



FIRST SESSION - TWENTY-FIFTH LEGISLATURE

of the

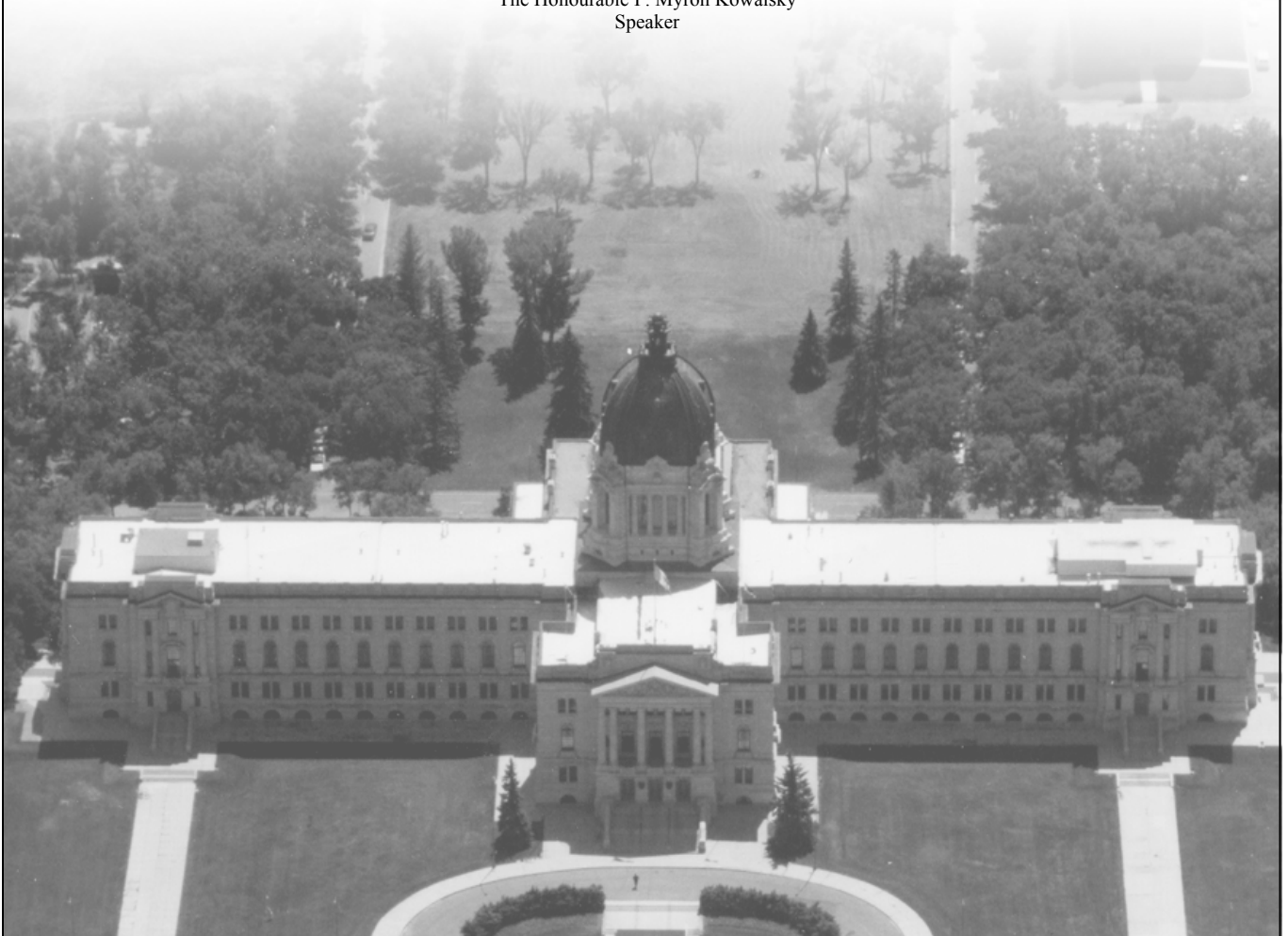
Legislative Assembly of Saskatchewan

**DEBATES
and
PROCEEDINGS**

(HANSARD)

Published under the
authority of

The Honourable P. Myron Kowalsky
Speaker



MEMBERS OF THE LEGISLATIVE ASSEMBLY OF SASKATCHEWAN

Speaker — Hon. P. Myron Kowalsky
 Premier — Hon. Lorne Calvert
 Leader of the Opposition — Brad Wall

Name of Member	Political Affiliation	Constituency
Addley, Graham	NDP	Saskatoon Sutherland
Allchurch, Denis	SP	Rosthern-Shellbrook
Atkinson, Hon. Pat	NDP	Saskatoon Nutana
Bakken, Brenda	SP	Weyburn-Big Muddy
Beatty, Hon. Joan	NDP	Cumberland
Belanger, Hon. Buckley	NDP	Athabasca
Bjornerud, Bob	SP	Melville-Saltcoats
Borgerson, Lon	NDP	Saskatchewan Rivers
Brkich, Greg	SP	Arm River-Watrous
Calvert, Hon. Lorne	NDP	Saskatoon Riversdale
Cheveldayoff, Ken	SP	Saskatoon Silver Springs
Chisholm, Michael	SP	Cut Knife-Turtleford
Cline, Hon. Eric	NDP	Saskatoon Massey Place
Crofford, Hon. Joanne	NDP	Regina Rosemont
D'Autremont, Dan	SP	Cannington
Dearborn, Jason	SP	Kindersley
Draude, June	SP	Kelvington-Wadena
Eagles, Doreen	SP	Estevan
Elhard, Wayne	SP	Cypress Hills
Forbes, Hon. David	NDP	Saskatoon Centre
Gantfoer, Rod	SP	Melfort
Hagel, Glenn	NDP	Moose Jaw North
Hamilton, Doreen	NDP	Regina Wascana Plains
Harpauer, Donna	SP	Humboldt
Harper, Ron	NDP	Regina Northeast
Hart, Glen	SP	Last Mountain-Touchwood
Heppner, Ben	SP	Martensville
Hermanson, Elwin	SP	Rosetown-Elrose
Higgins, Hon. Deb	NDP	Moose Jaw Wakamow
Huyghebaert, Yogi	SP	Wood River
Iwanchuk, Andy	NDP	Saskatoon Fairview
Junor, Judy	NDP	Saskatoon Eastview
Kerpan, Allan	SP	Carrot River Valley
Kirsch, Delbert	SP	Batoche
Kowalsky, Hon. P. Myron	NDP	Prince Albert Carlton
Krawetz, Ken	SP	Canora-Pelly
Lautermilch, Eldon	NDP	Prince Albert Northcote
McCall, Warren	NDP	Regina Elphinstone-Centre
McMorris, Don	SP	Indian Head-Milestone
Merriman, Ted	SP	Saskatoon Northwest
Morgan, Don	SP	Saskatoon Southeast
Morin, Sandra	NDP	Regina Walsh Acres
Nilson, Hon. John	NDP	Regina Lakeview
Prebble, Hon. Peter	NDP	Saskatoon Greystone
Quennell, Hon. Frank	NDP	Saskatoon Meewasin
Serby, Hon. Clay	NDP	Yorkton
Sonntag, Hon. Maynard	NDP	Meadow Lake
Stewart, Lyle	SP	Thunder Creek
Taylor, Hon. Len	NDP	The Battlefords
Thomson, Hon. Andrew	NDP	Regina South
Toth, Don	SP	Moosomin
Trew, Kim	NDP	Regina Coronation Park
Van Mulligen, Hon. Harry	NDP	Regina Douglas Park
Wakefield, Milton	SP	Lloydminster
Wall, Brad	SP	Swift Current
Wartman, Hon. Mark	NDP	Regina Qu'Appelle Valley
Weekes, Randy	SP	Biggar
Yates, Kevin	NDP	Regina Dewdney

[The Assembly met at 13:30.]

[Prayers]

ROUTINE PROCEEDINGS

PRESENTING PETITIONS

The Speaker: — The Chair recognizes the member for Cypress Hills.

Mr. Elhard: — Thank you, Mr. Speaker. Mr. Speaker, the constituents of Cypress Hills are very concerned about the ramifications of forced amalgamation. I present this petition on their behalf:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the provincial government to reverse the decision to force the amalgamation of school divisions in Saskatchewan and continue reorganization of school divisions on a strictly voluntary basis.

