is that . . . And the member opposite made reference to The Conference Board of Canada and I'll quote from The Conference Board of Canada. And here they go.

I don't think (6.8 per cent economic growth) is overly optimistic. It's just based on the assumption of a normal crop.

David Madani, Conference Board of Canada, Regina *Leader-Post*, March 29, 2003, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Krawetz: — Mr. Speaker, all the revenue forecasts in this budget are based on the NDP's prediction of 6.8 per cent economic growth. And that's the problem. Because if the province doesn't achieve 6.8 per cent growth, the deficit will even be bigger than it is . . .

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

Mr. Krawetz: — In other words, the minister is taking a huge gamble based on a forecast that is not supported by any other economist in Canada.

Mr. Speaker, if the province does not achieve 6.8 per cent growth this year, if the economy only grows by 3 per cent like the Canadian average, how much will this affect provincial revenues? How much more debt will the NDP rack up?

Some Hon. Members: Hear, hear!

Hon. Mr. Melenchuk: — Mr. Speaker, you know, I don't doubt the fact that the member opposite is quite sincere in his comments but he's very wrong, Mr. Speaker.

The reality of the day is that we have CIBC World Markets. We've got the Bank of Montreal, The Conference Board of Canada. And here's another one for you — Scotia Economics. An economist said on the weekend and I quote:

The government's forecast is entirely possible, especially in the agriculture sector.

In fact, he says:

History has shown that when you have a sharp decline as you have had, particularly over the past two years with the drought, there often is a bounce back that is major (Mr. Speaker).

CJME radio, March 28, 2003, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Krawetz: — Thank you, Mr. Speaker. Mr. Speaker, I've referred to a number of comments made by economists right across Canada that are predicting 2.7 to about 3.7. I've indicated that *The Economist* is predicting that Canadian growth rate will 3.3 per cent.

But you know, Mr. Speaker, I also want to quote from a CBC (Canadian Broadcasting Corporation) TV interview on Friday, March 28, and these are the words of John Allen, the institute of public policy, who's an economist with that firm. And he says this:

The fundamental role of budgeting is, if in doubt err on the side of conservatism. And using a 6.8 per cent growth in real GDP is certainly not erring on the side of conservatism.

That's the message from the institute of public policy, Mr. Speaker.

Mr. Speaker . . .

The Speaker: — Order, please. Order, please. And I would ask the member to put his question.

Mr. Krawetz: — You know, Mr. Speaker, I do believe that I have a voice that travels quite well in this Assembly, but I couldn't even hear myself on that last one, Mr. Speaker.

Mr. Speaker, those are the words of the institute of public policy saying if you're going to be wrong, be careful.

The question again to the minister is: how much more will the debt grow if indeed we only achieve a 3 per cent growth?

Some Hon. Members: Hear, hear!

Hon. Mr. Melenchuk: — Mr. Speaker, from the line of questioning it's obvious to me that to err is conservative, Mr. Speaker.

Some Hon. Members: Hear, hear!

Hon. Mr. Melenchuk: — When we talk about bounce, we talk about bounce back in terms of the recovery of the economy in the province of Saskatchewan. I might note that in 1993, coming off a bad crop year in 1992, there was a 6.6 per cent increase in our real GDP (gross domestic product), Mr. Speaker.

And when we talk about the forecasts and how our numbers jibe, Mr. Speaker, I think Mr. Paul Martin said it the best. And he goes, and I'm quoting Paul Martin CKOM/ CJME radio, March 31, 2003, and he quotes:

Is this estimate too rosy? Well normally I would say yes, but there's one nagging problem. Saskatchewan Finance ministry has always gotten it right.

The department has been remarkably accurate and not in its economic forecast, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Krawetz: — Mr. Speaker, I have one final question for the Minister of Finance this afternoon. If he believes that producing accurate numbers that reflect reality are conservative, I want him to answer the question as to whether or not producing a document that requires large barrels of whiteout ink is a Liberal document.

Some Hon. Members: Hear, hear!

Hon. Mr. Melenchuk: — You know, Mr. Speaker, it seems . . . You know, Mr. Speaker, I see that the member opposite has got quite animated because he hasn't got his facts right. And that happens every now and then, Mr. Speaker.

But when it comes to CIBC World Markets, Bank of Montreal, Conference Board of Canada, Scotia Economics, and our very own Paul Martin are all saying the same things — we're going to have a rebound in our economy and guess what? It's going to be 6.8 per cent with a normal crop year.

I don't know why they don't like that news, Mr. Speaker; it's

good news. It's good news for the province of Saskatchewan. Our economy is growing and our future is wide open, Mr. Speaker.

Some Hon. Members: Hear, hear!

Investigation of Prince Albert Officials

Mr. Heppner: — Mr. Speaker, my question is for the minister of SGI (Saskatchewan Government Insurance) over there.

Last Friday, Don Cody, mayor of Prince Albert, quite suddenly tendered his resignation as chairman of the Saskatchewan government agency, SGI. This occurred the same day that the Prince Albert Police Commission announced that Mr. Cody had been suspended from the commission pending an internal investigation involving the mayor, the chief of police, and two other senior officers in the city.

Mr. Speaker, there are a lot of rumours and speculation surrounding the commission's suspension and the sudden resignation of Mr. Cody from SGI. Will the minister explain to this Assembly why Don Cody suddenly tendered his resignation; was it voluntary or was it requested by the minister?

Hon. Mr. Cline: — Mr. Speaker, I want to say that this is a matter that is under investigation by the Regina city police. And it will be, it will be the position of this government, Mr. Speaker, first of all, that one of the important tenets of administration of justice is equality under the law. And the police and anyone else involved in this incident will be investigated duly by the Regina city police, headed I believe by the chief of the Regina city police. The matter will then be referred to senior law officers of the Crown for review.

And as the matter is investigated, we will not be commenting publicly on the matter. We will let the police and the prosecutors do their job and not speculate as to what may or may not have occurred.

Some Hon. Members: Hear, hear!

Mr. Heppner: — Thank you, Mr. Speaker. It's amazing how often this NDP government, Mr. Speaker, has to hide behind that particular answer and you wonder why that is.

Mr. Speaker, my next question is for the Minister of Justice. It is for the Minister of Justice. It has been announced that the Regina city police have been called . . .

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

Mr. Heppner: — . . . as you said, to conduct an internal investigation regarding an incident involving Mayor Don Cody, the Prince Albert police chief, and two senior officers. Presumably the result of that internal investigation would be forwarded to the provincial Justice department for review and possible further action.

Mr. Speaker, Don Cody has considerable ties to the NDP government. As a former NDP minister in Saskatchewan, he sat

in those very front rows, Mr. Speaker, and now as the former chairman of SGI.

Mr. Speaker, to avoid any perception that those socialist ties influence this NDP government in this case, will the Minister of Justice commit today to hiring an independent prosecutor to review the results of this investigation and make recommendations for any action deemed appropriate in this case?

Some Hon. Members: Hear, hear!

Hon. Mr. Cline: — Mr. Speaker, one of the most important principles of a parliamentary system is the independence of the police and the prosecutors from the government of the day. And this government and this minister have confidence in the police in this province and the prosecutors to review matters, whoever may be involved, Mr. Speaker, and to give advice to the government, Mr. Speaker, as to whether there should be charges laid and if so what those charges are.

And I want to say to the member, Mr. Speaker, as he should well know, that the decision as to whether to lay charges will not be made by the Minister of Justice. It will not be made by anyone sitting in the government seats. That decision, Mr. Speaker, will be made by the law officers of the Crown.

And if that member is suggesting that the law officers of the Crown are influenced by politics, he can go outside the House and say it, Mr. Speaker. But that has not been the case and it is not the case and it will not be the case.

Some Hon. Members: Hear, hear!

(14:15)

ORDERS OF THE DAY

WRITTEN QUESTIONS

Mr. Yates: — Thank you, Mr. Speaker. I'm extremely pleased to stand on behalf of the government and table responses to written questions no. 5 and 6.

The Speaker: — Responses to questions 5 and 6 have been tabled.

SPECIAL ORDER

ADJOURNED DEBATES

MOTION FOR COMMITTEE OF FINANCE (BUDGET DEBATE)

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

Mr. Krawetz: — Thank you very much, Mr. Speaker. Mr. Speaker, I want to continue with my remarks that I began with last Friday. I initially made some comments about the budget. And we've had an opportunity over the weekend to see public reaction, to see the reaction of people right across this province

as they've had a chance . . . representing the various third party groups that they do represent.

The Speaker: — Order, please. Why is the member in Saskatoon . . . from Saskatoon Southeast on her feet?

Ms. Lorjé: — To introduce guests, Mr. Speaker.

Leave granted.

INTRODUCTION OF GUESTS

Ms. Lorjé: — Thank you very much, Mr. Speaker. And with greatest apologies to the member from Canora-Pelly. I was trying to catch the eye of the Speaker before you started. I apologize for introducing . . . or for interrupting.

Mr. Speaker, I would like to introduce two very esteemed Saskatchewan citizens who are sitting in your gallery: Mr. Grant Scharfstein and . . . Jim Scharfstein, I'm sorry, a lawyer par excellence in Saskatoon, and Ms. Carol Teichrob, one of the newly elected RM (rural municipality) of Corman Park councillors and a former member of this legislature, and a great personal friend of mine.

I would ask that all members of this Assembly make both of them welcome.

Hon. Members: Hear, hear!

The Speaker: — The member for Saltcoats for introductions.

Mr. Bjornerud: — To introduce guests, Mr. Speaker.

Leave granted.

Mr. Bjornerud: — Thank you, Mr. Speaker. Mr. Speaker, I'd like to join with all members in the House to recognize and welcome one of my old foes from that side of the House. If I remember right, it was one ringydingy, two ringydingy. We had a lot of fun in the past, Mr. Speaker. There was some very hot times but all throughout that, I had . . . I should rephrase that, Mr. Speaker, but I won't. I'll get in deeper.

Anyway, Mr. Speaker, I appreciate seeing Ms. Teichrob again here and I hope that life is treating her well in her life now.

Hon. Members: Hear, hear!

SPECIAL ORDER

ADJOURNED DEBATES

MOTION FOR COMMITTEE OF FINANCE (BUDGET DEBATE)

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

Mr. Krawetz: — Thank you very much, Mr. Speaker. Mr. Speaker, that's a tough act to follow. But we welcome the guests to your gallery this afternoon, Mr. Speaker.

Mr. Speaker, as I was indicating before the introductions, we've had a chance to look at the reactions of many different people as far as their comments about the budget.

And I want to begin by commenting about an article that was in today's *StarPhoenix*. It's an editorial and I want to quote. The last sentence of this editorial is this, and I quote, Mr. Speaker, because I will be using a proper name. It says:

Now if only Melenchuk can be convinced to fix his penniless "fiscal stabilization account" that adds to the debt each time he dips into this rainy . . . fund . . .

Mr. Speaker, that is, I think, the reaction of probably every one in Saskatchewan except for the members opposite.

When they recognize that when you access a line of credit and create a situation where you borrow from that line of credit, you are actually creating a debt, Mr. Speaker. And we've seen that debt grow substantially over the last number of years.

Mr. Speaker, the debt is now growing and each and every one of Saskatchewan residents will be responsible for that debt. This is not somehow magically going to get taken over by another province or another country. It's our debt.

Mr. Speaker, another comment made by a person in Saskatchewan is this, and his name was referred to earlier on in question period. This is from an interview with CBC (Canadian Broadcasting Corporation) Radio on March 28 and it is the president of SUMA, Mike Badham and he says this in reference to the budget, and I quote:

And two words come to mind. One I think it is insulting and the other one is unfair.

Mr. Speaker, that's the reaction of urban municipal government and I'm sure that if you listened carefully you saw the reaction of SARM and Mr. Hardy as its president. We heard from the . . . we heard of the reaction by John Nikolejsin, the president of the Saskatchewan School Trustees Association.

These are people that represent all of the municipalities and school boards in this province. I want to repeat that, Mr. Speaker. They represent all of the municipalities and school boards in this province.

Those leaders of those various associations are saying this budget just didn't cut it. It's made up of fictitious numbers; it doesn't add up and as a result we're very, very disappointed.

Mr. Speaker, the minister has I think rightfully recognized the need for additional spending in Health. And we've said that all along that Health is a priority.

But, Mr. Speaker, there isn't a long-term plan. There isn't a long-term plan to deal with the lack of professionals. And so as a result . . . and I want to quote from again a CBC Radio broadcast of Friday, March 28, where Rosalee Longmoore, the president of SUN, is quoted as saying this:

We did not see anything though that is going to deal with the fundamental nursing shortage.

We didn't hear anything to increase nursing seats.

Mr. Speaker, those are reactions of a number of people who represent various groups in the province, where indeed they've looked at this budget and they've said it doesn't meet the objectives of moving Saskatchewan forward.

How are the health districts, or the health authorities as they're called now, how are they going to deal with the situation that they need to have more professional people? More people are needed, Mr. Speaker, to ensure that we meet the requirements of lowering our waiting lists and thus making sure that that takes place.

That broadcast of March 28 also had an interesting comment by the announcer. The announcer was Candace Holstrom, and I quote:

John Nilson says there is no advantage to training more nurses if other provinces can hire them when they graduate.

Mr. Speaker, that's an interesting comment. The Minister of Health for the province of Saskatchewan says we're not going to . . . there is no advantage to increasing the number of training seats — for instance like the province of Manitoba which is well over 400 now — there is no advantage to doing this because those graduates are just going to get gobbled up by the other provinces, or I guess other countries is what he's referring to. No strategy at all to change the picture that has been before us for years, Mr. Speaker.

We've heard about professional shortages in the health profession for years — the lack of X-ray technicians, the lack of lab technicians, the nursing shortage, the doctor shortage. This is not a new problem. This has been around for a while. We still haven't moved to make sure that the training positions in fact adequately meet that.

You know, Mr. Speaker, many of us are part of the baby-boomer era, including yourself I think — maybe not — and as a result we're going to see tremendous numbers of retirements in all of those professions. The statistics that the Health department revealed is that the number of graduates in many of these professional areas will not even meet the number of retirees.

So, Mr. Speaker, how are we going to keep up with the need to address the waiting lists if we're not even going to have the professional people in place? So that is of tremendous concern to many people in the province of Saskatchewan as they look at this past budget.

Mr. Speaker, this budget is based, the deficit that is there is negated — if I can use that word — the deficit is negated by the fact that this government is going to rely on three sources of revenue that are basically outside the General Revenue Fund revenues that are taken in.

One, they're going to rely on an additional \$200 million transfer from CIC, Crown Investments Corporation, after this budget or this fiscal year, that ends today at midnight, is supposedly going to have to require a \$300 million transfer to indeed offset that deficit that occurred last year. So we've got a third consecutive

deficit budget.