As in duty bound, your petitioners will ever pray.

Mr. Speaker, this petition is signed by constituents from the communities of Frontier, Gull Lake, Hazlet, Tompkins, and Piapot. I so present.

The Speaker: — The Chair recognizes the member for Cannington.

Mr. D'Autremont: — Thank you, Mr. Speaker. I also have a petition to present today. The prayer reads:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to take the necessary action to fulfill their commitment to the people of Humboldt and area and provide the funding necessary for a new hospital in Humboldt.

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

These petitions come from the communities of Muenster, Drake, Saskatoon, and Humboldt. I so present.

The Speaker: — The Chair recognizes the member for Swift Current.

Mr. Wall: — Thank you, Mr. Speaker. I rise again on behalf of constituents who are concerned about the deficiency in residential support offered to people in Swift Current with long-term disabilities. The prayer of their petition reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to take the necessary steps to provide the funding required for additional residential spaces for Swift Current residents with lifelong disabilities.

Mr. Speaker, today all the petitioners are from the great city of

Swift Current. I so present.

The Speaker: — The Chair recognizes the member for Kelvington-Wadena.

Ms. Draude: — Mr. Speaker, I am pleased today to present a petition from people who are concerned about the use of crystal meth:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause this government to take the necessary action to implement a strategy that will deal with crystal meth education, prevention, enforcement, and treatment.

The people that have signed this petition are from Porcupine Plain and Carragana.

The Speaker: — The Chair recognizes the member for Rosetown-Elrose.

Mr. Hermanson: — Thank you, Mr. Speaker. I have another petition where people express their consternation over forced amalgamation of school divisions. The prayer of the petition reads:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the provincial government to reverse the decision to force the amalgamation of school divisions in Saskatchewan and continue reorganization of school divisions on a strictly voluntary basis.

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

Mr. Speaker, there are a number of communities represented on this petition. They include Rosetown, Beechy, Herschel, Ruthilda, and Elrose. And I'm pleased to present this petition on their behalf.

The Speaker: — The Chair recognizes the member for Melville-Saltcoats.

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

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the provincial government to reverse the decision to force the amalgamation of school divisions in Saskatchewan and continue reorganization of school divisions on a strictly voluntary basis.

The signators, Mr. Speaker, are from the communities of Moose Jaw and Spring Valley.

The Speaker: — The Chair recognizes the member for Thunder Creek.

Mr. Stewart: — Thank you, Mr. Speaker. I rise as well to present a petition signed by citizens concerned with the forced amalgamation of school divisions. And the prayer reads:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the provincial government to reverse the decision to force the amalgamation of school divisions in Saskatchewan and continue reorganization of school divisions on a strictly voluntary basis.

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

Mr. Speaker, this petition is signed by individuals all from the community of Craik. I so present.

The Speaker: — The Chair recognizes the member for Indian Head-Milestone.

Mr. McMorris: — Thank you, Mr. Speaker. I have a petition regarding the Claybank Brick Plant. And the prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to reconsider the decision to reduce funding to the Claybank Brick Plant.

As in duty bound, your petitioners will ever pray.

Mr. Speaker, this petition is signed by people from Leduc, Alberta; Moose Jaw, as well as St. Albert, Alberta. I so present.

The Speaker: — The Chair recognizes the member for Estevan.

Ms. Eagles: — Thank you, Mr. Speaker. Mr. Speaker, I rise today to present a petition on behalf of citizens of this province concerned about the growing problem of crystal meth. And the prayer reads:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to take the necessary action to implement a strategy that will deal with crystal methamphetamine education, prevention, enforcement, and treatment.

And, Mr. Speaker, this is signed by the folks from Porcupine Plain. I so present. Thank you.

The Speaker: — The Chair recognizes the member for Melfort.

Mr. Gantfoer: — Thank you, Mr. Speaker. I rise this afternoon on behalf of citizens concerned about the government's lack of commitment to the Humboldt hospital. The prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to take the necessary action to fulfill its commitment to the people of Humboldt and area and provide the funding necessary for a new hospital in Humboldt.

Signatures on this petition this afternoon, Mr. Speaker, are all from the community of Watson. I'm proud to present on their behalf.

The Speaker: — The Chair recognizes the member for Humboldt.

Ms. Harpauer: — Thank you, Mr. Speaker. I too have a petition with citizens in the Humboldt area who are concerned with the lack of commitment by the government for funding for the new hospital and the prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to take the necessary action to fulfill their commitment to the people of Humboldt and area and provide the funding necessary for a new hospital in Humboldt.

And the signatures, Mr. Speaker, are from Cudworth and Humboldt. I so present.

The Speaker: — The Chair recognizes the member for Saskatoon Silver Springs.

Mr. Cheveldayoff: — Thank you, Mr. Speaker. I'm pleased to rise today to present a petition on behalf of parents in my constituency of Saskatoon Silver Springs, regarding a much needed elementary school in the Arbor Creek area of Saskatoon. The prayer of the petition reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to take the necessary action to implement an allocation of financial resources to build an elementary school in Arbor Creek.

As in duty bound, your petitioners will ever pray.

The petitioners today live on Kenderdine Road, Wickenden Crescent, Guenter, Wright, and Bentham crescents in northeast Saskatoon. Thank you, Mr. Speaker.

The Speaker: — The Chair recognizes the member for Carrot River Valley.

Mr. Kerpan: — Thank you, Mr. Speaker. I too rise on behalf of citizens of Saskatchewan who are concerned with the effect that the TransGas Asquith natural gas storage project will have on the quantity and the quality of their water, and the prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to immediately address the concerns of all individuals affected by this project, pay 100 per cent of the costs involved to rectify disruptions to water supplies, produce an environment assessment study encompassing a larger area outside the scope of the project, disclose the project's long-term effects on these areas and consider alternative sources of water for the project.

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

Mr. Speaker, signed by the citizens of Grandora.

The Speaker: — The Chair recognizes the member for Last Mountain-Touchwood.

Mr. Hart: — Thank you, Mr. Speaker. Mr. Speaker, I'm very pleased to be able to present a petition on behalf of citizens that are concerned about the negative effect that the TransGas Asquith natural gas storage project is having on their water supplies and the prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to immediately address the concerns of all individuals affected by this project, pay 100 per cent of the costs involved to rectify disruptions to water supplies, produce an environment assessment study encompassing a larger area outside the scope of the project, disclose the project's long-term effects on these areas and consider alternative water supplies for the project.

As in duty bound, your petitions will ever pray.

Signatures to this petition, Mr. Speaker, come from the communities of Vanscoy and Grandora. I so present.

READING AND RECEIVING PETITIONS

Deputy Clerk: — According to order the following petitions have been reviewed and pursuant to rule 14 are hereby read and received:

A petition concerning a strategy to deal with crystal methamphetamine; that's sessional paper no. 720.

And addendums to previously tabled petitions being sessional paper nos. 180, 637, 715, 716, and 718.

NOTICES OF MOTIONS AND QUESTIONS

The Speaker: — The Chair recognizes the member for Estevan.

Ms. Eagles: — Thank you, Mr. Speaker. Mr. Speaker, I give notice that I shall on day no. 84 ask the government the following question:

To the Provincial Secretary: can the Provincial Secretary identify the amount the provincial government has spent to date on print commercials promoting this province's centennial and radio commercials promoting the province's centennial?

Thank you.

The Speaker: — The Chair recognizes the member for Weyburn-Big Muddy.

Ms. Bakken: — Thank you, Mr. Speaker. I give notice that I shall on day no. 84 ask the government the following question:

To the Minister of Highways: is Highway 35 south of Weyburn to the US border part of the 2005 spring construction project for the Department of Highways and Transportation; when will the construction be started; what section of Highway 35 will be included in the project; what type of work will the project include; and what is the cost of the project?

The Speaker: — The Chair recognizes the member for Humboldt.

Ms. Harpauer: — Thank you, Mr. Speaker. I give notice that I shall on day no. 84 ask the government the following question:

To the Minister of Health: in the 2005-2006 budget, how much money is allocated for the construction of the new St. Elizabeth's Hospital in Humboldt?

And in addition, Mr. Speaker, I shall ask:

The Minister of Health: when is the construction of a new hospital in Humboldt scheduled to begin?

INTRODUCTION OF GUESTS

The Speaker: — I would just like to take a moment on behalf of the Assembly to welcome all of the guests that we have here today.

STATEMENTS BY MEMBERS

The Speaker: — The Chair recognizes the member for Rosetown-Elrose.

Mission to Mexico Volunteers Recognized

Mr. Hermanson: — Thank you, Mr. Speaker. We've talked about the great work done by volunteers here in Saskatchewan, but 35 volunteers from the Rosetown-Elrose constituency didn't stop volunteering at the Saskatchewan border. In fact their volunteer effort carried them across two international boundaries.

They called their effort, Mission to Mexico. Their numbers included grandparents and teens, men and women, and represented several different churches from the communities of Rosetown, Mildred, Beechy, and Lucky Lake — plus two imports from Saskatoon.

After some successful fundraising, they boarded a bus on February 11 and rode non-stop to Mexico where, in the space of one week, they constructed a 20 foot by 24 foot home for a mother and her two adult children. One child has a heart condition and the other has a severe mental disability. Prior to moving into their new home, the family dwelling was a shack constructed from cardboard and other scraps, with only a dirt floor. Apparently it was a very emotional day when the new furnished home was presented to the Mexican family, fully paid for and constructed by Saskatchewan volunteers.

After speaking with many members of the team, they all said that they would certainly jump at an opportunity to repeat the effort. I know all members of this Assembly will join me in thanking the 35 volunteers with their far-sighted vision and for showing remarkable dedication and compassion. We say well done and thank you.

Some Hon. Members: — Hear, hear!

The Speaker: — The Chair recognizes the member for Saskatoon Sutherland.

Impact of Research Parks on Saskatchewan's Economy

Mr. Addley: — Mr. Speaker, according to a recent independent study, Innovation Place and the Regina Research Park have had a significant impact on Saskatchewan's economy. Together, they contributed half a billion dollars to the provincial economy in 2004 and created more than 6,000 full-time jobs in Saskatchewan.

Mr. Speaker, Saskatoon's Innovation Place — located in my constituency of Saskatoon Sutherland — has demonstrated remarkable growth and continues to strengthen the economy through job creation and expenditures on goods and services.

The tenants of Innovation Place contributed over \$180 million to the economy of Saskatoon last year, and over \$260 million to the provincial economy.

In Regina, the Research Park had a combined impact of more than \$400 million on the economy of the Queen City and the province.

Mr. Speaker, the main focus at the Regina Research Park is environmental sciences, petroleum technology, and information technology. Innovation Place has fostered increased knowledge in the areas of agriculture, information technologies, resources, and the life sciences.

Mr. Speaker, the work of the companies at the research parks has bolstered the science and technology sector, and helps move important discoveries into the marketplace.

We're very proud of the performance of both Innovation Place and the Regina Research Park, Mr. Speaker. I'm sure all members will join me in commending them on their contributions and continued success. Thank you, Mr. Speaker.

Some Hon. Members: — Hear, hear!

The Speaker: — I would just like to mention to all of our special guests that their presence is very welcome. However, I would ask that they not intervene in any way in the proceedings. Thank you very much.

I recognize the member for Swift Current.

[13:45]

Funding for Cypress Health Region

Mr. Wall: — Thank you, Mr. Speaker. I rise today to raise the concerns of doctors in Swift Current. In a letter to the editor published in the Regina *Leader-Post* on March 3, Dr. Kielly, Dr. Gatzke, and Dr. DeKlerk talked about the situation at the emergency room at the Cypress Regional Hospital.

Mr. Speaker, the hospital in Swift Current does not have a 24-hour, on-site emergency room physician, despite the fact that it's deemed a regional facility that serves 40,000 people. At present local doctors are on call during daytime hours for their patients in the case of an emergency. And at night doctors provide the service on a shared rotation basis.

Mr. Speaker, the doctors write in their letter, quote:

True emergency patients stand the very real risk of receiving delayed care, clinic patients also face delays which not only affect their schedules, but also undoubtedly put some at risk because of not receiving care in a timely fashion.

Mr. Speaker, local doctors have been lobbying for a change to this situation at the emergency room for almost two years now. They've also lobbied for a very simple solution; that the provincial government provide funding to the Cypress Health Region so that the hospital can have an on-site emergency room physician at all times, similar to other regional facilities.

Mr. Speaker, I would like to acknowledge Dr. Kielly, Dr. Gatzke, and Dr. DeKlerk for speaking out on this issue. And I would ask the Minister of Health to give serious consideration to providing a funding arrangement to the Cypress Health Region similar to what is in place at other regional facilities. Thank you, Mr. Speaker.

Some Hon. Members: — Hear, hear!

The Speaker: — I recognize the member from Saskatoon Eastview.

Saskatoon Student Co-Hosts CBC Radio Program

Ms. Junor: — Thank you, Mr. Speaker. Jennifer Wang, a student at Walter Murray Collegiate in my constituency of Saskatoon Eastview was recently chosen from 150 teenagers across Canada to co-host a nationally syndicated CBC Radio show, *As It Happens*.

Mr. Speaker, in her 90-second, on-air audition, Jennifer showed compassion, heart, and relevancy, and impressed the program's listeners who called in to vote for her. One caller said, quote, "If this is the voice of the future of this country, we don't have much to worry about."

Mr. Speaker, Jennifer is a talented young woman. She is a cross-country runner, an accomplished pianist, a member of the human rights club, and on the debate team at Walter Murray Collegiate. She also sings in the choir, plays flute, and volunteers with Kids Help Phone.

Mr. Speaker, on Monday night, listeners tuned in to hear Jennifer co-host the radio show. The program covered various issues ranging from a science project that explores the physical perils of Irish dancing, to the story of a group of teenagers helping undo the damage of Hurricane Ivan.

Mr. Speaker, Jennifer asked tough questions posed by teens across the country, and is an excellent role model for youth who want to make a difference in the world. She is passionate about the influence and power that young people can have and encourages her peers to become involved in their communities.

Mr. Speaker, I ask all my colleagues to join me in acknowledging Jennifer's achievements and in congratulating her on the excellent job she did as co-host of the CBC's *As It Happens*. I wish her the best of luck in her future endeavours.

Some Hon. Members: — Hear, hear!

The Speaker: — The Chair recognizes the member for Indian Head-Milestone.

Hospitals of Regina Foundation

Mr. McMorris: — Thank you, Mr. Speaker. The Hospitals of Regina Foundation worked for the good of us all. More than 465,000 people in southern Saskatchewan rely on the Regina General Hospital, the Pasqua Hospital, and the Wascana Rehabilitation Centre for specialized medical care.

In 1987 a group of community-minded leaders joined together to form the Hospitals of Regina Foundation. It was their foresight that formed this organization. And they felt that there was a huge need for it because they felt the people of southern Saskatchewan deserved the best health care available, and that included access to state-of-the-art, life-saving medical equipment.

Since its formation, the foundation has become one of Saskatchewan's pre-eminent health care charities, raising more than \$50 million to put to equipment into our hospitals. With strong support from individuals, community groups, and businesses, they are working together to improve health care for everyone in southern Saskatchewan.

Three of the special initiatives that this foundation puts together would be the recently completed Z99 radiothon, the Great West Life Charity Golf Classic, and of course, the Hospital of Regina Foundation's home lottery.

Mr. Speaker, I shudder to think the shape of this health care system would be in if it wasn't for the hard work and dedication of people like the people on this foundation as well as foundations around the province. Thank you for your hard work and your commitment to Saskatchewan.

Some Hon. Members: — Hear, hear!

The Speaker: — The Chair recognizes the member for Cumberland.

Lac la Ronge Chief Retires

Hon. Ms. Beatty: — Mr. Speaker, I recently had the pleasure along with many from across the North and across the province, to attend the retirement dinner of Chief Harry Cook, who has been a leader of the Lac la Ronge Indian Band for the past 18 years. Chief Cook was presented with the Saskatchewan centennial medal in recognition of his many contributions to his band and to the province.

Mr. Speaker, during his tenure, Chief Harry Cook demonstrated what it is to be a leader. He showed that it is possible to do business, create jobs, generate revenues, and empower the community in a way that is respectful to the land, to partners, and to stakeholders.