The other thing that they are going to require, Mr. Speaker, is they're going to dip into their line of credit and create a borrowing of \$393 million. That's a huge amount of money, Mr. Speaker, to put us further and further into debt.

And the third thing, Mr. Speaker, and the reason I raise this third issue because a lot of people have been responding to comments about summary financial budgeting and the need for Saskatchewan to change, is that this government has introduced for a number of years now one of the Crown corporations. Not all of them, but just one of them. They have used the Saskatchewan Liquor and Gaming Authority and indicated that we're going to be expecting \$346 million worth of profit from that corporation — the only corporation.

Mr. Speaker, we have indicated as opposition that we have supported the auditor for a number of years, that says we should move to summary financial statements where all, all of the Crown corporations will be included. The government has decided to just look at those few, Mr. Speaker. So when you add those numbers up, we're talking almost a billion dollars worth of revenue that is outside of the General Revenue Fund, outside of the taxes, and outside of the non-renewable resource revenue, outside of the transfers from the federal government.

This is money now that comes from some imaginary bank account that doesn't exist. It comes from transfer of dividends that we're not even sure that Crowns will be able to make those kinds of transfers.

So I think, Mr. Speaker, it definitely in my mind further reinforces what the Provincial Auditor has been asking for for a long time, and that's to move to something called summary financial statements. Mr. Speaker, the auditor has stated that it is time for Saskatchewan to change. It is time to move forward because we need to catch up. And in his report of 2002, the Fall Report Volume 1, he stated and I quote:

It is time for Saskatchewan to change. The government should focus its overall financial planning information on the entire government.

So, Mr. Speaker, that announcement that indeed probably in the year 2004-2005 or by 2005 we will be moving to that, I think indicates that the pressure that is being put on by the auditors of the country and the accounting profession is finally going to mean that the province of Saskatchewan will have before this Assembly the entire financial plan.

Mr. Speaker, if we have that entire financial plan before us as was suggested by the auditor, and I want to . . . These are not my words. These are his words. I want to show just how important he feels this is. And he has presented a model in this book about how this might be done, and he says, quote:

First, the model shows the revenues and expenditures as set out currently in the Budget for the General Revenue Fund. Legislators vote on expenditures as part of the Budget approval process. Second, the model shows the net income of the Government's enterprise Crown corporations in a similar way to that of the Government's summary financial

statements. Finally, the model shows the remaining revenues available to the Government that are included in the various Government service organizations that are not included in the Budget for the General Revenue Fund . . .

So this method will now bring before us the areas that are currently outside. And if there's one thing I think the people of Saskatchewan need is that there be a complete transparency, there be an openness of that budget so that people can recognize exactly what the true financial picture of the province is.

Mr. Speaker, it's very difficult for the people of Saskatchewan to understand that there isn't enough money to add another 150 training seats for nursing positions when, at the same time, the government relies on the Crown corporations to produce a dividend of 200 or 300 million and allows the corporations within that CIC sector to spend \$80 million in Australia, to spend money on an insurance company in Ontario that loses \$11 million, to spend money on dot-com companies around the world that lose money. That's the difficult part that people are unable to comprehend, that this government does not put the two together and bring them into the Legislative Assembly, and show the people of Saskatchewan what that plan is.

(14:30)

Because if that plan was before the people of Saskatchewan, there would be clearly stated objectives. They would be measurable. And at the end of a fiscal year, those objectives, those objectives would be able to be looked at to determine whether or not they were met. If there . . . for some circumstance a particular expenditure was higher or revenue lower of all the Crowns, there obviously would be an explanation in this Assembly that said something tragic happened in the world, you know. And I refer to something like September 11 — 9/11— where, you know, a disaster occurred that might affect the budget.

I'm sure if we had that transparency and that type of information presented to the people of Saskatchewan, there would be an understanding. People would know what the true financial picture is.

This budget is not representative of what I see as reality. It does not talk about all of the Crowns. It only refers to a small amount of Crowns. In fact only one, SLGA (Saskatchewan Liquor and Gaming Authority) is listed as having to produce revenue to balance the . . . or to negate the deficit if I might use that word.

Mr. Speaker, one of the other things that this document reveals, which is even more frightening, is that the debt — the overall debt of the people of Saskatchewan — is going to grow.

On March 31, 2001, the Provincial Auditor revealed that the debt of the province, the combined debt of the General Revenue Fund and the Crown corporations, was about \$11.1 billion. Mr. Speaker, the projected debt for March 31, a year from today, will be \$12.2 billion.

Now that's a difference of 1.1 billion. Now if you say it fast enough, 1.1 billion doesn't sound like a whole lot. But let's take a look at that period of time of three years since this Premier took over. Three years is approximately 1,100 days, a little less

than that. If you look at 1,100 days, Mr. Speaker, and a \$1.1 billion debt over that same period of time, we're talking about \$1 million a day.

The debt of this province is going to grow . . . has grown and will continue to grow to March 31 of next year, based on this document, at \$1 million a day — unsustainable, Mr. Speaker. Unsustainable when we have, last week, documents that were produced by Statistics Canada that show for the 17th consecutive quarter this province has lost population. This province has lost population. We are growing the debt by \$1 million a day. Mr. Speaker, you and I are going to have to pick up a far greater share of that debt as population declines and debt grows.

That's a given. That's a given, Mr. Speaker. And people of the province of Saskatchewan understand that. They understand that there is a need to look at priority spending. There's a need to address whether or not we spend \$80 million in Australia or \$20 million in Chile. We need to look at the full financial picture and be able to compare that.

Mr. Speaker, as I indicated already, earlier on this day, the growth projections that are being used by the Minister of Finance are 6.8 per cent economic growth. Okay, 6.8 per cent. Now let's look at *The Economist* magazine printed . . . The issue by the way is March 22, 2003. It lists 16 of recognizable countries as far as industrialized countries. Starts with Australia, Belgium, Britain, Canada, Denmark, and so on.

Mr. Speaker, on this chart the Australian GDP 3.4, British GDP 2.7, Canada 3.3. I'll jump all the way down to the highest number — United States, 3.5. Mr. Speaker, nowhere, nowhere in the industrialized nations of this world is there a 6.8 per cent figure. In fact, if you added up Australia and Canada, two countries, if you added those sums, you would not even get to 6.8 per cent.

So, Mr. Speaker, that is why people are so, so skeptical about this budget. The numbers that the Finance minister's produced are based on numbers that are just not reality. They are based on numbers that are so far from reality according to the economists of the world, Mr. Speaker. So that causes a lot of problems.

The question that people are asking is, well if 6.8 per cent was used as the number to build the revenues in this document to arrive at the sum total of \$6.2 billion, if they used a 6.8 per cent figure . . . And let's just suppose we're average. We're usually not average but we're going to be average this next year and move to a 3.3 per cent growth.

Mr. Speaker, I also want to indicate that our . . . you know, I believe one of the members in the House last week said that it was, you know, we were second to Alberta in growth rate and that was such a fine thing. Alberta has used 4.1 per cent for its GDP for this . . . for its planning — 4.1. In Saskatchewan, we've used 6.8. Canada's average is 3.3.

So let's suppose we're average. Can you imagine what the revenues, the projections for revenue, will . . . how they will be affected by now changing them from 6.8 to only 3 per cent or something like that?

Mr. Speaker, that's scary for all of the people in Saskatchewan because the only way that you're going to balance that or offset that — as government has shown that it is, it's growing the size of government — they will have to balance that by increasing the debt.

So no longer will we even see probably a \$12.2 billion debt by the same time next year; we may see even a higher number than that — in other words more than \$1 million worth of debt per year.

Mr. Speaker, I want to refer to a few things in the budget that are specific to the various departments. My colleagues who serve as critics of the various departments will have a lot more to say on each of these, but I just want to, I want to note a few things that were announced in this budget.

Let's take a look at business tax cuts. For the fiscal year 2003-2004, there are no business tax cuts. That's what has to be understood.

The business tax cut that is proposed to be reduced from six to five and a half, and that five and a half down to five, is for the year 2004 and 2005. So there is no change to the current tax situation.

So if a incorporated farm business or another business, any business in the province of Saskatchewan was looking at some significant change for them, there just isn't any, okay. They have to recognize that — that those business tax cuts are not for the current year.

Mr. Speaker, one of the areas that I've indicated is health care and we saw massive spending in health care, but it still has not addressed the need for professional people.

And I won't repeat myself, Mr. Speaker, by indicating that, you know, we've seen provinces who followed a very similar pattern as Saskatchewan and lowered the number of nursing training positions over the years, have recognized that two and three years ago and have changed the number of people that they're admitting into those programs. And now we're seeing graduating classes of well over 400 in other provinces, whereas Saskatchewan is finally moving off that 240 mark, but very, very slowly. So we're still going to be short a tremendous amount of professionals.

Mr. Speaker, the fear in Saskatchewan is that as shortages occur, usually it is the health authority that has additional dollars, or it is maybe the attraction of a larger regional centre or a city setting, that will attract the people. And the end result will be, as was discovered in the community of Foam Lake in my constituency this last November when there were not enough nurses to meet the acute care needs because of retirements, and as a result, for a period of time the Foam Lake hospital was closed as far as its acute care and emergency services. That's what's going to happen, Mr. Speaker, if we don't meet the professional needs.

The other thing that was announced, Mr. Speaker, was additional dollars for capital construction. And I know a number of communities in this province are waiting, or were waiting with great anticipation to see what that announcement

would be on Friday regarding capital construction. We saw a few things mentioned, but then it said that they're . . . stay tuned, basically it said stay tuned over the next few weeks for additional announcements. Mr. Speaker, that's not the way to treat people.

And I want to mention a community in my constituency — community of Preeceville. Preeceville has put forward a plan of hospital acute care facility expansion where it would incorporate an integrated health services building where they would meet the needs of the people of a large area.

That whole area around Preeceville, Mr. Speaker, has tremendous support from all of the RMs, from the smaller communities that are smaller than Preeceville, like Sturgis and Stenen and Endeavour, and all of those individual communities. They've all come forward and they said, we need this to happen. And they've been working on it for years.

I know the Minister of Health was in Preeceville last fall where he was there for a presentation of a \$10,000 cheque from one individual. And they're awaiting that announcement, Mr. Speaker. Their money is in place. They were asked to put in place well over \$1 million. I believe it was 1.6 million. That money is already ready to go, it's been there ready to go for over a year. Yet no announcement as to whether or not they can proceed.

So there's tremendous uncertainty with this budget as to whether or not it actually meets the needs of many different communities. And I'm sure the member from Swift Current and the member from Moosomin will have a lot of things to say about communities in their constituencies that require capital expenditures.

Mr. Speaker, one of the things that we looked at was funding for education. Last year for the first time the government did some creative, creative bookkeeping, creative work, where they moved expenditures off balance sheet. If you recall, Mr. Speaker, there was a creation of a Crown corporation called the Education Infrastructure Financing Corporation — EIFC. EIFC was going to spend about \$89 million on construction of capital structures in the kindergarten to grade 12 area and post-secondary education area.

Mr. Speaker, I'm looking at the budget document that indicates that last year only \$54.3 million of actual construction took place. And there was some uncertainty from school divisions, from the universities, from the SIAST (Saskatchewan Institute of Applied Science and Technology) campuses as to how this corporation was really working and whether or not it was in the best interests of the people of Saskatchewan to put debt into a 10-year or 20-year or 30-year amortization period.

So what we've seen is a little bit of change, Mr. Speaker, in this budget. And it's been pointed out, of course, that we see that the EIFC I believe is going to be wound down. But there still is \$32.4 million worth of anticipated expenditure off balance sheet.

So we look at that, Mr. Speaker, and we know now then of course that if that expenditure took . . . takes place, there will be a further debt, because it's not accounted for in the actual

estimates document. There is some move to return to balance sheet expenditures, and if I look at the Department of Learning under the two categories, K to 12 (kindergarten to grade 12) capital and post-secondary capital, you will note that there is a move now for \$23 million worth of post-secondary capital in post . . . in the area of post-secondary, and in K to 12 expenditures we will see an expenditure of 18.6.

Now that includes a amount of money being designated for principal and interest for the EIFC portion of last year. So there is a repayment plan to actually make up what was borrowed last year. But they're putting those two small amounts back into estimates but still allowing for \$32 million of off-balance-sheet expenditure. The debt of the province will grow if this number is . . . (inaudible) . . . Mr. Speaker.

Mr. Speaker, I know that the Agriculture critic is going to have a lot to say because we heard from the agricultural minister over the last week and a half about the need for Sask Crop Insurance claims to be paid. And I believe the number of \$1 billion has been used as the amount of dollars necessary to meet the obligations of the claims that were filed for the crop year that just ended.

Mr. Speaker, in this document I look at agricultural spending and I see that the estimate for last year was 240 . . . sorry, \$291 million. This year's budget, 241 million . . . I'm sorry, 251 — a drop of \$40 million in agricultural spending.

(14:45)

Mr. Speaker, also I was interested to find out if there's going to be a billion dollars worth of payout. And we've heard from the minister and the members opposite pointing fingers at us and saying, wouldn't you pay the 500 million, I mean that's why we're going into the debt. Mr. Speaker, it's nowhere to be found in here.

We looked at the debt of Crown corporations, and I looked specifically at the Saskatchewan Crop Insurance Corporation, where last year it indicated that there was zero debt estimated from the beginning of the year. But due to payments during the course of the year, \$110 million shows up as the gross debt for Crown corps on page 17. For next year, that 110 million in fact is going to decline to 102 million. So for the fiscal year that starts tomorrow, Mr. Speaker, there is no additional expenditures for the Saskatchewan Crop Insurance Corporation.

So we've heard the minister say that there's going to be a billion dollar payout. Where are the expenditures and how are they being met? I think that those are the questions that the Minister of Agriculture is going to have to explain to the people of Saskatchewan; that indeed claims are being met — there's no question about that — but you also have to remember that for this coming year, this coming crop year, farmers on average, if they purchase crop insurance, their premiums will increase by 52 per cent.

So there's been a move to increase the crop insurance payments. So I thought well, let's take a look at Sask Ag and Food and just see what the government's share of premiums will be. Because when the farmers, as producers, are going to be asked to increase their percentages by 52 per cent, what

would the provincial government's share increase as well?

Well, Mr. Speaker, I turned to page 29 and the crop insurance (AG10) portion of Sask Ag and Food, and that crop insurance portion has increased from 84 to 90 million — just \$6 million. Mr. Speaker, the farmers of the province, the producers of this province, usually pay anywhere between 70 and \$75 million in premiums for purchasing crop insurance — 70 to 75 million. If their premiums are going to increase by 52 per cent, you're going to expect that farmers are going to contribute another \$35 million, and I'm just rounding those numbers off — 35 million.

Now, Mr. Speaker, the government is now saying we're not increasing that number of 84 million by 52 per cent. We're increasing it by \$6 million. Okay? Not even 8 per cent, Mr. Speaker.

So how does the government look at the premiums for crop insurance, the debt that was supposedly realized last year as claims came in, when in fact it does not show up in the estimates for Sask Ag and Food? Forty million dollars less this year.

Mr. Speaker, one of the other comments that I want to make before I conclude my remarks is the area of the environment. I recall a . . . I believe it was three years ago when the minister for the . . . responsible for the protection of the province, through ensuring that forest firefighting services were . . . was provided, instituted in this Legislative Assembly something called the Forest Fire Contingency Fund.

And in that first year I understand that there was some mix-up and in fact the legislation that was supposed to be passed was not passed. And indeed that fund sort of disappeared after its one-year creation and the next year it reappeared — instead of a \$50 million Forest Fire Contingency Fund, it was 40 million.

Mr. Speaker, well it's not only gone down from 50 to 40, it's completely disappeared. It no longer exists. So we don't have a Forest Fire Contingency Fund.

And I went to the Supplementary Estimates, Mr. Speaker, that were part of our budget package this year and I noted that my colleague from Swift Current asks what did it contain? Well I want to tell you that for this current budget we will be voting on supplementary estimates and those for Environment, for forest fire operations, total an additional \$41 million.

So, Mr. Speaker, last year the budget said it spent 35 million plus supplementary estimates of 41. Does the government know something about the weather for this next year? For two years in a row we've had to have additional resources that this government said was going to be dealt with by the Forest Fire Contingency Fund. Now after having to vote on 41 million additional, the government leaves the Estimates page to be exactly the same as last year, \$35 million, and now suddenly the 41 for this summer isn't in the fund. The \$40 million has completely disappeared.

So, Mr. Speaker, I think that the Minister of Environment is going to have to respond to those questions as we move forward.

Mr. Speaker, one of the things that I found as I talked and listened to people on Saturday and Sunday about the budget was explained by a good friend of mine back in my hometown, gentleman by the name of Frank Rioch. Frank owns a road construction company. He has, with his sons, formed a company that does road building. And we were talking about this word, deficit, and balanced. And here's how his explanation of what he believes this government really has done over the last, well, three years.

He operates, as I said, a large line of credit. He goes to the financial institution that he works . . . that he deals with and he sets up a line of credit probably right now in the beginning of spring before he begins all of his work because he's not sure when the RMs are going to pay him for the roads that are built, the farmers are going to pay him for the custom work that he does. Usually by the end of the year, of course, he will achieve all of that revenue, but he doesn't know when it comes in. So he needs a line of credit, a significant line of credit.

As he accesses that through the year, by the end of the year, all of the revenue is in and, of course, he pays off the line of credit. But you know, Mr. Speaker, what he said was this: if at the end of the year, if he still has not reduced that line of credit back down to zero by paying it all off, he has had a deficit for the year. It's not balanced. There is no fund. It's a line of credit.

Now, Mr. Speaker, for three years now, this government has put before the people this imaginary bank account that doesn't exist of 775 million. And up to the end of the fiscal year that they've now presented, they will have accessed that line of credit to the tune of about \$675 million. What it really meant? The debt of this province has grown. And as I've indicated, Mr. Deputy Speaker, the debt is now going to be forecasted to be \$12.2 billion.

Mr. Speaker, this is not . . . Or, Mr. Deputy Speaker — my apologies — this is not a budget that is believable; it is not reality. It is, in fact, something that people are calling fictitious.

Mr. Speaker, with those comments, I would like to move the following motion, seconded by the member for Humboldt:

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

expresses its non-confidence in the current government's 2003-2004 provincial budget which is based on absurd economic growth predictions and revenue transfers from empty bank accounts and further increases the provincial debt by nearly half a billion dollars; and, that this Assembly calls for the resignation of the Minister of Finance for the deliberate leak of specific budget items to the media prior to the presentation of this budget to this Assembly.

I so move.

Some Hon. Members: Hear, hear!

Ms. Julé: — Thank you, Mr. Deputy Speaker. Mr. Deputy Speaker, it's with great pleasure that I stand today in this Assembly to speak in support of the amendment to the original motion that was just now put forward by the member from

Canora-Pelly.

And I would like to reread that motion one more time because I think it's important that the people of the province of Saskatchewan clearly understand the importance of the amendment to the motion. And it reads: expresses . . . The member:

expresses its non-confidence in the current government's 2003-2004 provincial budget which is based on absurd economic growth predictions and revenue transfers from empty bank accounts and further increases the provincial debt by nearly half a billion dollars; and that this Assembly calls for the resignation of the Minister of Finance for the deliberate (the deliberate) leak of specific budget items to the media prior to the presentation of the budget to this Assembly.

The Assembly, Mr. Deputy Speaker, who was duly elected by the people of this province.

Mr. Speaker, it's very interesting to note that there wasn't the usual fervour in this building last Friday when the new Liberal — or is he an independent, no one's quite sure — Minister of Finance rose to give his budget address.

Now, Mr. Deputy Speaker, this year I noticed that there were three overflow viewing rooms set up for all of those that were expected to come to watch the budget address this year. The reason for the staff of the Assembly setting up those overflow viewing rooms is because it's usually expected that all of the galleries in this Chamber, as well as seating on the floor of the Chamber, is more than occupied.

But this year, Mr. Deputy Speaker, all of those rooms — those viewing rooms — were empty; the galleries too. In the galleries, we couldn't say that they were jam packed. There were people in them but they were certainly not jam-packed as in years gone by. And, Mr. Deputy Speaker, perhaps this was a sign that this . . . the people of Saskatchewan are tired of hearing bad news from the Minister of Finance from this NDP government. Or perhaps it's because they heard it five days before in the minister's own budget leak to the media.

Whatever the case, Mr. Deputy Speaker, it's very clear that the public just isn't interested in what this NDP government has to say any more.

And speaking of what the Finance minister did say, Mr. Deputy Speaker, let's take a bit of a closer look at that.

In the past this new Finance minister's predecessors presented some fairly cautious growth estimates when it came to budget time. This year, however, this liberal, independent, Finance minister pegs Saskatchewan's growth at almost 7 per cent — 7 per cent, Mr. Deputy Speaker — this when the rest of the industrialized world is expecting growth rates of over half that, between 3 and 3.5 per cent. This growth figure that the Finance minister has put forward to us and to the people of the province is ludicrous.

Last Friday in this Assembly the member from Saskatoon Southeast had the audacity to lecture to the members on this

side of the House about how we should trust, and I quote:

(We should trust the banks of Canada), rock-solid institutions of fiscal caution and financial (prudence).

Well, Mr. Speaker, the members on this side of the House do trust those esteemed institutions and their predictions regarding Saskatchewan's growth. The Conference Board of Canada, one of the institutions that the member from Saskatoon Southeast mentioned in her statement, has pegged Saskatchewan's growth at 2.7 per cent.

Mr. Deputy Speaker, that is 4 per cent lower than the NDP-Liberal government's wild and erroneous prediction of 6.8 per cent; 6.8 per cent is not a sound number to base Saskatchewan's budget on, and it is not a number that is going to be swallowed by the public of this province of Saskatchewan.

There are a number of other factors, Mr. Deputy Speaker, that the success of this budget also hinges on — that Saskatchewan, for instance, will have an average crop year; that oil and gas prices will stay the same.

Mr. Speaker, there are so many ifs for this budget to even come close to being sustainable. So to start, Mr. Speaker, the very fundamentals that underpin this budget are questionable and flawed.

(15:00)

Is it prudent, I ask the government of the day, is it prudent as the Finance minister would have us believe, to base a budget on numbers that are extremely suspicious and fictitious? What happens, Mr. Deputy Speaker, if all of these ifs are simply only that — ifs? Where does it leave the citizens of this province?

Well I can tell you the answer to that question, Mr. Deputy Speaker. This government, through the Finance minister, has already admitted that this budget will leave the province of Saskatchewan with a debt totalling some \$12.2 billion — \$12.2 billion, Mr. Deputy Speaker. That's a greater debt than this NDP government inherited in 1991.

And based solely on the Finance minister's questionable predictions for growth, Saskatchewan residents can expect the provincial debt to increase even further. And since the unelected Premier took over from his predecessors approximately three years ago, he has added \$1 million a day to the debt of this province. That is a figure that I'm sure the people of this province are really interested in — \$1 million a day.

Well, Mr. Deputy Speaker, if the million-dollar man across the way and his sidekick, the over-estimation man, are left to their whims, they'll drive this province into the ground even further than it is.

Mr. Deputy Speaker, another point I'd like to bring to your attention is the fact that the Finance minister is trying to make us believe that this budget is balanced.

This minister, Mr. Deputy Speaker, can't pull the wool over the eyes of his predecessor, Janice MacKinnon, and neither can he pull the wool over the eyes of the people of Saskatchewan. Mr.

Speaker, Ms. MacKinnon tells us in her latest book that she quit politics partially because, and I quote:

The new government was going to increase spending by . . . eight per cent when revenues were declining, which meant that balancing the budget would require a major drawdown of reserves. So I would have to support a deficit budget (a deficit budget) after all the years I . . . spent fighting deficits.

And, Mr. Deputy Speaker, this is exactly what this new Finance minister proposes to do in the upcoming year. A budget is not balanced when one has to rely on what is essentially a credit card to balance it.

When you borrow money, you are in debt. It's as simple as that. Perhaps it's time the members from across the way got some lessons from the credit bureau of Canada on the definition of debt.

In the end, Mr. Speaker, irregardless of what kind of a budget this NDP government brings down, the fortunes of the province of Saskatchewan will never improve under an NDP government — never — because their underpinning philosophies adversely affect and depress the province's economy.

Mr. Deputy Speaker, this government does not understand, will never understand, and have demonstrated clearly that they have not the capability to understand, that government interference in business — Crown corporations competing against private business and investing many . . . million dollar losing ventures around the globe — will never ever be the way to increase the province's fortunes.

One must, Mr. Deputy Speaker, without a doubt adopt Saskatchewan Party policies. People of the province have been telling us for years now that what they want and what they can see to increase the economy of the province, to increase our fortunes, is to ensure that private enterprise and private ventures have a chance to thrive in this province. What they have told us is they're tired, they're very, very tired of this NDP government using the Crowns to compete with business and to waste millions of taxpayers' dollars trying to do business.

Even Janice MacKinnon, the former NDP Finance minister, argues against the types of policies that her own NDP government were using. In her latest book she discusses this. This is yet another reason that she had for quitting this government under this elected Premier . . . this particular unelected Premier. And I quote her again:

My goal as Finance minister was to move out some of the wheeler-dealers who have lost their sense of accountability to cabinet and caucus.

And certainly, Mr. Deputy Speaker, have lost their sense of accountability to the people of this province. And I know that Ms. MacKinnon was certainly concerned about that.

And it is for these reasons, Mr. Speaker, that this province, as I've just mentioned, needs a Saskatchewan Party government — a government that would foster an environment for growth through targeted tax cuts; a government that would create a

climate that would allow people to move back to Saskatchewan, increasing the tax base and allowing more money to flow into the provincial coffers.

Targeted tax cuts do work, Mr. Deputy Speaker, to produce additional revenues. And I think the NDP would have to concede to that because after the Saskatchewan Party constantly putting it before them to cut taxes in one way or the other, at least to start, they did make a move to cut personal income tax. And it was a small move, Mr. Deputy Speaker, no doubt about it.

But this year's budget document does reveal that that strategy does work. The Saskatchewan Party plan for reducing taxation works. It does work. Targeted tax cuts will generate direly needed funds to not only keep up with the status quo — which this budget doesn't even come close to, in terms of health and education — but funds that will actually make a huge difference in these two important areas.

Mr. Deputy Speaker, the theme of this year's budget should not be building for the future but rather, off-loading on the future. This budget does do a great deal, Mr. Deputy Speaker, a great deal of off-loading.

The budget off-loads increased costs onto students as the University of Saskatchewan is predicting an increase in tuition after this budget came down.

It off-loads onto property owners and taxpayers as many rural and urban municipalities and many school boards are predicting the need to increase their mill rates just to make ends meet in this coming year.

And this budget, Mr. Deputy Speaker, off-loads onto the health districts, who will now be forced to make some very difficult decisions regarding health services in their areas. The budget does provide for more equipment, but what happens when we don't have the people in place to operate that equipment? How are the health districts going to come up with the money to find those people to operate that equipment?

Mr. Speaker, the people of Saskatchewan are tired. They are very, very tired of having costs off-loaded onto them. And it is time for a change.

Some good news that did come out of the budget was the fact that this NDP government will finally be moving to using summary financial statements in the year 2004-2005, something that the opposition on this side of the House and the Provincial Auditor have been calling for for years. However it is interesting to note, Mr. Deputy Speaker, that this NDP government is moving in this direction only because they are forced to because the accounting professional bodies will soon require it.

As in many other cases such as SPUDCO, (Saskatchewan Potato Utility Development Company) GMO (genetically modified organisms) potatoes, etc., this NDP government will only tell us the truth when it is required of them. They will only do the right thing when it is required of them. It's very typical, Mr. Deputy Speaker.

Mr. Speaker, I will say that I will definitely be voting for the amendment and not for the original motion put forward by the government. Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Hon. Ms. Crofford: — Thank you, Mr. Speaker, and . . . or, Mr. Deputy Speaker, I guess would be more appropriate, but you look so distinguished sitting there.

At any rate I want to set the stage for my comments. By just going back for a minute and reflecting on the platform that was set in the Throne Speech: "A Vision. A Plan. A Future Wide Open." Now there was basically five pillars to that plan, Mr. Speaker — expansion of the economy; protecting medicare; opening doors to the future in education and training; a sustainable future, which speaks to environmental protection; secure families and vibrant communities, which speaks to innovation and creativity. And my own pillar that underlies all of this, Mr. Deputy Speaker, is credibility. And I'm going to address the issue of credibility several times in my comments today.

You know, one of the unfortunate reasons why we tend to repeat history is because often people who are involved in decision making have not been around when the original history was created. And for the young people who may be listening today, I do want to just lay out one small bit of figures because we have the members of the opposition creating a great fuss over some fairly small additions to debt this year related to the Crop Insurance Fund and forest fires.

But I want to say, Mr. Speaker, that on the 15 billion debt that was left behind by that government when they were in power, we are still paying 650 million a year in interest payments on the debt — 650 million a year.

You know, Mr. Speaker, that would be enough to make tuition free at the universities over and over and over and over . . . and possibly one more over again. And so I just want to say if people have any doubt about what history can do, we still have a burden of 650 million every year that our budget starts with, that we have absolutely no choice about. It's interest on the debt.