Mr. Speaker, Chief Cook achieved a lot on behalf of the La Ronge Indian Band. One of his priorities was to build schools, and all six communities that are part of the band have good

quality facilities.

The band-owned Kitsaki Management Limited Partnership with its many business interests is one of the largest First Nations companies in Canada. And, Mr. Speaker, I also want to note that on top of his accomplishments, Chief Harry Cook also has been a devoted husband, father, and grandfather.

Mr. Speaker, I ask all members to join me in recognizing Chief Cook's many contributions and in congratulating him on his retirement. His passion and leadership will be missed, but he has left a great legacy on which to build.

Some Hon. Members: — Hear, hear!

The Speaker: — The Chair recognizes the member for Saskatoon Southeast.

Mendel Art Gallery

Mr. Morgan: — Mr. Speaker, I rise today to speak about the Mendel Art Gallery in Saskatoon. The Mendel Art Gallery was opened in 1964. It was the brainchild of Fred Mendel, the founder of Intercontinental Packers which later became Mitchell's Gourmet Foods. Fred Mendel and the Mendel family donated money and art. His descendants have been major patrons of the gallery since its opening in 1964.

The gallery is proudly situated on the banks of the South Saskatchewan River and is built in conjunction with the Saskatoon Civic Conservatory. The gallery is a wonderful place to go at any time of the year, but it is particularly pleasant in the winter and at this time of the year when you can sit in the conservatory and enjoy the smells of summer and enjoy looking at the plants.

Mr. Speaker, the Mendel Art Gallery has regularly received art donations and can now only display a very small portion of its collection at any one time. The gallery has literally outgrown itself. In conjunction with its 40th birthday, it is undertaking a multi-million dollar fundraising campaign for an expansion. The expansion will increase the gallery area and storage area, and will also include a public service area.

I have seen many of the Saskatoon MLAs [Member of the Legislative Assembly] at the gallery events in the past. I would like to challenge not just the Saskatoon MLAs, but all MLAs to make a generous personal donation to the Mendel Art Gallery in this year when they are needing money for their major capital expansion.

Also I'd like to urge all MLAs to visit the gallery the next time that they're in Saskatoon. And I would like to congratulate the gallery, its staff members, on their successful anniversary and fundraising initiative.

Some Hon. Members: — Hear, hear!

ORAL QUESTIONS

The Speaker: — The Chair recognizes the Leader of the Opposition.

Taxation Policy

Mr. Wall: — Thank you, Mr. Speaker. Mr. Speaker, in 2003 this Premier, this NDP [New Democratic Party] government, campaigned on lower taxes. They said they would continue to lower taxes in the province of Saskatchewan. Months later it brought down a budget though, Mr. Speaker, that actually increased the PST [provincial sales tax]. In that budget, Mr. Speaker, the Premier took \$140 million out of the pockets of Saskatchewan families and businesses and co-operatives.

Mr. Speaker, the question to the Premier is this: can Saskatchewan families and businesses and co-operatives expect to get some or all of that \$140 million back today?

Some Hon. Members: — Hear, hear!

The Speaker: — The Chair recognizes the Premier.

Hon. Mr. Calvert: — Mr. Speaker, the Leader of the Opposition I'm sure can wait another half an hour or so and he will see the full detail of the Minister of Finance's budget as he speaks to it and reads it in this Chamber.

But I can assure the Leader of the Opposition today that contained within this budget will be a significant tax reduction for the property tax payers of Saskatchewan. Through the provisions of this budget we will lower the property taxes on the people of Saskatchewan by a full 8 per cent.

That is a commitment that we have made. It is a commitment we have made very publicly. It is a commitment that will be kept with resources in this budget, Mr. Speaker. That is a promise made and a promise kept.

Some Hon. Members: — Hear, hear!

The Speaker: — The Chair recognizes the Leader of the Opposition.

Mr. Wall: — Well actually, Mr. Speaker, it's not a promise kept. The Premier will remember clearly from that election campaign that he told the people of this province that his government, if elected, would accept the recommendations, could accept the recommendations of the Boughen report on the issue of property tax.

You remember the Boughen report, Mr. Speaker. It recommended that the PST be increased and then that that increased revenue be passed along to property tax owners.

We know from what the government's announced already, by the way — and what the Premier's talking about has already been announced — is that that is nowhere near the \$140 million that this government took from the people of the province in terms of its PST increase.

When revenues were down, the Premier increased taxes. He took \$140 million from the pockets of Saskatchewan families. Revenues are not down. They are up. Will he give some of that back, Mr. Speaker?

Some Hon. Members: — Hear, hear!

The Speaker: — The Chair recognizes the Premier.

Hon. Mr. Calvert: — Mr. Speaker, I note the contradiction in the member's comments. He gets up — and he's been up all week this week — saying we ought to lower the provincial sales tax. That's what he says.

And then he gets up and he says, but we should adopt the Boughen Commission, which was a commission that said we should increase the provincial sales tax, that we should expand the provincial sales tax, that we should put the provincial sales tax on restaurant meals.

Mr. Speaker, which is it? Does he want an expansion of the provincial sales tax? Does he want the sales tax on restaurant meals, or does he want the sales tax lowered? It cannot be both, Mr. Speaker.

What we have done is taken a very careful and balanced approach to the reduction of taxation in this province. We have cut personal income taxes in this province at a rate unequalled in Canada. We have lowered small-business taxes significantly. We have lowered manufacturing and process, targeted tax decreases, and in this budget, Mr. Speaker, the education portion of the property tax will be lowered by 8 per cent.

Some Hon. Members: — Hear, hear!

The Speaker: — The Chair recognizes the Leader of the Opposition.

Mr. Wall: — Well, Mr. Speaker, in point of fact it was actually the Premier of the province of Saskatchewan that said his government, if elected, would accept, would adopt the Boughen Commission report. And they did adopt half of it. They adopted the part about taxes going up, Mr. Speaker. They have failed to provide the attendant tax relief to the people of the province of Saskatchewan.

And maybe we know why he said that during the campaign and then increased taxes in the first budget thereafter. When in January 2004 his Finance minister — who later this day will bring down another budget — was asked about increasing taxes after they campaigned on lower taxes and he said this, I quote:

I suspect that anyone who talks about tax hikes is not likely to be very popular during the course of an election campaign [Mr. Speaker].

That's what the Minister of Finance said. The question to the Premier is very simple. He asked the people of the province for \$140 million when revenues are down. Revenues are up. They are way up. Can the people, can the families of Saskatchewan expect to get some of that money back today?

Some Hon. Members: — Hear, hear!

The Speaker: — The Chair recognizes the Premier.

Hon. Mr. Calvert: — Well, Mr. Speaker, the families of Saskatchewan and — beyond the families of Saskatchewan — businesses in Saskatchewan will see taxation reduction as a result of measures in this budget. The answer is absolutely yes.

But they will also see the benefit of government who balances and plans to provide for the public service needs. They will see significant new dollars in health care. They will see significant new dollars in educational funding for the future of our province and the future of our young people. Yes, they will see the benefit of these revenues and these resources. They will see them in a very, very tangible way.

And, Mr. Speaker, finally let me say this. What we have heard today is what we've heard all week — the Leader of the Opposition saying on one hand cut taxes, cut taxes, cut taxes; and on the other hand increase spending, increase spending, and increase spending. Well, Mr. Speaker, it just can't work or we'll be right back to where we were when that member and that party were in government.

Some Hon. Members: — Hear, hear!

The Speaker: — The Chair recognizes the Leader of the Opposition.

Mr. Wall: — Well, Mr. Speaker, from time to time this week members opposite — maybe even the Premier — have been encouraging the Saskatchewan Party members to vote for the budget we're going to hear about in a few moments. But I wonder, Mr. Speaker, if the member for P.A. (Prince Albert) Northcote is going to be here long enough to actually vote for this government's budget.

This morning in local P.A. media — and I'm quoting now, Mr. Speaker, from a transcript of a story on CKBI this morning — the quote is:

Eldon Lautermilch has sold his home in Prince Albert . . . [and] says he will look at any job that comes along [Mr. Speaker].

People in the gallery have not yet seen the budget of this government but clearly the member for P.A. Northcote has seen this budget, Mr. Speaker. He's selling his house and he's looking for a new job.