And I just want to as well say, Mr. Speaker, that I want to give some kudos to the former minister of Finance, the member from Saskatoon Mount Royal. And I noticed Bruce Johnstone has some very complimentary things to say. It says:

Previous budgets by the former minister were logical, measured . . . built on conservative assumptions.

His four-year plan to reduce personal income taxes was carefully laid out, with offsetting increases in other taxes.

(And the) . . . goal was to get most Saskatchewan taxpayers within spitting distance of Alberta's personal income tax rates, without bankrupting the personal treasury (of the province, the provincial treasury.)

And this year of course is the culmination of that grand plan, with the last step in the income tax cut but also the inflation

indexing of tax brackets so that people won't be subject to income tax bracket creep which they were before. And certainly we have the past minister of Finance who helped lead us through that fairly substantial tax reform.

But I just want to as well mention some quotes because, Mr. Speaker, one of the things that's so important is that plans are sustainable. And for the record I just want to mention some of the quotes of how people feel we've managed the finances.

And this is speaking to the credibility issue again of whether the members opposite in the Sask Party or ourselves are more credible when it comes to financial planning or any kind of planning from that point of view.

Here's just a few quotes:

Saskatchewan has done a great job over the last few years in getting its fiscal house in order.

That's David Rubinoff from Moody's Investors.

... the government's financial condition has been improving considerably over the last many years.

That was last year's report by auditor, Fred Wendel.

Saskatchewan ... (ranks) second on debt and deficit, third in taxation (in the whole of the country).

Mr. Deputy Speaker, that was the Regina *Leader-Post*.

We have to recognize that we have ... a very good foundation ... We've lowered our taxes ... lowered ... debt ... These are ... good foundations ...

This is Nola Joorisity, the Saskatchewan Institute of Chartered Accountants.

(And) Over the long term, the NDP has performed well since taking over the reins from Grant Devine's Progressive Conservatives in 1991. It has managed to reduce ... public debt ... (reduce) debt-to-GDP ratio ... (and as well has done much increased spending in badly needed areas.)

So I just cite those examples, Mr. Deputy Speaker, because they speak to the strong base of planning, the strong base of acting on the plans, and then the very strong results emerging from those plans. And I think that's important, to understand that we always work systematically on the base of a prudent and sustainable plan.

Now I have to kind of wonder where the members opposite would be if they had control of the purse strings.

Two years ago they howled because we weren't taking the budgeted dividend from CIC. When we do take the dividend, they howl. Two years ago they howled because they thought we were sitting on a fortune in the Fiscal Stabilization Fund. And they howl when we spend it. They howled when there was no money in the Fiscal Stabilization Fund, and then they howl when we use it. And when the credit rating was improved and the debt went down, they accused us of bragging about it.

Mr. Speaker, this is a very hard group to satisfy. I think when you really get right down to it they're upset because we've improved our credit rating, lowered debt, grown a record number of jobs in a very difficult period of time, Mr. Speaker.

(15:15)

You know, based on where we were just a few months ago, I would have never thought that the budget that we announced recently was possible. We had such dire circumstances with the drought, with the forest fires, with the huge drawdown on the crop insurance fund by farmers — 500 million more than predicted. But the fact of the matter was the economy is fundamentally strong underneath those temporary and cyclical problems.

And I couldn't have been more pleased when I opened the *Leader-Post* and saw the headline coverage for this budget: "No-pain budget sets stage for election." You know, I thought five months ago that we were going to have to deliver a lot of pain in this budget but because there was a lot of recovery in the economy certainly we were able to make a plan and we were able to deliver on that plan.

And I'll just mention that I think one would have to say that no shoe dropped when people heard what we were planning to spend. We had large increases in health care: 184 million in new spending including the 80 million from the federal government that we more than matched; 19 million for medical equipment; 27 million to fix up medical facilities; 74 million to support collective agreements. We all know how important competitive wages are in this area.

In education: 76 million in capital improvements for schools and post-secondary institutions; 12 million for on-line learning; student loan exemptions increased.

In infrastructure: 296 million to fix roads and build new highways; 10 million increase to revenue sharing, building on the 10 from last year and 10 coming next year.

No new taxes, no health care premiums, continuing the income tax reform.

And in addition to that, small-business corporation income tax lowered to 5.5 and going down to 5 per cent next year. I remember when it was 9 per cent, Mr. Speaker.

And the corporate capital tax exemption to grow to 20 million from 15 million. And this is important, Mr. Speaker, because we very much believe that it's necessary to keep having large enterprises invest in Saskatchewan, locate in Saskatchewan. And we have found through the varied, measured approach the effect it has on the business community, Mr. Deputy Speaker, when we take this approach is they say, well there's a group of people who know what we need. They may not in fact be able to do it all in one year but we understand that. The important thing for us is that they're moving in the right direction. And I have to say that every year we've had an endorsement from these large enterprises that we in fact are moving in the right direction.

But the part I want to focus on right now, Mr. Speaker, this is

the other headline I really liked in the paper: "The government dares to care." And I know you care . . . Oh I can't involve you in debate. I apologize, Mr. Speaker. But he does care, I know he does. And certainly the increase in child care spaces was I think — in the midst of all the important announcements — I think it was one of the very best announcements in this budget.

Some Hon. Members: Hear, hear!

Hon. Ms. Crofford: — And you know, Mr. Speaker, if you had been with us at the daycare opening and seen the daycare workers, the children, it was just so clear that this was an important announcement.

You may know, Mr. Deputy Speaker, that my daughter died a few years ago and one of the things she used to pester me about all the time is the daycare subsidies. Well I was so pleased yesterday — it was yesterday or the day before, it was a couple of days ago now; Thursday, boy it's been a busy time — anyway, I was so pleased when this happened because it was like the fulfillment of something that she had asked for again and again, to raise the child care subsidies.

And I think this is a real milestone for this government. And I also want to give credit, Mr. Speaker, to the member from Saskatoon Nutana because she's also, as well as all the other members here, been a very strong advocate in this area.

I'm not going to say much more in that area. We've got the Kids First program, the housing, considerable more in social housing which we all know how important that is to families — another 400 units this year.

But I want to mention the North. You may know, Mr. Deputy Speaker, that I spent several years — about 12 years of my life — living in northern Saskatchewan and that was a good thing to do. I urge any young people here to spend some time working in different parts of the province. It's good to work in northern Saskatchewan and find out that there's a part of Saskatchewan where there's a whole different world. It's culturally different, it's physically different, environmentally different, and it's just a very exciting place still to be because it's still a bit of a frontier, which is not always an easy thing to find these days with such a developed world.

But I understand that the Leader of the Opposition was critical of our spending in the North. Now I find that hard to believe given that some of the poorest people live there in the midst of some of the richest resource development.

But I have a good memory, Mr. Deputy Speaker — these folks have never wanted development in the North. They figure, out of sight, out of mind. And there's no principle that drives them to feel that people who have a great deal of resource development happening in their backyard should get a share of the benefits from that wealth that's created there.

And I'm very pleased this year when we announced 27.1 million in new initiatives for the North, especially that long-awaited hospital in Ile-a-la-Crosse, because there's no question that the member for Athabasca has . . . I don't think there's a year I can remember since he was elected that he hasn't talked about the need to have a good base of hospitals in

place in the North. And I think with the Ile-a-la-Crosse hospital, that'll complete the four-hospital plan for northern Saskatchewan.

As well, the huge importance there of vibrant communities and healthy and self-reliant families. I know there's an increase in northern nursing spaces and I'll just have to say, Mr. Deputy Speaker, that the North is half the land mass of the province and it is the area where we've got the fastest growing population. So it's very important that we pay attention to that area even though a lot of us don't see it very often.

I want to briefly mention as well the effect of government on women and girls. You know, I was asked to speak by the university the other day about whether women have an impact when they're in politics. And they had a number of questions they gave us. So I thought about, well what difference has it made that I'm elected? I mean I know it improves my ability to participate in a discussion, but what difference has it made? And I got thinking about that.

Well, over time, myself and other women in this caucus and women in our party and women in the community, there's been the pay equity that's been implemented right across the public sector. This has been millions of dollars in equalizing wages for women, but for other workers as well, because we took a gender-neutral approach to pay equity. And so people's jobs were re-evaluated and I think 80 per cent of people received pay adjustments as a result of that.

Women in leadership roles, Mr. Deputy Speaker. We had many of the firsts in Canada of women ministers in Finance, in Highways, in health care, in Education, in Municipal Government. We had many, many in Aboriginal Affairs. I might have been the first woman minister of Aboriginal Affairs, I think. But at any rate, we did a great deal to increase the representation of women at the management levels of government and to create policies that are sensitive to women.

I think about the income supplement that the department of human resources and employment has. It helps to bridge people from dependency into work by an income supplement, making sure people have their health care benefits, support for child care. These programs are very important to women because a lot of people who end up being the sole support of their families are women. And there's a percentage of men who are single parents as well and those would certainly benefit them as well.

When it comes to the issue of student loans, the recognition of child care not as an education expense but as a family expense, that was very important.

Women in politics . . . I know that when I was minister responsible for the Women's Secretariat, I actually travelled around the province and talked to treaty women's and Aboriginal women's groups about the role of women in politics. And based on that they actually established a women's secretariat in the Federation of Saskatchewan Indian Nations so they could advocate for policies within their own organization.

So these are all important impacts. And certainly the income tax changes, I think we have the strongest family tax benefit for families with children of anywhere in Canada. And because

women typically are lower income earners, the fact of the matter is, is that the steps we took to take 55,000 low-income families off the tax rolls has no doubt benefited a lot of women as well.

So I just wanted to get those things on the record, Mr. Deputy Speaker, just to confirm that it is important for women to be elected and that in the decision making, program design, and policies in government we do make a difference in making sure that policies are sensitive to all the people in the province, male and female. And certainly it's possible to build on that concept of diversity.

I just want to read an affirmation because of course in the women's area it's important to families, but it's also a lot of the women in leadership and child care are women. And I just want to read a quote that came from Lois Grylls, the Co-Chair of the Saskatchewan Early Child Care Directors Association. It's just a brief e-mail to the minister, reading:

On behalf of all the early childcare directors in Sask. I would personally like to thank you for addressing childcare in the budget that is being released . . . I have received a copy of the news release . . . and I'm celebrating what your gov't is doing for the children of Sask.

And, Mr. Speaker, she affirms:

Your gov't has dared to care.

And I think that is very important.

Some Hon. Members: Hear, hear!

Hon. Ms. Crofford: — I want to mention as well, Mr. Speaker, that the budget was positive for working families. This is a press release from the Saskatchewan Federation of Labour:

. . . substantial increases . . . in health care, education, and municipal governments.

The SFL (Saskatchewan Federation of Labour) praised the emphasis on youth and women, and as well noted that the new money in health will reduce waiting lists for surgery, provide more daycare spaces, maintain school classes at a reasonable size, keep property taxes down, which are all important to wage earners and their family. And I think it was very important to see that they support the economic blueprint of the province.

Well, Mr. Speaker, I see that I will not have much time left and I've got all these good things left to say. I may have to pass some of them along to someone else.

I'm just going to mention that for the Department of Culture, Youth and Recreation, Mr. Speaker, \$20 million over the next three years added for four purposes. One is to create more physical fitness opportunities for young people and their families in Saskatchewan. Another one is to increase the participation of Aboriginal people and other diversity groups in the cultural and recreation offerings of the province. There will be money to support centennial infrastructure improvements. And I think that we just have a very good package there that is going to be very beneficial to the 12,000 community groups that

are out there working on this kind of stuff.

Mr. Speaker, the volunteer sector, as is pointed out, is a very important part of our community. And our goal is to make sure that as all us older people move out of that area, that a lot of young people come in and take over that work.

You know, Mr. Speaker, I don't have time for this, but what I have here is six pages of tax cuts that have taken place since 1995. Every single one of these represents an initiative that helped to grow this economy. So when the members opposite talk about growing the economy and tax cuts, well you'd think they invented the idea. But here's six pages of tax cuts that happened since we were government.

And because of those tax cuts, Mr. Speaker, for a single male adult — I'll give you these examples — making 25,000, for a family earning 50,000, or for a family earning 75,000, we have the lowest overall combined taxes and charges for all 10 cities in all categories in Canada. So that's very good.

And you've heard about the budget reform, that we will be going to summary financial statements. Hardly a year has gone by, Mr. Speaker, when we haven't improved the accountability of the province's finances in a steady and progressive way with working with the Provincial Auditor.

And you know, I'll just sort of close on this comment, Mr. Speaker. What I find particularly passing strange in the opposition's criticism of this budget is, what did they object to most? They objected to the fact that we predicted the economy would grow by 6.5 per cent.

(15:30)

Now I could swear that this is the same party that's been out all over Saskatchewan speaking to overflow crowds of 12 at each occasion about their Grow Saskatchewan plan. Well, Mr. Speaker, how can you be arguing you have a Grow Saskatchewan plan when in fact you're upset that we're saying the economy is going to grow. Which is it? Do they believe the economy is going to grow or do they believe it's not going to grow?

Well I tell you, if they want to grow the economy, they're going to have to bring it to a halt first because the economy is cooking right along on all cylinders here.

Some Hon. Members: Hear, hear!

Hon. Ms. Crofford: — And so I don't think we have to worry about that. What we have, Mr. Speaker, is many examples of articles, people coming back to Saskatchewan, ex-pats being lured back to the province.

I'm going to close, Mr. Speaker, by just reviewing the planks in the budget: healthy and self-reliant families, opportunities for youth, a modern and competitive infrastructure, a prosperous and competitive economy, strong and vibrant communities.

I'm pleased to support this Throne Speech, Mr. Speaker, although I will be speaking against the amendment and voting against the amendment. But the fact is if you're willing to

dream big, plan well, and work hard, it's all here for you in Saskatchewan — a plan, a vision, and a future wide open.

And with that, I indicate my support for the speech.

Some Hon. Members: Hear, hear!

Mr. McMorris: — Thank you, Mr. Speaker. Mr. Speaker, it's a privilege to enter into the debate of the 2003-2004 budget. Once again . . . this will be the fourth time that I've entered into the debate on a budget speech and it's amazing each time how quickly a year goes by.

And we keep expecting so much every year. It's kind of like Christmas. You're expecting and expecting and you can't hardly wait for that budget speech, and it's like getting the gift that you never wanted because it's really not there. You unwrap it and once you look through the document, there just isn't a whole lot there, Mr. Speaker.

And I'm going to talk an awful lot about the different organizations that have spoke out regarding the budget, the different organizations such as SUMA and SARM and the school trustees and APAS and SUN and I can go on and on. And I'll just mention right into the record what a number of these organizations have said about the budget.

It's always interesting when people talk of the budget and you hear the members on that side of the House just talk about the wonderful things that they're doing in the budget, all the wonderful spending that they're putting forward.

And then you talk to the people that should be so happy about it, and you talk to them and not . . . I haven't found any of them so far, although the Minister of Finance, I think, was talking about he found one mayor in the province so far that has said it might be all right. And they're taking that and they're using that as evidence that they've had a very successful budget, Mr. Speaker.

But I'll be talking about the organization SUMA and different mayors such as the mayor of Saskatoon, the mayor of Regina, and what they feel this budget brings to their city.

Mr. Speaker, when the critic, when the member from Canora-Pelly talked about the budget he really . . . On Friday he talked about whether it was a fiction or fact.

And, Mr. Speaker, since the budget on Friday . . . and I've been around my constituency. I was able to go to a fundraising event in Edenwold on Friday night, or Saturday night, and I had the opportunity to attend a dinner theatre in Milestone last night. And not that I talked to every person at the fundraiser, every person at the dinner theatre, but the people that I did talk to were unanimous in the fact that . . . They'd say what did you think of the budget? And I said well what do you think of 6.8 per cent growth rate in this province? Is it doable? Is it realize . . . Will we realize that? And to a person they said no, we were negative growth last year.

And you know when you listen to the members on that side of the House, the government members talk about . . . We've talked about growing the province by 100,000 people over the

next 10 years. And I believe it was the member from Regina Wascana Plains said that those numbers are just . . . you just cannot reach those numbers, they're unattainable. Well if 1 per cent per year is unattainable, how in the world are you going to get to 6.8 per cent in one year, Mr. Speaker?

And it was interesting when the last person speaking was talking about how the growth rate is . . . There's no problem reaching 6.4 per cent, I think she said — or I'll have to check *Hansard* — I think she said there's no problem reaching 6.5 per cent. The only problem is, is in the budget they're saying 6.8 per cent, Mr. Speaker. They can't even get the numbers right on that side of the House.

So definitely there are some problems. There are some concerns. When you look at the minister from . . . or the member from Riversdale, Saskatoon Riversdale, the Premier that hasn't run as Premier in this province, and you look at his record over the last three years or so and you look at how much he has spent in this province, he's a million dollar man. A million dollar man working out so that he is spending \$1 million a day in the length of time that he has been Premier.

And is that sustainable? Is that sustainable in this province? It's not sustainable in this province. It's \$1 million in the hall . . . in the hole every day that this man is in the chair of the Premier's, the member from Riversdale.

And I think maybe that's one reason why, when I go out and I am talking to constituents around Indian Head-Milestone, over and over and over again they say, when is the next election? We can no longer afford the member from Riversdale running the province, so we have to get to a provincial election.

And unfortunately once again, when we are looking at this budget, a lot of people think, will this be the set-up budget for the next coming election? People thought that they may be calling the election on Monday — today. It may be on Thursday. A lot of people are anticipating that.

But I really don't feel that they're going to be able to run on a budget when you go through organization after organization that has panned this budget. The budget that is fiction. But still, when you talk to as many organizations as we've talked to — that have talked to in the rotunda after the release of the budget — I can't believe as many organizations could be that disappointed over the same document.

So what I'd like to do is just talk a little bit about what some of the different organizations, third-party organizations, have said about the budget.

Mike Badham, the president of SUMA, talks about the budget and he says:

And two words come to mind. One I think it is insulting and the other . . . is unfair.

SUMA is calling this budget insulting and unfair. Insulting to property tax payers, that they have been taking the hit over the last 10 years or 15 years. Every year we see our property taxes go up and a large portion . . . I can speak as a landowner not only in the city of Regina but also in the RM of Lajord where

my property tax bill is increasing yearly.

The mayor of Regina has done a very good job in holding the line. He's held the line and held the line and held the line, expecting this provincial government to step up to the plate after cutting and hacking and slashing 10 years ago. And most city mayors will say, that's what needed to be done back then. But we took the hit 10 years ago; it's about time now that we start getting paid back.

And certainly the mayors — SUMA, that organization that represents all urban municipalities — some of the large city mayors don't feel that this budget even comes close to impacting what they need to hold the tax line.

As I said, from my perspective between whether it's urban municipality and property tax on my property on the house in Regina here or property tax on the farm land that I have in the RM of Lajord, it keeps increasing and increasing. And it's the education portion of that property tax that we're talking about.

Over and over again a number of years ago we went through the whole issue of tax revolts in the area that I represent and I'd be certainly suggesting that you may be seeing some of those again, because people cannot stand the education portion that they're having to pay on property tax. When you look at it, it has no relationship to productivity.

We're very fortunate in the Southeast, the constituency that I represent — Indian Head-Milestone — and on further down in the Southeast, that we had enough moisture, that we had a pretty darn good crop, the prices haven't been too bad, and so the property tax isn't as big of an issue because we've been able to make some money. We've been able to make some money on the farm and so you can put that into the property tax. It's not near the hit.

But can you imagine on the west side, on the northwest side of the province where they've been through drought over two years at least, and in some cases three and four years, and at the same time their property tax portion — the education portion of their property tax — keeps increasing. That's what I talk about property tax and the education portion has no bearing whatsoever on the ability to pay. And as income keeps diving, property tax and education portion keeps going up.

I guess the nice part for the government is that part of the province, in our area, we were able to come off with a decent crop, and even though our education portion keeps increasing, we've been able to cover that; we've been able to keep enough of a margin and cover that increase because our crops were sufficient. But that's . . . the whole point is that property tax and the education portion of property tax has no bearing whatsoever on your ability to pay. And that is a very, very antiquated system.

It was interesting being at the SARM convention, SUMA convention and . . . the SARM convention where I think if you talk to the delegates and what's one of the most important issues? It's the property tax, the education portion of property tax issue. It comes up over and over and over again.

And I know at the most recent SUMA convention, delegates left

there saying, I think we're going to see this government actually do something in this next budget. I found most members that I talked to were expecting something to happen on the education portion of the property tax, that this government was going to act on it.

Now I guess acting on it for this NDP government means setting up another review commission such as the Fyke or whatever else, and we'll go out and we'll study it for another three years or four years and then we'll report back. This is exactly what this government does over and over and over again. When they know there's a huge problem they say, well let's hire a person. He'll go out and study it, and hopefully in two or three years the pain will pass and we won't have really acted on it. I guess their action is a study, but that's how they act on it, Mr. Speaker.

Another person that talks about the budget and talked about the budget on Friday was Rosalee Longmoore, the president of SUN, and this is what she had to say about it. She said:

We did not see anything though that is going to deal with the fundamental nursing shortage.

And I think that's extremely important, the fundamental nursing shortage.

And those things are the working environment where people have excruciating workloads; they're working with equipment that is unsafe and not adequate equipment. We are hearing . . . we didn't hear anything to increase nursing seats, and we didn't hear anything promoting new graduate full-time jobs in this province. That's what the head of SUN, Rosalee Longmoore had to say about this past provincial budget.

It's certainly not new to us. We've been hearing our Health critic talk for the last two or three years, the member from Melfort-Tisdale talking about the absolute importance of increasing nursing seats throughout the province through the universities so we increase . . . so we can address the nursing shortage throughout the province.

I can certainly relate to what Ms. Longmoore is saying about the nursing shortage and the absolutely excruciating workload that some of the RN's (registered nurse) are facing, in our city hospitals especially. And the reason I can say I can relate to that is because Cindy, my wife, is a registered nurse in the operating room here at the Regina General Hospital. And it is continual . . . continually a problem finding enough staff to keep the operating rooms functioning to full efficiency.

So when we see nursing or we see operating waiting lists increasing, it's a direct relationship, I believe, to the nursing shortage that we have in this province. We've talked about it on this side of the House. The president of SUN, Rosalee Longmoore, has mentioned it that we need to increase the . . . The fundamental problem in health care is the shortage of nurses and we need to address that. Unfortunately, this budget, which isn't balanced, didn't quite get there.

I want to talk a little bit about what the school trustees had to say and John Nikolejsin, who is the president of the Saskatchewan School Trustees Association. His whole concern

was, is that the increase in education — and there was an increase in education — will go to addressing the teachers' contract but that's about it. It doesn't address many, many other issues around the education problem, I guess if I could say such as capital funding and so many other things.

It talks about addressing the teachers' contract and that's about it. So if the schools want to implement School^{PLUS} or anything else, you're going to see education portions increasing, Mr. Speaker. And I will bet — the Minister of Learning is hollering from her seat — I would bet that school divisions throughout this province are going to have to increase their mill rate and that is going to go directly on the property taxpayers of this province because that minister hasn't fought hard enough to get enough funding in this budget to cover the cost of education in this budget.

Some Hon. Members: Hear, hear!

(15:45)

Mr. McMorris: — There is a number of other people that have talked about, talked about different areas of the budget that they're affected by. They're affected . . . You know, when I think of Terry Hildebrandt from APAS (Agricultural Producers Association of Saskatchewan) and what Terry Hildebrandt had to say, here it . . . Terry Hildebrandt had to say, and I have to watch how I pronounce this:

I'm past mad and frustrated. I was expecting at least to bring . . . (this) budget (to bring us) back to where we were last year, not to lose. (We are very) . . . very concerned.

That's what the head of APAS had to say — he's past mad. And I can believe it. We see a \$40 million reduction in agriculture after two terrible years.

We know that the minister, usually after each question when he answers in the House, he says there is only one party that knows how to speak for agriculture, there's only one party that understands agriculture. The only problem is he's probably right, but he's looking at himself and that's where he goes wrong.

I would like to know how many seats that this NDP government have that represent a fully . . . a constituency that is fully dependent on agriculture. The Minister of Agriculture says, well I'm from rural Saskatchewan. He's from Yorkton. It has a rural component, which is getting less and less under redistribution. We have the member from Meadow Lake, who has some agriculture in his constituency.

But, Mr. Speaker, when the Minister of Agriculture seriously stands in this House and says it's only that side of the House that understand agriculture when there are 25 MLAs (Member of the Legislative Assembly) currently, soon to be 26, when . . . after Carrot River Valley is . . . goes through the by-election eventually, there'll be 26 MLAs that represent constituencies that are fully impacted by agriculture.

So when the Minister of Agriculture says there's only one side of the House that understands agriculture, I'd sorely disagree with him because certainly he's quite off base.

There are many other organizations — SARM talked about the budget — many other organizations that have talked about the budget and have been very, very disappointed in what has been put forward.

The one thing that I can say that I would agree with on the budget . . . And every time in the four years that I've stood up and spoke towards the budget, I have always found some things that I can agree with. They may be small, but I'm going to come up with a couple of more issues that I can agree with. Pretty small.

I like what the last . . . the Minister of Culture, Youth and Recreation had mentioned about putting more emphasis on physical fitness. I think that's a great idea. I mean it really does in the long term help the health of the province which, to coin a phrase that started many, many years ago, the wellness model, but that was the whole point of it is to have healthier citizens in our province so they're not so reliant on the health care system. I would say that would be a good move.

They talked about the small-business tax and they really made a gigantic leap in the small-business tax. They went from 6 per cent to 5.5 per cent. They dropped the small-business tax by point five per cent — point five per cent. Now we talk about tax cuts because we're talking about growing the province and increasing the population, attracting more business and more people into the province. But believe me, a point five per cent cut in the small-business tax isn't going to draw too much attention.

Mr. Speaker, if they wanted to really do something in this budget, they could have instead of just taking something from our campaign about a small-business tax and then dropping it point five per cent, to doing what we are talking about doing and eliminating the small-business tax because that's what businesses will look at and that's why small business will increase in this province. Not point five per cent. And the member from Regina South realizes that a tax cut will increase revenue in the long run. But a tax cut of point five per cent is so minimal that will it really draw small business, saying, oh now, they've dropped it point five per cent, I think we better establish in Saskatchewan? I don't think so.

The one issue that I do want to talk about real briefly here, because I believe my time is up, is that they talk about the summary financial statements. They talk about financial summary statements. And for years and years and years, as long as I have been in this House, our member from Canora-Pelly, our critic of . . . our Finance critic has talked about over and over and over again that we need to go to summary financial statements. The auditor has talked about that. We've talked about it. But I guess what it takes is four years of hammering this government for it to finally sink in. But they're thinking maybe we'll do it next year; we'll do it next year.

Well, Mr. Speaker, I can guarantee that there will be summary financial statements brought into Saskatchewan next year, but it won't be by a NDP government because between now and then there'll be a provincial election and people will tell this government that we are sick . . . you're tired, you're out of ideas and it's time to bring in a new government, a Saskatchewan Party government, that will bring in, among a whole lot of other

things, summary financial statements so people in this province can get a true picture of where we stand in the province, Mr. Speaker.

Mr. Speaker, I will be supporting the amendment to the motion. I won't be supporting the motion. I will be supporting the amendment to the budget, and particularly supporting the part of the amendment that talks about a resignation of this Finance minister for the leaks of the budget and for a budget that is pure fiction, Mr. Speaker.

Some Hon. Members: Hear, hear!

Hon. Mr. Thomson: — Thank you very much, Mr. Speaker. It's my pleasure to enter into this debate today and I am very pleased to have an opportunity to speak after the member for . . . the previous member, the Deputy House Leader for the opposition.

I want to start my comments by saying this. Having listened to the speech that the member opposite gave, listening to the, I think, rather unfortunate motion moved by the Finance critic, I think that it is fair for us to say that these folks on the benches opposite are certainly not very far from where their predecessor party left off. That party left this province fiscally bankrupt, and I dare say that the members opposite are as intellectually bankrupt in terms of ideas, in terms of new vision, in terms of a plan on how to move this province forward.

The people of Saskatchewan deserve better than the Sask Party, the sanctimony of the Sask Party opposite. They deserve much better than that and fortunately there's a New Democratic Party government here that has new ideas and new direction, and a plan that's going to help Saskatchewan grow.

As I've been listening to the debate over the last couple of days, listening to the questions that have been raised by members in this House, I think it's very interesting as we think about who this Assembly is here to serve, who the government is here to serve, and who we are here to represent.

This argument put forward about supposedly leaks in the budget, let's remember here that this budget and this legislature is not a country club. This is not the private domain of the 58 of us. It's our duty to make sure that we are presenting the plans that speak to our constituents. It is that relationship between us and our constituents that needs to be honoured; it's not some great, sacred relationship that we hold to each other. This is a relationship we need to maintain with the public and that's why I think it's very selfish and short-sighted of the opposition to say, oh heaven forbid that the public would find something out before we find it out as legislators. And I think it's time that we start thinking about that.

This whole issue I think speaks a great deal to the relationship that we need to fix in this Assembly and that we'll be talking about over the next several days in terms of how we are going to move forward with opening this Assembly up.

Mr. Speaker, I think that as we listen to the criticisms that are launched by the members opposite, it too speaks to where the different parties come from. If you listen to what the members opposite do, they run through the list and I would say that it's

definitely a selective reading of what comments have been made by stakeholder groups and lobbyists on this budget. But I notice there's one thing that they don't comment on and that is what real people are thinking about this budget.