Mr. Speaker, can the Premier give the people of the province some hope, some reasonable expectation that the money he took from them in a tax hike after promising lower taxes will be returned to them in a few minutes when his minister rises to present the budget?

Some Hon. Members: — Hear, hear!

The Speaker: — The Chair recognizes the Premier.

Hon. Mr. Calvert: — Thank you, Mr. Speaker. There is no doubt about it, the member from Prince Albert Northcote will be in this House voting for this budget and we hope for a long time.

Some Hon. Members: — Hear, hear!

[14:00]

Hon. Mr. Calvert: — And, Mr. Speaker, if anyone, if anyone in this House should be looking for a future job prospect I'm

thinking more and more it should be, ought to be the Leader of the Opposition.

Some Hon. Members: — Hear, hear!

Hon. Mr. Calvert: — Now, Mr. Speaker, last year we built a budget that provided human services to the people of Saskatchewan in record amounts. The monies that we take in revenue, whether it's from provincial sales taxes, income taxes, business taxes, Mr. Speaker, you know how they're spent and the people of Saskatchewan know how they're spent. They're spent in record amounts of money for health care. They were spent last year in record support for our farm families. They've been spent, Mr. Speaker, in record commitments to rebuilding the infrastructure of this province, its highways and its infrastructure.

Mr. Speaker, this government takes very seriously the tax dollar provided to it from the people of Saskatchewan. Those tax dollars meet the needs of the people of Saskatchewan first of all.

Some Hon. Members: — Hear, hear!

The Speaker: — The Chair recognizes the member for Saskatoon Silver Springs.

Financial Support for Low-Income Earners

Mr. Cheveldayoff: — Thank you, Mr. Speaker. This spring the official opposition outlined a plan to stop taxing the poor. We outlined a plan for a directed tax cut aimed at providing the most benefit to those who earn the least.

Mr. Speaker, will this government adopt the official opposition's plan to cut taxes for low-income earners who pay the highest tax rates in the country?

Some Hon. Members: — Hear, hear!

The Speaker: — The Chair recognizes the Premier.

Hon. Mr. Calvert: — Mr. Speaker, members on this side of the House and I know many members of the general public remember so very, very well the campaign commitments that that party made in the last election, campaign commitments that said that they were going to cut \$50 million out of the budget of Social Services, punishing and hurting the benefits to the very poorest of our poor.

They talked about boot camps; now we think maybe they're talking about food stamps, Mr. Speaker. We appreciate this road to Damascus conversion they seem to have had in their efforts to secure some public support.

Mr. Speaker, in the last number of years, regarding the poorest of the poor — our social assistance caseload — well they set a goal of reducing that caseload by 25 per cent. Mr. Speaker, we have reduced the families on social assistance in this province by a total of 41 per cent — 41 per cent.

Some Hon. Members: — Hear, hear!

Hon. Mr. Calvert: — And we do it, Mr. Speaker, we do it not through work for welfare, we do it not through hacking and slashing. We do it by building independence.

And just yesterday, Mr. Speaker, we announced a package of initiatives unique in Canada that will supplement the rental housing allowances for the poorest of the poor in our province and for working poor families.

Some Hon. Members: — Hear, hear!

The Speaker: — The Chair recognizes the member for Saskatoon Silver Springs.

Mr. Cheveldayoff: — Mr. Speaker, and what is the result? The highest usage rate of food banks in Canada.

Mr. Speaker, the Premier may not understand our plan or chooses not to, but people do. In a letter to the editor this week, Barbara Lee from Regina said:

I have been waiting . . . [for] 10 years to hear a party propose a long-needed change to the basic personal . . . tax exemption.

Mr. Speaker, Barbara Lee from Regina understands.

To the Premier: how long will we have to wait for the long needed changes to the basic personal tax exemption?

Some Hon. Members: — Hear, hear!

The Speaker: — The Chair recognizes the Premier.

Hon. Mr. Calvert: — Thank you, Mr. Speaker. The member will know that we abolished, this government abolished the most regressive tax provision that was ever vested on the people of Saskatchewan — that flat tax of that member's party's government when they were in government. We have reduced personal income taxes that have benefited and in fact have taken thousands of families off the tax rolls in Saskatchewan.

Mr. Speaker, but we believe in building independence. We believe in taking people from social assistance and bringing them into the workforce, into independence where they may contribute through their skills and their labour. Mr. Speaker, we've been able to take 41 per cent of the family caseload and move them from dependence to independence, to earning.

Now, Mr. Speaker, I'm going to ask that member as I ask every member over there . . . They've been calling for an increase. They've been calling for an increase to the basic allowance to social assistance; they've been calling for this increase. I'm going to ask that member and all members over there: if today in the Minister of Finance's budget there is an increase in the basic allowance for social assistance, will you vote for this budget?

Some Hon. Members: — Hear, hear!

The Speaker: — The Chair recognizes the member for Melfort.

Funding for Teachers' Contracts

Mr. Gantefer: — Mr. Speaker, this week the government announced it could not get a consensus on daylight savings time, so they were doing nothing. Well now they've achieved a true consensus among teachers — 93.7 per cent, over 11,000 teachers, don't think very much of this government's bargaining strategy. Given the vote and the less than helpful comments from the minister of Education, some kind of action by teachers now seem inevitable.

Mr. Speaker, it would only be prudent for this government to now set aside funds in the budget to pay for reasonable increases in a new contract for teachers. Is that being done?

The Speaker: — The Chair recognizes the Premier.

Hon. Mr. Calvert: — Mr. Speaker, we received this morning the results of the vote taken by the STF [Saskatchewan Teachers' Federation] and we will respect of course the result of that vote. I am encouraging all of the parties involved to take some time over the Easter period, over the Easter break, to think about our various positions. We know, Mr. Speaker, that the best deal will be a negotiated deal at the table.

And if I may say, Mr. Speaker, since I've occupied the office of Premier in this province of Saskatchewan, we have, Mr. Speaker, achieved negotiated settlements with all of our public sector unions in every circumstance.

Some Hon. Members: — Hear, hear!

Hon. Mr. Calvert: — Even, Mr. Speaker, even when members opposite were calling upon myself and this government to legislate contracts, we stood by collective negotiation, collective bargaining, and have forged those contracts. In just the last few months, Mr. Speaker, we have negotiated 11 separate new contracts. We believe in collective bargaining and that's what we intend to do with the teachers of our province.

Some Hon. Members: — Hear, hear!

The Speaker: — The Chair recognizes the member for Melfort.

Mr. Gantefer: — Mr. Speaker, this government's idea of negotiating is to impose a zero settlement on the teachers of this province. That isn't negotiating, Mr. Speaker, it's dictating.

Mr. Speaker, there seems to be an increased possibility that if this government doesn't provide for increases for the teachers' contract, that school boards are going to be left holding the bag for any increases that occur to their budgets. Mr. Speaker, has this government been prudent enough to set aside additional funds for the teachers' contract and other costs that school boards are facing?

The Speaker: — The Chair recognizes the Premier.

Hon. Mr. Calvert: — Mr. Speaker, as the member will well know, we have been able to successfully negotiate contracts with teachers, with nurses, with public sector employees across the way. In terms of our negotiations with teachers, the member will also know that we have always made good on whatever

those negotiated contracts have achieved. And the fact of the matter is, Mr. Speaker, we don't put into a budget a number because we're in the process, the very process of negotiation.

Now I find it passing strange, Mr. Speaker, I find it very interesting the new-found commitment from the Saskatchewan Party to the process of collective bargaining. It is a very interesting new commitment when this is the very party who say the first thing that they would do in government would be to tear up The Trade Union Act, the very provisions that provide for collective bargaining.

Some Hon. Members: — Hear, hear!

The Speaker: — The Chair recognizes the member for Cut Knife-Turtleford.

Post-Secondary Tuition

Mr. Chisholm: — Mr. Speaker, last month the Minister of Learning ruled out a tuition freeze for university students. He said that short-term tuition freezes are not the answer because they simply lead to larger increases in subsequent years. In fact, he told the *Leader-Post*, and I quote:

“Anywhere that we've seen tuition freezes . . . in across the country, they just haven't worked,” . . . “What usually ends up happening is there is a dramatic increase after the fact . . .”

Mr. Speaker, students in post-secondary institutions want a reliable, long-term funding commitment from this NDP government in this budget. My question for the Minister of Learning: will the NDP government meet their expectations today?