They don't talk about the things that people were saying over the weekend that I had an opportunity to visit with and who had heard about the budget for the most part on TV or radio — some saw a comment in the paper — but weren't paid to worry about these, these special interests. And you know what they said is that on balance this was a pretty good budget.

There were no tax, no tax increases. In fact we continued with our plan of tax cuts. There was new money, federal and provincial, for health care. There was new support programs in the area of daycare. There was support for students.

This was a budget that on balance spoke to the priorities of Saskatchewan people. It may not have appeased every stakeholder group. It may not have appeased every lobbyist in this province. But I'll tell you what, Mr. Speaker, for the folks that I represent — ordinary constituents, ordinary Saskatchewan taxpayers — this was a good budget.

I think it's important that as we take a look at this and certainly the debate that's going to happen over the next few days about the money for municipalities, I do find it passing strange that we have municipalities coming together to complain that money, they are receiving new money to help subsidize their operations, that money we had to find in order to move to there from other places.

Members opposite like to cherry-pick. And I think what they need to understand is that these are tough choices. We made municipal financing a priority. We helped move it up — \$60 million over three years in new money is a lot of new money, Mr. Speaker.

And I think about that as to, and the choice comes down to, where money goes — whether it should just go to municipalities or whether it should go to urban municipalities or the cities only, should it work on the existing revenue-sharing formula — we need to understand that that's very much what the debate is.

This debate is not about new monies going to municipalities. This debate is about some of the city representatives — I represent a city riding — some of the city representatives saying that they thought the money should have gone solely to them.

Now how does that get justified to the president of SARM? How does that get justified to the president of SARM? That's not the way the system works. And I think that this is what we need to understand.

It's all fine and fair for the members opposite to now pretend they're the friends of the city, but are they saying that they support SUMA's position that the revenue-sharing formula should be changed to benefit the cities? Because I don't think they'll change the dynamic in their ridings. I don't think that that's in fact what people are saying in their constituencies.

We're certainly willing to put more money in and we've done that — 60 million over three years is a significant impact. But this budget speaks not only to the mayors of Saskatchewan, this speaks to the mothers of this province who are seeking more daycare spaces.

And when we go forward to try and balance out those priorities, that's what we look at. Yes, the municipalities have a big role to play but, you know, it's just as important that we make sure we've got the child care spaces in place, and that money's got to come from somewhere too.

I think for too long budgets get built in the federal government — and dare I say across the country in the provinces — that are simply designed to appease stakeholders and lobbyists who come to the budget and get in front of the TV cameras, and we forget to talk directly to the people who elect us.

Those people are asking for us to put more money into daycare. They're asking for us to put more money into health care. They're asking for us to put more money into education. They're asking for support in terms of job creation. They're asking for us to make sure we keep the gas tax going towards the roads. They're asking for a large number of things that I didn't necessarily hear reflected on Friday by the lobbyists and the stakeholders.

That's not to say that they don't have an argument. That's not to say that we should exclude funding to them simply because they have a different set of issues.

I'm saying that this is a budget that has to be balanced in more than something on the bottom line. This budget has to reflect balanced priorities of the government and of the people in this province. And that is what I think this particular budget does.

We can't simply continue to invest in municipal infrastructure. We can't simply continue to invest in the physical infrastructure of the highways at the expense of the social infrastructure of this province. And I think we need to understand that.

This government has a proud record of innovation and support for communities that go beyond the geographic boundaries. We have a strong record of support in terms of the School^{PLUS} program, in terms of the community schools program, in terms of rebuilding our communities. And that is something that I think, Mr. Speaker, all members should find some ability to unite around.

We can argue whether the municipalities need more money or not, but in my view we can't do that at the exclusion of making sure that the money that comes from taxpayers goes back to support the social fabric of this province.

Mr. Speaker, I worry a great deal as I listen to the members opposite speak in this Assembly about what would happen if they were ever to take control of the treasury.

I worry about the divisions that would come in as they split between urban and rural, as they deal with splitting between the rich and the poor, as they split between business and labour. Those are the members opposite tugging at the social fabric. If they ever came back on to the treasury benches my fear is that

they would tear it once and for all. This would be a terrible thing. They almost did it in 1991; it was very close to having divided the province between these areas.

(16:00)

Our budgets have tried to find balance. We've tried to balance the issues in rural and urban Saskatchewan, between generations. We've tried to balance them between competing interests, and I think we've been fairly successful.

I've been particularly pleased, Mr. Speaker, that in the seven years — almost eight years now — that I've served in this legislature that as a result of the sound financial management of our government that we have in each of those years been able to reduce taxes. There has not been a single budget introduced in this House while I have been here that has required me to vote for increased taxes.

Some Hon. Members: Hear, hear!

Hon. Mr. Thomson: — We have consistently lowered it. And as a result, Mr. Speaker, I think we should all take great pride in the fact that today income tax rates in this province are at their lowest rate since 1976.

Some Hon. Members: Hear, hear!

Hon. Mr. Thomson: — I think that we should take great pride in the fact that taxes for an average, for an ordinary working family are 37 per cent lower than they were a decade ago. I think we should be pleased to be able to report to our constituents that we have worked in order to reduce the taxes paid by an average Saskatchewan family by over \$1,000 in this term of government alone.

That, Mr. Speaker, did not happen because of some mystical arrangement that the member for Canora may think is how we do our budgeting. That happened because we had sound financial management, we invested appropriately in the economy, we had good planning, and we acted in a balanced and reasonable approach.

Mr. Speaker, the benefit of that has been lower taxes, the benefit of that has been better health care, the benefit of that has been a reinvestment in our communities in education, and, Mr. Speaker, it has meant more jobs.

Some Hon. Members: Hear, hear!

Hon. Mr. Thomson: — This government has had 10 consecutive balanced budgets. We have seen 10 credit rating upgrades and we have seen now 10 consecutive months of job growth.

It is also worth noting that we have seen record employment levels in this province over the past year — we should note that — and record numbers of young people working. As we think about the employment force, I think all of us know that the way to grow the economy, the way to grow the population is to make sure we've got an economy that works, that creates jobs, that attracts people here.

The members opposite have a great slogan. It's about as thin as a piece of paper, the single page that it is written on. And I think it's unfortunate that they have not come forward with a more comprehensive plan.

As I take a look at a budget here that supports the proposals that we put forward in the *Partnership for Prosperity*, that helps target sectoral growth in our economy, that has helped create jobs through a sound and reasonable tax structure . . . not just on personal income taxes but in every single year since 1992 we have been able to reduce the tax load on business. And I think the members opposite do a disservice to their constituents, they do a disservice to the business community of this province when they neglect that. I don't know how they think jobs get created. I don't know how they think that the economy moves forward.

But, Mr. Speaker, I can tell you this. We believe on this side that tax policy must be fair, it must be balanced, that everyone should benefit as we get the rewards of a stronger economy. And we should see that in each of the areas from personal income tax, corporate income tax. We've reduced sales tax. We've reduced the corporate capital tax. We have seen reductions in the corporate capital resource surcharge tax. I think it's . . . If nothing else it's just a . . . we're shortening up what the names are. We have seen a tremendous approach to reducing the tax burden in this province.

And I think back to the situation in 1995 when I first took my seat in this Assembly and the budget had just become balanced. And what we were able to see as a result of that work done by that government from '91 to '95 — that we have been able to build upon now as we reinvest in the economy, we reinvest in our social infrastructure, we reinvest in our communities — what we have been able to see, Mr. Speaker, is a balanced approach that has seen money being able to go towards tax reduction, money going to new, increased program spending.

Now the members opposite are critical of the fact the debt will have increased some this year. I didn't hear them being critical of the fact that we were paying out crop insurance payments. I didn't hear any of the members suggest that, so we didn't have to increase the debt, maybe we shouldn't pay the farmers what was due to them. I didn't hear them say, oh let the forests burn because we wouldn't want to pay to . . . we wouldn't want to pay off the forest fires. We wouldn't want to hear the members opposite say we shouldn't have given money to municipalities in disaster relief and assistance. We didn't hear them say any of that.

It's very interesting that there was no suggestion on that side that any of these things that contributed to this increase in the debt, these extraordinary expenditures . . . And they really are extraordinary expenditures. It's hard to budget for them. They have had an impact on the debt and certainly as we see the debt increase, that's where it comes from. In good years we pay down the debt; in extraordinarily difficult years, as we had last year, the debt's going to go up.

I thought it was interesting to note that on crop insurance, up to last year, the single biggest payout in crop insurance was just over \$400 million. Last year there was at one point a risk we were going to pay \$1.2 billion out to farmers as a result of the

bad crop. That was mitigated somewhat and came down to just over \$1 billion.

That money comes from somewhere, Mr. Speaker. It has to come from somewhere. Part of that money comes out of the provincial treasury. And I think the members opposite should recognize that there's going to be an impact on debt as a result of that. To argue otherwise is, I think, is to be wilfully blind to the financial situation in the province.

Mr. Speaker, this has been a budget that I think will be well received by ordinary Saskatchewan people. It's one that — over the weekend I had an opportunity to talk to a number of constituents — that was well received by them. They appreciate the fact that we have been able to reduce taxes despite obvious increased demands on the provincial treasury.

We understand . . . (inaudible interjection) . . . I hear the member for North Battleford say the folks that he talks to aren't cheering. Perhaps he needs to talk to somebody other than the Karwacki brothers once in a while, and that we would see a more positive outlook.

I notice also that the member opposite wasn't saying that perhaps we shouldn't be making new investments in water infrastructure. There was no suggestion of that, and no suggestion that maybe we don't need to invest as much in the highways, especially in bridges. I don't hear that.

It seems that the member opposite is suggesting, as members opposite tend to . . . the Sask Party and the Liberals equally spend willy-nilly on whatever the latest lobbyist has come to your door on and don't worry about making sure all the bills add up in the end.

That's not how . . . That is not how we on this side manage the books of this province. That is why we have seen balanced budgets. That is why we have had the foresense of putting together the Fiscal Stabilization Fund so that we understand as we get sometimes windfall profits in our treasury, that we can set that aside for days when it's not quite as, not quite as rosy. And that is what we ended up with last year.

Any of us who travelled the province I think understand the impact of the debt . . . of the drought on the province. Certainly as we saw, it had a double whammy of not only hurting the agricultural sector but then obviously also impacting on the forest fire fighting season.

And we have been able to mitigate that with the revenues that are available to us through things like the Fiscal Stabilization Fund, through being able to have a good credit rating, one that's increased 10 times over the last 10 consecutive upgrades, that we have now ability to borrow.

When our party took over government in 1991, this province was not just almost bankrupt; it pretty much was bankrupt. It had virtually no room left to borrow. It had an inability to pay its bills. And the result was that members on this side had to fix that issue.

I can only imagine what would have happened if the government of the day had to face an opposition like they do

today. I can only imagine what would have happened if we'd had to go through the laundry list of demands that had to be satisfied immediately. We would not have been able to do it. Because in fact that was what got us in the trouble to start with was their predecessor party sitting in this legislature, spending \$1.25 for every dollar they took in — \$1.25 for every dollar they took in, Mr. Speaker.

Today, Mr. Speaker, it is very interesting to read what the members opposite are saying. Now the member, one member opposite who just spoke before me, they say what they need to do is we needed to cut the small-business tax, eliminate it completely, \$60 million a year — not one-time funding — \$60 million a year in reduction. Now he argues that you'll get that back through increases in what? Increases in what? They say, well you'll get more businesses.

Mr. Speaker, the fact is that the members opposite don't have a plan, that they have a plan that does not add up. They do not have a plan that makes financial sense. And I fear that what they have done as they prepare for this next election is to tear a page out of Grant Devine's fiscal cookbook and say that that is how they're going to move forward — say one thing here in the Assembly, say another thing out there to the public.

And all I can say to you, Mr. Speaker, is that we know what that recipe is. That is a recipe for disaster; it is a recipe for near bankruptcy. And we are not interested in that. That is not what this government believes in. We are going to continue on a path of tax reduction, of investment in health care, of investment in education, and investment in our communities. That's what we believe in.

Why? Because we've got a vision. We've got a plan. And we know that Saskatchewan's future is not only wide open, but it's well financed.

That, Mr. Speaker, is why I am supporting this budget and will vote against the motion proposed by the Finance critic opposite.

Some Hon. Members: Hear, hear!

Mr. Heppner: — Thank you, Mr. Speaker. I consider it a privilege to be able to rise and make a few comments on this budget that was presented. And I'm going to want to relate that to my constituency of Rosthern/Martensville constituency, as well as just some general comments as how they relate to different parts of the economy.

The person that just spoke before me talked about a rural-urban split. Well let's just do a little check on that. All we have to do is look over there and see what those people have created. They've created a situation where they find it almost impossible, impossible to elect anyone from rural Saskatchewan. They have done that purposely.

You recall, Mr. Speaker . . . you recall, Mr. Speaker, two or three years ago they said they had built the economy of the province to an extent that what happened in agriculture didn't matter any more — what happened in agriculture didn't matter. Agriculture could go up, it could go down, it could fall on its face; the NDP could just run along and run this government in Saskatchewan without them. Well, Mr. Speaker, they found out

in the last two years how totally wrong they are — how totally wrong they are.

The previous speaker just stood up and begged forgiveness for the provincial debt going up because it's the farm fault. That's the same individual that stood up two years ago and said, we've diversified the economy to such an extent that what happens in rural Saskatchewan doesn't matter.

How bizarre that they can just switch from one side to the other. And now we're supposed to believe them — and now we're supposed to believe them. They've created the urban-rural split. For the previous years from the last election on until we had the drought, those people, the NDP on that side, are the ones that said, we don't need the farm community; we can survive without them. They said it time and again — time and again. And the people in rural Saskatchewan heard them. They've created that split in rural Saskatchewan that does exist, and that will be healed.

We had a previous speaker from that side make some offhanded comment about our leader speaking to something like seven people. Well I challenge them to try and get their leader to hold a meeting with more than 100 people. We just had one in Saskatoon of just under 800 — just under 800.

An Hon. Member: — How many could you get in Rosthern?

Mr. Heppner: — We could probably get as many as the NDP get in the province, in my community of Rosthern. They'd be glad to come and hear us — glad to come and hear us.

You notice, Mr. Speaker, they don't really have anything like leader's . . . leader's get-togethers any more. They'll call the unions and get a few people in. They'll get their MLAs, and their wives and their kids, and other offspring, and that's it — that's it. Oh, it has to be free — it has to be free because a socialist likes things that are free. They don't want to pay for anything.

Anyways, back on that budget. We had that leak, and the previous speaker again got up and said, well that's quite okay. Well our parliamentary tradition has always said that a budget is something that shouldn't be leaked because there are people who can take advantage of it. There are people who can take advantage of it.

(16:15)

Now who are they trying to emulate? Ontario. They're trying to emulate Ontario. So what does it happen? This erstwhile Liberal they've got sitting over there who's the Finance minister now — Liberal, gone independent, gone NDP, whatever he is — he creates this budget and he kind of likes Paul Martin because that's the liberal coming out in his blood veins, so he makes a little call to one of our media people and says, here's how the budget is going to run.

So we had that leak that came right from that particular chair over there. And then just the day before the budget, the day before the budget, Social Services minister gets up and does another major leak; right in public, in front of the cameras. How unabashedly can they go ahead and make a mockery of a

parliamentary system, Mr. Speaker? They should be ashamed of themselves, every one of them.

Mr. Speaker, the people out in Saskatchewan know that was a leak. They know it was a leak that was created by this government. And the interesting thing is how they thought this was going to be such a fine budget. Well they should realize that their budgets don't fly. It's like a kite with sticks and no paper. You know, you can run as fast as you want and the silly thing won't take off from the ground; it'll just drag along through the brush. That's where this particular budget has gone, Mr. Speaker. It's terrible.

Then we had the member from Saskatoon Sutherland get up, speaking on this budget, and this was bizarre, Mr. Speaker. Of all the people on that side who would try to take refuge behind the banks, she stood up and she quoted one bank after another one, making some sort of a statement. When an NDP has to hide behind what a bank says, you know they're bankrupt. They're bankrupt — no ideas, no concept of how to do this. Anyways, 6.8 per cent growth, the most ridiculous thing that we've heard in anything of the industrialized world — 6.8 per cent growth.

Not a single province in Canada has achieved that; not a single industrialized country has achieved it. But we're going to have our socialist Premier, the unelected one — maybe that's how he thinks he can do it — he's going to go ahead and try and take this province to a 6.8 per cent growth.

But what does he rely on? Remember what I just said, Mr. Speaker, about how they used to go ahead and make a lot of noise about how they don't need agriculture. Now they say, oh but agriculture's going to do this for us. Well if they read the reports, if they read the reports, there were areas of the province that had good crops last year, Mr. Speaker, and there were areas that had a disastrous crop. So you can't just say we're going to move from a zero crop situation to some bumper crop at great prices.

Number one, Mr. Speaker, agriculture prices are in the tank. No matter how much those farmers grow next year, the value is going to be way down — way down. That attacks their 6.8 per cent right there. The fact that a good part of the province did have some good crops means that when the part that was poor this last year does what it could do, it still isn't going to multiply it by 10 or anything else. It is totally fictitious.

What this Finance minister did, Mr. Speaker, is listen to all of his cabinet as they said, well what do you want? And he'd put some numbers down. And when he had . . . he was finished putting all the numbers down he went to his bureaucrat and he said, now what has to happen? Well, the bureaucrats told him, you'll get in only so much from taxes and you've decided to spend so much, there's only one variable left and that's the growth of the economy. So grab the growth-of-the-economy button and crank it till it balances. So they cranked it. Ludicrous, but they cranked it — 6.8, 6.8.

However, what they did forget is that in spite of all that, they're still running a half a billion dollar debt — a half a billion dollar debt. And, Mr. Speaker, we've heard a fair bit of comment from that side about the provincial debt. So I think it's time that we

do a little bit of tracing on where this debt comes from just so that we get this on the record, Mr. Speaker.

When Mr. Blakeney thankfully had his time in government ended and the NDP were reduced to less than half a rump, at that particular time, Mr. Speaker, there was \$6.8 billion in red debt — \$6.8 billion. Now you can't just take a piece of paper, write down 6.8 billion NDP debt, and say okay that's the first, that's the first figure in this whole discussion.

Because what we have to recall is what happened throughout the world during the '80s. We had interest rates across North America — 20 to 22 per cent. And I'm going to challenge the people that are out there just watching this on television to take out their handy dandy little calculators. Take those out and multiply 6.8 billion by about 20 per cent and see what that Allan Blakeney debt costs on a yearly basis. They'll find that it costs about \$1 billion.

Some Hon. Members: Hear, hear!

Mr. Heppner: — About \$1 billion a year in interest in Allan Blakeney debt. So then you know why we ended up with a debt after the '80s of . . . in the very low 12 billions.

But here's the surprising part, Mr. Speaker. I've been in this legislature some time and we know that the NDP did make some effort to turn the province around and stop the debt from growing. I'll give them credit for that. Ms. McKinnon, Ms. McKinnon deserves credit for that. That's where the credit needs to go.

However, in order to do that they cut back programs all across the province. That's a fact. And maybe they had to do some of that but they did cut that back.

Now suddenly we have an unelected Premier who feels he doesn't have to go back to the people of this province. He's already here, having won fewer votes than the Sask Party did in the last election. So he sits here unelected, and he has run up the debt every single year that he's been in charge.

At the end of this year, according to the NDP plans — that after having turned that GDP button to 6.8; after they've cranked that up to 6.8 — they will have a debt larger than at the end of the 1980s. Those people over there are bringing this province to its financial knees, Mr. Speaker. And they should be ashamed of that. They should be ashamed of that.

How much actually does that amount to? A billion dollars is probably out of most of our reach of imagination. But let's just put it into perspective on a daily basis, Mr. Speaker . . . (inaudible interjection) . . . No not a whole year, just one little day. This unelected Premier is bringing up the debt of this province by \$1 million every single day he gets out of bed.

I think we should pay him to stay home, Mr. Speaker. I think we should pay him to stay home. We can't afford him any longer.

One million dollars a day — their numbers out of their particular budget. It's a disgrace, Mr. Speaker.

I want to just take one section out of the document we were given, just to show what happens in rural Saskatchewan.

I have a lot of farmers in my area. I have a lot of people working in the cities. And we'll talk about those people working in the cities in a minute, but we're going to start off with the heading under Agriculture, Food and Rural Revitalization.

I would have thought that the Finance minister would have taken some of his liberal whiteout and taken out Rural Revitalization because those are the people that said that first of all they didn't need them. And then they had the disaster that we had last year. So let's see what happens.

We look through the headings. We come to the very first one. They used to spend 2.2 million; they've cut that down to 2.1.

Then we look to policy and planning — if anything needs planning, it's agriculture because there's so many variances in that whole system that you have to do some planning — down from 6.5 million down to an even 6. Spending less in agriculture every time they turn around.

And by the way, Mr. Speaker, we had one or two of the previous speakers saying the kind of response they had. Well I think they must have had a family reunion or something of that sort, or had those phone book NDP meetings.

I met this weekend — for whatever reason, I'm not sure — but had a lot of people come around and was at a few suppers that had quite a number of people at them. And there were ordinary people: plumbers, electricians, school teachers, farmers — and I'm just listing a few that I specifically talked to — people involved in livestock, truckers, a lot of non-political people. And without exception, Mr. Speaker, without exception, not one person said anything good about this budget.

Now there were a few people who said something very negative about it, and the rest of them just laughed — just laughed. Because sometimes when things get really ridiculous and really sad, it's all you can do is laugh. Other than that, you will just weep endlessly from the sorrow of it all.

Okay, bad to the agriculture food page. Then we get to research and technology, Mr. Speaker, research and technology. Very important because farming is changing rapidly. Research and technology is critical.

And by the way to read from their own literature, it talks about new agricultural technology facilitates diversification and value-added opportunities. All very good stuff; not a single person in Saskatchewan would object to that.

Their spending went down from 15.8 down to 13.8. They cut \$2 million out of that very critical part of agriculture — \$2 million, \$2 million. That wouldn't even keep the Wheat Pool alive, Mr. Speaker.

Next heading: development and technology transfer. What does this do? It provides agri-food quality assurance. But then again why should we be surprised when they spend less in this one; why should we be surprised? Because this is the group that tries

to have black fries and sell GMO potatoes — genetically modified potatoes. They've been selling them since, I believe it was, 1999.

In the last century they started selling these and they didn't tell anyone. And they're the ones that think they're environmentally friendly. There's nothing environmentally friendly about an NDP-CCF (New Democratic Party-Co-operative Commonwealth Federation) person.

Just think of that, Mr. Speaker, think of that. Who else in this province has sold genetically modified product without telling anyone. It's a disgrace. It's a shame to this province.

What about farm stability and adaptation? Down from 125 million to 78 — to 78. Last two years they've said how critical agriculture is to this province and what do they do? They cut and they cut and they slash and they slash. And then they wonder why the farm community doesn't have any trust in them. Then they wonder why they won't get a single vote from the farm community — not a single seat are they going to get from that.

Mr. Speaker, there is so much to say, and I'm just trying to decide what I have to put in here in the correct . . . in the correct locations.

Municipalities, Mr. Speaker; municipalities. I mentioned earlier on that when the NDP took over in about '91, they made a valiant effort to try and get the provincial finances under control. But they did it by cutting and slashing programs to schools, to hospitals, to towns, to cities, to RMs. They turn out this budget and when you take everything into consideration, I've only heard of one person, one — and they used it today— from any of those three bodies that has said anything positive about this budget. It does not supply the support that's needed.

The previous speaker mocked the fact that spending on infrastructure wasn't important. Then why should we spend on infrastructure? We got other things to spend it on. If you don't spend it on infrastructure, you're going to have water that's going to hurt people. You won't have sewage disposal systems and you'll hurt the environment. You won't have roads to transport our goods and services on. The whole system grinds to a halt if you don't have infrastructure. And that NDP member stood up over there and said infrastructure . . . from Regina South, said that's no big deal, that doesn't matter.

Then they go on to say but look what a bad year we had, look what a bad year we had, we had this big cost for firefighting. Well I very definitely recall at the last budget that we voted on, those people tried to mock us because we wouldn't support that budget because they said they had this big amount of money they were setting aside to take care of firefighting. Where did it go? It went up in smoke somewhere, it went up in smoke.

Last year they hung their hat on creating this fund to fight fires up North. You got the member from Cumberland right now chirping from his seat. He should be thankful. He should be thankful that the fires were fought. But they weren't fought with the money that the NDP set aside because that was nothing but smoke and mirrors. Absolutely not 1 cent put into that.

(16:30)

It's the same thing like their Stabilization Fund they say they're using now. It's like having a loan at the bank; you go with your credit card, you limit out your credit card, you pay off your loan, and you go home and you say, what a good boy am I, we're now out of debt as a family.

There are people who believe that, Mr. Speaker, and they're all sitting over there. They're sitting over there. Those are the people who think you can pay off a debt at the bank with a credit card and come home debt free. It is a total shame the way they run this province. Unfortunately they have run it and they've run it down seriously.

Mr. Speaker, there are other things that relate to my constituency that these people haven't dealt with. The tax load for schools in my constituency; they're going to have to raise an extra one and a half million dollars on property taxes — one and a half million dollars on property taxes. Where are they going to get that from? They have already been raising taxes year after year from farms and businesses that have had to work in rural Saskatchewan through some very seriously bad times.

We talk about Highway 11. Highway 11 is infamous for all the accidents that have occurred there. Was any further twinning announced? No. The least they could have done is go ahead and put in just a few basic turning lanes because almost every single death that occurred there occurred because there wasn't a turning lane. A turning lane would have saved those lives.

The Minister of Highways says, well about 10 years from now we'll close your entrances to your towns; you don't have to worry about a turning lane. Well, Mr. Speaker, that's the NDP version of rural revitalization — shut off all the roads, all the access lanes to all the towns, and then you've got rural revitalization. That's what they plan on doing. I can give them a whole list of towns where they've said exactly that. It was a shame, Mr. Speaker.

Mr. Speaker, this budget is a disaster. The public has either wept or laughed over it. Nobody compliments them on it. They leaked it because they thought it was so good that the media would slurp it up, write all kinds of articles in the papers and say this is a fantastic budget. It has all backfired on them.

How long could I go on this, Mr. Speaker? The problems with this budget are endless — the problems with this budget are endless. But we do have a limited number of people that want to speak on this and therefore we'll have to give them some opportunity.

Mr. Speaker, it is without doubt that I will support the amendment and definitely not vote in favour of this budget.

I have, Mr. Speaker, voted in favour of budgets when they were worthwhile voting for — I've done that. This one isn't even going to get my consideration, and in the next election it won't get the consideration from any of the people in this province either. Thank you.

Some Hon. Members: Hear, hear!

Hon. Ms. Higgins: — Thank you very much, Mr. Speaker. It's with a great deal of pleasure that I rise to address the budget that was presented by our Minister of Finance a couple of days ago.

Mr. Speaker, one of the things that we need to clarify, especially for the members opposite, is that over this past decade our government has followed a balanced approach. And, Mr. Speaker, we've talked about this over and over and over again, not only in balancing the issues that this government deals with in our . . . throughout the province but also in our financial management.

Mr. Speaker, our style has been not to overreact when one-quarter or one-half of a fiscal year shows a negative result. And as we've seen over this past year and over a past number of years, and particularly in 2002-2003, it's best to hold a steady course and not to overreact, but to hold firm to your planned course of action. And this applies to both financial shortfalls and surpluses, Mr. Speaker.

Now, Mr. Speaker, when we look back over this past year, it was a year of some real challenges. We had a drought, which the members opposite and the members on this side have spoken about quite frequently; two years in some areas, longer in others. It has been one of the most severe weather conditions faced by our producers — worse than the '30s in many areas of the province.

And there was requirements, requirements on the government to help address the livestock needs that were . . . throughout the province. Mr. Speaker, extra money was put into that to help provide feed to maintain our livestock herds within the province.

And also it was a record year for forest fires. As you well know, Mr. Speaker, in your constituency, the severity of the fire season that was throughout the North of the province. Forty-seven million dollars over and above what was budgeted for was put towards fighting forest fires throughout the province. And it's an important resource, Mr. Speaker, one that we needed to protect, and we made every effort to do so.

And, Mr. Speaker, just when we thought we had addressed some of these unusual circumstance throughout the province, some of the unnatural challenges came upon us with the federal government looking to claw back \$300 million in equalization. Now after some very good negotiations between our then minister of Finance and the Premier of this province, the feds have addressed that and it helped a great deal in our budgeting for this year.

But during those tough times, Mr. Speaker, we also had some good turnarounds in revenues from commodities, particularly oil which rose dramatically throughout the year. And I think thanks to our minister of the time and the adjustments that were made to royalties, we've seen a great deal of increase in that area which has helped a great deal.

And, Mr. Speaker, also individual income revenue was much higher than was expected at the budget when it was put together last year. So a number of things actually made our budget look a little healthier than what we had first worried.

But, Mr. Speaker, it's that balanced approach. We don't get in to a real panic when things start to take a few dips and dives. We've held steady with the course that we have laid out. Our plan is there and, Mr. Speaker, we will stick to it.

So when we got to the first part of 2003, Mr. Speaker, we began to see some indicators that . . . just how strongly our economy was doing. The diversification that we've worked on over a number of years is finally starting to pay some dividends for our province.