Some Hon. Members: — Hear, hear!

The Speaker: — The Chair recognizes the Premier.

Hon. Mr. Calvert: — Mr. Speaker, we continue to believe that a legislated freeze of tuition without adequate resources to your post-secondary institutions cannot work and can put you into a very difficult circumstance down the road.

But I tell you, Mr. Speaker, I tell you what can work; it doesn't seem to be grasped by the opposition. What can work is sitting down with people in partnership to find collective solutions to problems. It is in sitting down with the students of this province. It is sitting down with the administrations of our universities and post-secondary institutions. It is working together, Mr. Speaker, that we will achieve a solid go-forward for the students of Saskatchewan.

And, Mr. Speaker, I invite that member and all members to just hang tough for a few more minutes and listen to the Minister of Finance as he speaks from this budget: a deeper commitment to the youth of this province as we go into our centennial year, a deeper commitment to the youth of Saskatchewan than I believe we have ever seen in any budget of the province of Saskatchewan.

Some Hon. Members: — Hear, hear!

The Speaker: — The Chair recognizes the member from Cut Knife-Turtleford.

Mr. Chisholm: — Mr. Speaker, two months ago the member for Saskatoon Sutherland participated in a debate at the University of Saskatchewan. He told the audience that, and I quote:

“the government doesn't favour a tuition freeze”, and “in other provinces it has been shown to be non-sustainable.”

Mr. Speaker, representatives from our students' unions are here today and are looking for a long-term commitment from this government to support post-secondary students, something they say was missing from last year's budget.

Mr. Speaker, this is the same NDP government that had close to 1 billion dollars extra in this past year. Mr. Speaker, my question to the Minister of Learning: will there be a long-term support for students?

The Speaker: — The Chair recognizes the Premier.

Hon. Mr. Calvert: — Mr. Speaker, with the member opposite I want to recognize the large number of post-secondary students who are in this Chamber and in this building today and I want to welcome them here.

Some Hon. Members: — Hear, hear!

Hon. Mr. Calvert: — If anyone has earned a place in this budget day, it is the student bodies of Saskatchewan. They have spoken with passion, they have spoken with clarity, and they have spoken pragmatically on dealing with the issues and accessibility issues to post-secondary in our province and I congratulate them for being here.

Mr. Speaker, again I ask the member to be just a little bit more patient. We're almost there; we're almost there. Just six minutes, I'm told. Six minutes and they will see entirely the direction of this government in partnership with the students, in partnership with the post-secondary institutions of Saskatchewan. And I predict, Mr. Speaker, the opposition and those present will find this very, very good news.

Some Hon. Members: — Hear, hear!

The Speaker: — The Chair recognizes the member from Canora-Pelly.

Collective Bargaining with Public Sector Workers

Mr. Krawetz: — Thank you very much, Mr. Speaker. Mr. Speaker, my questions this afternoon are for the Minister of Labour. In the NDP's third quarter financial report, there was almost \$1 billion in extra revenue in the General Revenue Fund. The Finance minister said it was a great day for Saskatchewan.

Well, Mr. Speaker, it has not been such a great spring for the public sector workers in this province. We have teachers voting overwhelmingly in favour of job action. We have nurses saying 0, 1, and 1 just won't cut it. We have labour leaders saying the NDP is dictating the outcome of collective bargaining before

bargaining even begins.

Mr. Speaker, can the Minister of Labour tell us if teachers and nurses will be getting the financial respect they deserve for their hard work on the front lines and in our classrooms?

Some Hon. Members: — Hear, hear!

The Speaker: — The Chair recognizes the Premier.

Hon. Mr. Calvert: — Mr. Speaker, in the context of the bargaining with Saskatchewan's teachers, we recognize full well the demand and the load that's being placed on our teachers, particularly as we're building to establish the School^{PLUS} model in our school. There is change; there are demands on our teachers and those are recognized. And it is at that bargaining table, it is at that bargaining table that I believe we will come to a mutually agreed collective agreement, Mr. Speaker.

Now we heard a little more today though of the typical conservative economics. He talks about the dollars that came into the possession of this province last year because we worked hard. We worked hard. We worked hard together, Mr. Speaker, to achieve a fair return for some of our equalization dollars. But, Mr. Speaker, I point out to the members because they always forget it — these are one-time dollars and you don't fund long-term programs on one-time dollars.

Some Hon. Members: — Hear, hear!

The Speaker: — The Chair recognizes the member for Canora-Pelly.

Mr. Krawetz: — You know, Mr. Speaker, I'm left wondering where the Premier is, what documents he's looking at. When I look at the third quarter report and I see almost three-quarters of a billion dollars more in oil and gas and potash revenue, does he expect this to be one-time revenue? Suddenly we're going to close the province down and we're going to not achieve this kind of dollars?

Mr. Speaker, my question for the Premier is that, does he not respect working people? First of all, does he plan any time soon — perhaps this afternoon — to announce that 0, 1, and 1 does not apply and that public sector workers in this province will get the respect they deserve? Will he commit to ending this government's interference in free collective bargaining?

Some Hon. Members: — Hear, hear!

[14:15]

The Speaker: — The Chair recognizes the Premier.

Hon. Mr. Calvert: — Mr. Speaker, through the process of free and collective bargaining — a concept that is entirely foreign to the Saskatchewan Party — through the process of free and collective bargaining we have signed 11 collective agreements in the last few months, 11 collective agreements — agreements that recognize the fiscal capacity of the taxpayer of Saskatchewan and equally recognize the particular needs and requirements of each individual bargaining unit. That is

collective bargaining. It is sitting down together and finding the deal.

Now that is in complete contrast to the partisan political positions taken by the Saskatchewan Party. These are the people, Mr. Speaker, every time there is a piece of legislation in this House that might benefit working people, what do they say? They say it's a job killer. They call the leadership of the trade union movement job killers, Mr. Speaker.

The leader over there says the first thing he would do in government is tear up and amend The Trade Union Act, the very Act that protects the process of collective bargaining. Mr. Speaker, this is a government that believes in collective bargaining with all of its public sector, and we have the proof to show it.

Some Hon. Members: — Hear, hear!

The Speaker: — The Chair recognizes the member for Canora-Pelly.

Mr. Krawetz: — Thank you, Mr. Speaker. Mr. Speaker, when a negotiating team acting on behalf of the government is given a mandate that says, your mandate is zero, your mandate is 1 per cent, your mandate is a further 1 per cent — and then you suggest to them that they have the ability to conduct bargaining on a free and collective basis?

Minister stands yesterday and says, oh but there's a light at the end of the tunnel. There's a light at the end of the tunnel that's going to be addressed, and three years from now workers are going to enjoy the benefit of this so-called light in the tunnel. Well let me tell you, workers are going to be in that tunnel for the next three years.

Some Hon. Members: — Hear, hear!

Mr. Krawetz: — They're going to be paying, they're going to be paying 91 cents a litre for a litre of gasoline while this government recoups \$57 a barrel of oil, Mr. Speaker. That's the reality that workers are facing.

Mr. Speaker, my question to the Premier: will there be anything for teachers in this budget? Will there be anything for nurses in this budget? Or is he going to stick with a wage freeze that distorts free and collective bargaining?

Some Hon. Members: — Hear, hear!

The Speaker: — The Chair recognizes the Premier.

Hon. Mr. Calvert: — Mr. Speaker, through the process of free and collective bargaining, I remind the member again, in just the last several months we have settled 11 contracts with valuable public servants, valuable public sector workers, social workers, people that work in our highways, people that work in our Crowns. Mr. Speaker, it is through that very process that we have achieved these contracts. And again I repeat, it is a concept entirely foreign, entirely foreign to the group of men and women who occupy opposition in this province, so foreign that the Leader of the Opposition travels all about the country saying that you shouldn't come to Saskatchewan because our

labour laws are too friendly to the working people.

These are rights that working people have earned over many, many years. Now in this goal of this party to become a little more palatable to the people of Saskatchewan, we have these conversions happening on a daily basis. Well, Mr. Speaker, the proof in collective bargaining is doing collective bargaining and getting agreements. That's what we're doing.

Some Hon. Members: — Hear, hear!

ORDERS OF THE DAY

WRITTEN QUESTIONS

The Speaker: — The Chair recognizes the Government Whip.