And February, Mr. Speaker, marked the 10th straight month of job growth in this province.

Some Hon. Members: Hear, hear!

Hon. Ms. Higgins: — And, Mr. Speaker, our unemployment rate is the third lowest anywhere in Canada.

Retail sales are up sharply. Building permits are up. Employers are expressing confidence in the economy and major economic forecasters, including The Conference Board of Canada, are forecasting good things for Saskatchewan's economy.

Some Hon. Members: Hear, hear!

Hon. Ms. Higgins: — Now, Mr. Speaker, when we look at the budget and how our year ended March 31, we end up with a surplus of just over \$2 million. Now does it sound like a lot compared to our whole budget and the amount of money that is spent throughout the province in a year?

But, Mr. Speaker, there is some very important points that we have to remember here. We didn't draw any funds from the Fiscal Stabilization Fund and no equalization payments from the federal government.

And, Mr. Speaker, this was the budget that the opposition across the way there called a fudge-it budget. Now how many times were they hopping up and down in their seats last year during question period, during all kinds of things — fudge-it budget. Fudge-it budget we heard over and over again and the member across the way there is starting to howl again. But, Mr. Speaker, we ended up with a surplus, no equalization, and no drawdown on our Fiscal Stabilization Fund.

Some Hon. Members: Hear, hear!

Hon. Ms. Higgins: — And, Mr. Speaker, that just lays out why this government over the past number of years, we have our plan in place and we have stuck to our plan. And it's paid off, Mr. Speaker. Mr. Speaker, this budget . . . it's with a great deal of pride that I stand up and speak on the budget. And for one thing, Mr. Speaker, I'm very proud that this government put down its 10th consecutive balanced budget.

Some Hon. Members: Hear, hear!

Hon. Ms. Higgins: — And, Mr. Speaker, the big part of that is that we have done so while maintaining jobs in our province, while maintaining services and programs to the people of this province, Mr. Speaker. And we've also done so while diversifying our economy, promoting business and industry,

and supporting the agricultural industry.

Now, Mr. Speaker, when we talk about the 2003-2004 budget, *Building for the Future*, Mr. Speaker, this is something that's been our plan. It's something that we have looked towards, our vision for the future of this province, and, Mr. Speaker, the wheels are turning.

This budget addresses three of the cornerstones that we feel are very important: our prosperity, the quality of life, and the building blocks for the future of our province — health, education, and strong communities. And, Mr. Speaker, because we had a very strong finish in 2002-2003, we're in very good shape to continue the priority funding for health care and education, and to help out the municipalities for the second year in a row.

Some Hon. Members: Hear, hear!

Hon. Ms. Higgins: — And, Mr. Speaker, we're still maintaining promises and commitments that were made three years ago, and this year will be the third year in our \$900 million commitment to the highways and infrastructure here in our province.

Now, Mr. Speaker, our government is forecasting a 6.8 per cent jump in the real GDP based on Saskatchewan producers realizing a normal harvest. Now the members opposite were up and down howling about this. But, Mr. Speaker, a normal harvest, that's what we are basing this on is a return to a normal harvest.

And, Mr. Speaker, this year we're making a number of multi-year funding commitments in the budget to help our stakeholders plan and so the public has a clear idea of the direction that we're headed.

Now, Mr. Speaker, one of the largest commitments has been to the agricultural producers in our province. And we know the effects of drought and the international subsidies has had on our producers and we work to support our producers.

And, Mr. Speaker, our government has signed on to the federal agricultural policy framework and through the APF (agricultural policy framework) program framework we will commit approximately \$1 billion over the next five years to Saskatchewan's producers.

Some Hon. Members: Hear, hear!

Hon. Ms. Higgins: — And we've also maintained the funding into the farm families opportunity initiatives and we're also continuing with the Conservation Cover Program, Mr. Speaker.

Now, Mr. Speaker, I remember standing in this House when the Minister of Agriculture stood and first talked about the Conservation Cover Program. And the members opposite got up and hooted and hollered about the lawn program. And we could dig through *Hansard* and we could find their quotes and what particular members it was, but they laughed and thought it was a big joke — the lawn program they called it.

Well, Mr. Speaker, I'd like to tell the members opposite, this is

one of the most successful programs. Many producers have taken advantage of it to convert marginal land to perennial cover — 300,000 acres have been converted. For the members opposite, 300,000 acres have been converted under this program back to cover.

So, Mr. Speaker, they hooted and hollered but they were wrong. Just one more example of the way they were mistaken. And the Minister of Agriculture is right in not taking their advice when it comes to agricultural programs.

And, Mr. Speaker, this government is still maintaining \$240 million per year in tax exemptions and rebates on a variety of farm inputs, machinery, rebates for livestock, horticultural facilities, and fuel exemptions for farm activities. Those are very important to our producers, Mr. Speaker, and we're maintaining those.

Now, Mr. Speaker, there's a number of things that are important to the people of Saskatchewan. And no matter what community you live in, whether you live in rural or urban Saskatchewan, health care is important and probably the number one issue that many people talk about.

And this government and this budget has increased health spending by 8 per cent and, Mr. Speaker, that's over \$184 million.

(16:45)

And it covers a variety of areas — a 6 per cent increase for regional health authority operations; a 9 per cent increase for the Saskatchewan Cancer Agency; it sets aside money to support collective agreements and help maintain our staff of health professionals and encourage others to train in these professions, and we're looking at establishing satellite renal dialysis units in other places in Saskatchewan, and also puts money into an issue that really came to the surface last year, Mr. Speaker, West Nile mosquito control programs. Not a huge issue in Saskatchewan but one that we're looking to address before it does become a huge issue — something that's important to all of us.

Also \$19 million will be spent on health equipment — new diagnostic equipment, CT (computerized tomography) scans . . . Yorkton and in Moose Jaw, Mr. Speaker, which were very pleased to get that news. And also I'm sure the members, member opposite will be happy that they're looking . . . Department of Health and this new funding will put a permanent CT scanner in Swift Current.

So, Mr. Speaker, there's many good announcements in this budget. It just goes on and on.

And, Mr. Speaker, education. I don't think there's anyone in this House that would disagree, that would disagree with the importance of education. We talk about lifelong learning, we talk about good beginnings and the importance of our children getting good educations.

And, Mr. Speaker, this budget increased the spending by 5.2 per cent to education and it will bring the total education and learning budget to \$1.2 billion.

Now, Mr. Speaker, the members across have got up and criticized and they've read comments where this one's not happy and that's not happy. But, Mr. Speaker, in their last platform in the 1999 election, their promise in their platform was zero. Zero funding, frozen for education. So we know where their priorities or lack of priorities are, Mr. Speaker.

Now, Mr. Speaker, one of the issues that I'm very pleased about and said a few words the other day, was the announcement that the Premier and the Minister of Community Resources and Employment made on child care and child care spaces and the subsidies.

Mr. Speaker, this is so important for families across this province no matter where they are, for young families, for working women, single-parent families, and also for the children. Mr. Speaker, there's nothing more important than be able to know that your children are being well cared for in a licensed facility and cared for with the best of care.

So, Mr. Speaker, I'm very pleased with that announcement, and it's very important to many across the province.

Now, Mr. Speaker, I know I'm running out of time here. We like to keep it short. But, Mr. Speaker, there's one thing that I know of. I've been sitting here this afternoon listening to the various speakers get up and talk about their impression of the budget. And I guess one of my biggest surprises was the new critic for the Department of Labour, the member from Indian Head-Milestone got up and talked about all the people that didn't like the budget.

But he was being very selective in his comments and his . . . He failed to mention labour, the area that he's a critic for. Now I guess the critic for Labour may forget to mention labour but I find it hard to imagine how he could totally forget labour when it is . . . And I would consider when you look at the province of Saskatchewan and 400,000 . . . just . . . half a million working people in this province in one area or another, and the minister . . . or the critic of Labour, oops, forgets them — oops. Well I guess that's the way it goes.

Now maybe he's new, he's new to being the critic of Labour so he forgot about it and didn't realize this is something he should address.

But, Mr. Speaker, there was a news release put out by the Federation of Labour and I quote:

“We have an economic blueprint here that seems to address the problems and concerns that the majority of people have, and that is what governments should be doing.”

And that came from Larry Hubich, the president of the Federation of Labour.

Their feel and the working . . . the feel of working people throughout this province is that health, education, and communities are a priority. That's what governments . . . It's what governments should be doing. And that's where we are, Mr. Speaker, and it's where our plan has been put forward for many years. It's where our plan is taking us, and we will maintain that path, Mr. Speaker, because it's important.

Now, Mr. Speaker, I've sat and listened through the Throne Speech debate, the beginnings now of the debate on the budget, and I've listened to the comments of the Saskatchewan Party of how negative they are, how divisive they are, how critical they are of everything.

And I realize, Mr. Speaker, that it's the job of the opposition to oppose. And it's the job of the opposition to hold the government accountable. But, Mr. Speaker, when I hear their bizarre comments, their exaggerated claims, I wonder when do they feel obliged to be credible and accountable to their own constituents.

Some Hon. Members: Hear, hear!

Hon. Ms. Higgins: — Mr. Speaker, the Leader of the Saskatchewan Party says one thing to the FSIN (Federation of Saskatchewan Indian Nations) and then goes to SARM and says something different.

Now I've heard this cute little phrase they say, twist and shout. They twist the facts and they jump up and down and shout about it, Mr. Speaker, and it happens time and time again; twist and shout.

Same thing with the conservation cover crop. They thought it was a lawn program. Well that was cute and they might have all thought it was funny, but it's been very successful. Twist the facts and jump up and shout about it, and that's the reaction to everything, Mr. Speaker.

Mr. Speaker, there are people in this world who always see the glass as half empty. They complain when the sun comes up in the morning because now it's in their eyes. They wake up complaining and they never stop.

The members opposite, the members of the Saskatchewan Party complain when taxes are high, but then vote against them when we put in tax cuts, Mr. Speaker. They complain that the government bragged about its credit rating and 10 credit upgrades, Mr. Speaker. And when . . . They complained about its credit rating when debt was coming down. Now they're complaining when debt goes up because of matters beyond our control. They don't like it when our economy has a difficult year, but now they complain when the forecasts are for a solid year.

Now after a while, Mr. Speaker, people just stop listening to those who are constantly negative, people who have nothing good to say about this province and its future. They may not believe in Saskatchewan, Mr. Speaker, but this government does.

Some Hon. Members: Hear, hear!

Hon. Ms. Higgins: — We believe in this province, Mr. Speaker, and we think most Saskatchewan people do and we'll prove it on the next provincial election, Mr. Speaker.

Some Hon. Members: Hear, hear!

Hon. Ms. Higgins: — And, Mr. Speaker, I won't be supporting the amendment but I will be supporting the budget.

Some Hon. Members: Hear, hear!

Mr. Hart: — Thank you, Mr. Speaker. Mr. Speaker, it's certainly a pleasure to enter into this budget debate, Mr. Speaker. This is a budget that we on the opposition side will take great pleasure in debating since there is lack of substance, lack of planning, and lack of vision in this budget, Mr. Speaker.

When you look at the budget documents that were provided on budget day and the little card that summarizes some of the highlights of the budget, Mr. Speaker, you have to look long and hard to find any mention of agriculture. In fact you have to turn it over and look near the bottom of the back page, Mr. Speaker, to see the word "farmer" mentioned. And yet this government is pinning its hopes on the agricultural industry and the farmers of this province to pull them out of their financial difficulty with a 6.8 per cent projection, Mr. Speaker.

You know what, Mr. Speaker, the farmers of this province are hoping beyond hope that perhaps these people on that side of the House know something that everyone else doesn't know, including all the leading Ag economists and economists that forecast economic growth. They're hoping that we will have a 6.8 per cent growth, primarily due to agriculture.

But it hasn't happened in the past, Mr. Speaker, and the odds of it happening this year are slim to none, Mr. Speaker. And I don't know of one producer that's taking that kind of hope and banking on it and going to his banker and buying the high-cost fertilizers and making arrangements for the high-cost fuels to grow that to beyond normal. We would need more than a normal crop, Mr. Speaker; we would need a bumper crop of unheard of proportions to make this projection come true, Mr. Speaker.

What I'd like to say, Mr. Speaker, is I'd like to make a few comments on the budgeting process. And the budgeting process — whether it be a provincial budget, whether it be a budget for a business, whether it be a household budget — there are certain fundamentals that are common to all of those processes, Mr. Speaker.

You look at . . . normally what you do, and I have had some experience in this area, Mr. Speaker. In fact for a number of years during the winter when we first started our farming career, I spent a number of winters conducting farm management courses and budgeting was the main item that we discussed in those courses, Mr. Speaker.

And I had the good fortune to have a number of farm management specialists and leading people in their fields take me through the process and build on the experience I received in my working career and in my education, Mr. Speaker. So I think I know a little bit, at least, of the budgeting process.

And so what you do, Mr. Speaker, is you look at what happened in the past and look at previous years' records. You make some assumptions about the upcoming year, Mr. Speaker, and then you go on to project your income. You determine what expenditures you need to make. And then of course when you look at the bottom line at that point, then you look at discretionary spending, Mr. Speaker. So it's not really that difficult in talking in general terms, Mr. Speaker. But where the

difficulty comes in is in the accuracy of some of the assumptions you make and the analysis of previous years' records, Mr. Speaker.

So now if we look at some of the assumptions that this government has made for this upcoming year, I would like to point a few — at least in the areas that I feel I have some expertise in and that being primarily the ag sector — some of the inconsistencies and some of the errors that these people are basing their hopes on, Mr. Speaker.

You look at the budget document on page 20 where they give . . . where the commodity price outlook is listed, Mr. Speaker. And you look at the projections for this coming year, 2003. And you look under . . . you look for the price projection for wheat. Well they have, they're using a price projection of approximately \$170 a tonne, Mr. Speaker. Well if you go and look at what the industry is projecting, it's more in the neighbourhood of \$150 a tonne — about a 13 per cent difference. In other words, their . . . this government's projection is about 13 per cent too high.

If you look at canola, this government is using about \$368 per metric tonne as their projection for the year 2003. Well to put it in terms that most farmers identify with, that's about \$8.35 a bushel.

Well we had those prices or those prices were there as a projection temporarily back in December. The commodity market spiked up, there was a short period of time when new crop prices reached that price. But since that time, there's been a dramatic erosion of those prices, Mr. Speaker.

In fact I've been following those prices quite closely and probably a more realistic price would be about \$325 a tonne, or again about a 13 per cent variance, Mr. Speaker — 13 per cent too high.

Mr. Speaker . . .

The Speaker: — Order, please. It now being the hour of 5 o'clock, this House stands recessed until 7 p.m.

The Assembly recessed until 19:00.

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