Mr. Yates: — Thank you very much, Mr. Speaker. I'm extremely pleased today to stand on behalf of the government and table a response to written question 908.

The Speaker: — Response to question 908 has been submitted.

GOVERNMENT ORDERS

TABLING OF ESTIMATES AND SUPPLEMENTARY ESTIMATES

The Speaker: — The Chair recognizes the Minister of Finance.

Some Hon. Members: — Hear, hear!

Hon. Mr. Van Mulligen: — Mr. Speaker, it is my pleasure to submit the estimates and supplementary estimates accompanied by a message from Her Honour the Lieutenant Governor.

The Speaker: — Would all members please rise for the message from the Lieutenant Governor. The message is as follows:

The Lieutenant Governor transmits estimates of certain sums required for the service of the province for the 12 months ending March 31, 2006, and supplementary estimates of certain sums required for the service of the province for 12 months ending March 31, 2005, and recommends the same to the Legislative Assembly. [Signed], Lynda Haverstock, Her Honour the Lieutenant Governor, province of Saskatchewan.

Please be seated.

The Chair recognizes the Minister of Finance.

Hon. Mr. Van Mulligen: — Mr. Speaker, I move:

That Her Honour's message, the estimates, and supplementary estimates be referred to the Committee of Finance.

I so move, seconded by the member from Moose Jaw North.

The Speaker: — It has been moved by the Minister of Finance, the member for Regina Douglas Park, seconded by the member

for Moose Jaw North:

That Her Honour's message, the estimates, and supplementary estimates be referred to the Committee of Finance.

Is it the pleasure of the Assembly to adopt the motion?

Some Hon. Members: — Agreed.

The Speaker: — Motion is carried. I recognize the Minister of Finance.

MOTION FOR APPROVAL OF BUDGETARY POLICY (BUDGET DEBATE)

Hon. Mr. Van Mulligen: — Thank you, Mr. Speaker. Mr. Speaker, I want to join with you in welcoming the very many guests that we have here today. Among those guests is my partner, my wife, Judy, and I wonder if she could give us a wave. And I would ask all of the members to please join me in welcoming Judy here today.

Some Hon. Members: — Hear, hear!

Hon. Mr. Van Mulligen: — Also among our guests are 45 grade 11 and 12 students from Miller Comprehensive High School in Regina in the constituency of Regina Douglas Park, along with their teachers Patrice Krueger and Lisa Brice. And again I would ask the members to join with me in welcoming these students here today and to wish them well in their studies.

Some Hon. Members: — Hear, hear!

Hon. Mr. Van Mulligen: — Mr. Speaker, it is an historic privilege to stand before you to deliver the 2005-2006 provincial budget for this, Saskatchewan's centennial year. As we celebrate 100 years of heart, many of us can only imagine what life was like for those who lived here 100 years ago. For our First Nations and Métis people and our pioneer settlers, we know it must have been a time of great struggle and hardship as they worked hard to make their living off the land. Mr. Speaker, living off the land in Saskatchewan has been and continues to be challenging.

But it has also provided us with great opportunity. From the land we built our communities, our towns, our cities. We developed our resources. We created manufacturing and processing industries. We developed our universities. We developed medicare. We are intensely proud of our province and have every right to be.

We are a land of diverse people all sharing a deep love of our home. We are a true reflection of Saskatchewan's motto, "from many peoples, strength."

Mr. Speaker, our ability to build and plan a brighter future for the next 100 years has been strengthened by a remarkable year for the Saskatchewan economy.

Last year our finances saw an unprecedented turnaround. We achieved a surplus in both the General Revenue Fund and in the summary financial statements. There are many reasons for this

notable achievement. Our resource industries have been booming. Potash sales set a record for the second year in a row. Our oil and natural gas industries have enjoyed a period of high prices. All are doing very well with increasing world demand for our resources as well as for the products of our manufacturing and processing industries.

Another factor in the extraordinary turnaround of our public finances was the work of our Premier. He called for fair treatment for Saskatchewan from the federal government. His dedication resulted in compensation for past equalization clawbacks of resource revenues. It also resulted in new federal funding for health care.

These developments enabled us to balance the budget and to put money aside in the Fiscal Stabilization Fund. We also retired \$179 million of government debt — permanently.

Some Hon. Members: — Hear, hear!

Hon. Mr. Van Mulligen: — Mr. Speaker, heading into 2005-06, government debt is now at its lowest point in 14 years.

Some Hon. Members: — Hear, hear!

Hon. Mr. Van Mulligen: — Our current debt-to-GDP [gross domestic product] ratio is now at 28 per cent, a huge reduction from 69 per cent in 1993. That's why our credit ratings, our standing in the world bond markets, have increased 11 times in the last 10 years.

Some Hon. Members: — Hear, hear!

Hon. Mr. Van Mulligen: — Mr. Speaker, this remarkable turn of events also enabled us to fund the lowest cost utility rate bundle for families and to set aside money for health care improvements. We committed \$110 million to education property tax relief over two years, along with \$190 million for capital and infrastructure projects. That includes a new provincial lab building and water bombers to fight forest fires and protect our northern communities and forests.

Mr. Speaker, it was a remarkable year.

Mr. Speaker, equitable treatment under Canada's equalization program remains a top priority for the government and the legislature. Last year our goal was to seek restitution for past clawbacks of resource revenues. We achieved that goal. And while we appreciate the one-time compensation from the federal government last year, it is time to look to the future.

The equalization program continues to apply punishing claw-back rates to the revenues Saskatchewan people receive from their resources. A dollar earned is not a dollar made. It's 10 cents or less in the world of equalization. The federal government has now signed new agreements with Newfoundland and Labrador and Nova Scotia to make sure these provinces are able to exempt their energy resource revenues from equalization. They get to keep every dollar. We keep 10 cents or less.

Mr. Speaker, Saskatchewan deserves a deal similar to Atlantic Canada where we would be able to retain 100 per cent of our

energy revenues. And we're not talking about cents, Mr. Speaker. We're talking about billions, billions of dollars. If Saskatchewan had received the same deal and retained 100 per cent of our resource revenues over the last 10 years, this province would have received an additional \$4 billion in federal transfer payments. We want the same deal.

Some Hon. Members: — Hear, hear!

Hon. Mr. Van Mulligen: — I promise you we will continue to push for a new deal for this province and for comprehensive reform of the equalization program. Mr. Speaker, I believe there is a strong consensus in Saskatchewan for such a change. It is that strong consensus that enabled us to present a united front at the Senate committee on finance a few weeks ago to make our case for fairness and equity.

A few days ago we took our case to the House of Commons subcommittee on fiscal imbalance. In the near future we will be sharing our views with the federally appointed panel on equalization. And we will be meeting one-on-one with the federal government. Collectively our voices will be heard in Ottawa.

Mr. Speaker, in preparation for this budget, this milestone budget, I reviewed the works of Saskatchewan's first provincial treasurer, J.A. Calder. In this province's first full fiscal year, 1906-1907, our total expenditures were \$1.6 million — that's million dollars. Today, it's \$7.2 billion.

[14:30]

I read with interest that public health expenditures that year — and I hope the Minister of Health is listening — the public health expenditures that year were little more than \$25,000, not quite 2 per cent of budgeted expenditures. Today health funding is 44 per cent of our expenditures in Saskatchewan. Education funding on the other hand was \$288,000, accounting for 18 per cent of total expenditures in 1906-07. Today it is 20 per cent.

Members on both sides of this House will be interested to learn the federal government's contribution to our provincial treasury made up nearly 80 per cent of Saskatchewan's total revenue for that year. However in this year's budget, federal transfers make up about 17.5 per cent of total revenue — quite a shift, Mr. Speaker.

How times have changed. So much has changed so dramatically, but what hasn't changed are the fundamental values by which we live. Saskatchewan's first budget similar to the one I will introduce today was a balanced budget.

Some Hon. Members: — Hear, hear!

Hon. Mr. Van Mulligen: — Saskatchewan's first budget began the tradition of supporting vital social programs; the programs and services we will support again today with this budget.

Saskatchewan's first budget supported major commitments to public works, the long-term investments in public infrastructure that helped to ensure a bright future for generations to come. This budget too, Mr. Speaker, will support major commitments to public infrastructure.

Today's budget builds on the strength of our history and looks ahead to plan for the future, with a special focus on our most valuable asset, our people, and particularly our young people.

Some Hon. Members: — Hear, hear!

Hon. Mr. Van Mulligen: — Mr. Speaker, I am pleased to present today our 12th consecutive balanced budget.

Some Hon. Members: — Hear, hear!

Hon. Mr. Van Mulligen: — It is a budget that balances living within our means with the government's commitment to make Saskatchewan an affordable place to live and raise a family, build a green and prosperous economy, provide the best health care in Canada, and build a future here for our young people.

This year we are faced with balancing the needs of Saskatchewan people, their needs for priority social programs and services, with escalating costs and meeting our commitments for multi-year initiatives and doing so in the context of volatile revenues.

Mr. Speaker, this year we are experiencing a major drop in federal equalization revenues as compared to last year, from \$582 million to \$82 million — a drop of half a billion dollars. Unless our resource revenues remain high, Saskatchewan will be challenged to continue to fund our priorities, health care and education, in the coming year.

In spite of this drop in equalization, we remain committed to supporting health care. This year significant investment will allow us to continue to make progress in providing the best health care in Canada. Mr. Speaker, this budget includes a record \$2.9 billion for health care. That's an increase of \$192 million, a 7.1 per cent increase.

Some Hon. Members: — Hear, hear!

Hon. Mr. Van Mulligen: — We are also building for the future, creating legacies for generations to come with a \$327 million capital budget, one of the largest in the province's history. Planning for the next 100 years, building a prosperous economy, requires modern, competitive infrastructure.

Mr. Speaker, we are building for the future by investing in our future — that is, our young people — with numerous youth-related initiatives. What better way to celebrate our centennial than by focusing on the future, the next 100 years, and supporting our young people.

In addition this year, we are making a substantial increase in our investment in education. Education plays a key role in building a future for our young people here in Saskatchewan. Education funding in this budget has increased \$74 million or 6.8 per cent to a record \$1.2 billion.

Some Hon. Members: — Hear, hear!

Hon. Mr. Van Mulligen: — And, Mr. Speaker, as we shall see, this budget is also about improving opportunities and support for those who are in need of our social programs.

Mr. Speaker, this government is committed to building a green and prosperous economy. The resource and export sector boom, which helped to fuel the billion dollar turnaround in Saskatchewan's public finances last year, has opened many doors and has created exciting opportunities for Saskatchewan people.

Our job numbers are increasing monthly. The economy is performing well and is forecast to grow another 3 per cent this coming year. We are buoyed by this success and are determined to build on the momentum, creating more opportunities, growth, and even more success.

We strive to be competitive, to make Saskatchewan an attractive place in which to invest and to do business.

Mr. Speaker, this government is always open to suggestions and new ideas. That is why we listened to the Institute of Chartered Accountants of Saskatchewan regarding the business climate. That is why we are listening to suggestions from participants at our recent Centennial Summit on the economy. Mr. Speaker, I am pleased to announce that this spring we will be establishing an independent committee to undertake a business tax review.

Some Hon. Members: — Hear, hear!

Hon. Mr. Van Mulligen: — This committee of independent tax experts will examine the impact of business tax on this province and considerations such as our overall level of business taxation in Saskatchewan and the competitiveness of our business taxes compared to other provinces. Our goal is to make our businesses more competitive, to further improve our economy, and to create additional job opportunities for Saskatchewan people.

The committee will make its recommendations in time for consideration in developing the 2006-2007 budget. There will be a more detailed announcement about the review and the committee members early next week.

Achieving our goal of maintaining a prosperous economy requires safe, modern infrastructure. This year we are investing \$125 million in capital for our roads and highways. We are continuing accelerated twinning of our national highway system, Highway No. 1 east to the Manitoba border and Highway No. 16 between North Battleford and Lloydminster, both by 2007. We will also resurface approximately 330 kilometres of paved highways. And, Mr. Speaker, I am also pleased to announce this budget includes almost \$5 million to address congestion and safety concerns on Highway No. 11 between Warman and Rosthern. This is the first step in a multi-year plan to twin this section of Highway 11.

Some Hon. Members: — Hear, hear!

Hon. Mr. Van Mulligen: — Mr. Speaker, we are on track to meet our commitments to invest \$2.5 billion on highways and transportation over 10 years, a commitment made in the 1997-1998 provincial budget.

Mr. Speaker, as was the case in 1905, agriculture is a mainstay of the Saskatchewan economy. Saskatchewan continues to provide more agricultural programming relative to our fiscal

capacity than any other province or the federal government. In total, through both direct expenditure and tax expenditures, we will provide nearly \$481 million in agricultural assistance.

This year's budget fully funds the province's portion of crop insurance. We are maintaining the funding level for CAIS [Canadian agricultural income stabilization program] at 98.8 million for the 2004 claim year, and we will continue to work with the federal government for a more affordable, sustainable and fair program.

Mr. Speaker, to quote Saskatchewan's longest serving Finance minister, the Hon. C.M. Fines from his 1953 budget address and he says, quote:

We need then make no apology whatever, especially in this House, for continuing vigorously to urge upon Ottawa a full and proper recognition of the economic rights and social need of the prairie agriculture.

Mr. Speaker, the success of rural Saskatchewan is entrenched in our history and no sector has faced more adversity throughout our history than agriculture. To help promote and revitalize our rural economy, we are creating a new department, Rural Development, as was announced earlier this month. This new department will work with businesses and co-operatives to enhance rural development, coordinating activities and programs. And, Mr. Speaker, we will continue to grow our agri-food industry through research programs and development.

Mr. Speaker, many of the initiatives this budget supports are designed to build on the success of our economy. Combining our goal to achieve a green and prosperous economy, we are increasing the ethanol fuel tax rebate program in this budget. This increase is in anticipation of the expected opening of the two ethanol plants in Weyburn and Lloydminster later this fiscal year. This program will provide an estimated \$4.9 million in rebates due to higher production of ethanol. That's good for the economy and it's good for the environment.

Recently we announced a royalty and tax incentive strategy to improve the investment climate for enhanced oil recovery. To help increase oil production, investment, and employment in the province, this strategy focuses on encouraging new extraction technologies. Technologies such as carbon dioxide sequestration which safely sequesters large amounts of the most abundant greenhouse gas, that's CO₂ [carbon dioxide], underground. And that's good for the environment, and that's good for the economy.

Mr. Speaker, in last year's budget we announced a review of the taxation status of resource trusts that own oil and natural gas producing properties in Saskatchewan. As promised, we consulted with the oil and gas industry. As a result, we are amending our corporation capital tax legislation, effective April 1, to include resource trusts for the purposes of levying the CCT [corporation capital tax] resource surcharge. With this change we are restoring tax equity in the Saskatchewan oil and gas industry and creating a level playing field. In addition, this change will recoup lost tax revenue of up to \$20 million annually.

Mr. Speaker, our government is committed to ensuring that

Saskatchewan is a competitive place for oil and gas investment. The upcoming review of business taxes by an independent committee will examine all aspects of business taxes, including the CCT and resource surcharge, and the industry will play an important consultative role in this review.

Some Hon. Members: — Hear, hear!

Hon. Mr. Van Mulligen: — To increase aviation fuel sales in the province and improve service quality for Saskatchewan's aviation sector, we are reducing tax on aviation fuel from 3.5 to 1.5 cents per litre, and removing the fuel tax on aviation fuel used in international flights. Our goal is to encourage major airlines to see Saskatchewan as an economical place to do business and promote international flight service into Saskatchewan. Both of these measures are effective midnight tonight.

Some Hon. Members: — Hear, hear!

Hon. Mr. Van Mulligen: — This centennial year budget includes a \$200,000 increase for the Saskatchewan Trade and Export Partnership, or STEP. STEP is a unique industry-government partnership aimed at helping increase local businesses' success in export markets.

Mr. Speaker, this province is known as the Land of Living Skies. One of the key economic opportunities we hope to continue to tap into in our centennial year and beyond is tourism. That's why this budget contains a \$727,000 increase for Tourism Saskatchewan.

Some Hon. Members: — Hear, hear!

[14:45]

Hon. Mr. Van Mulligen: — Our goal of growing a prosperous economy includes an ongoing commitment to municipalities. In this budget we will continue to provide \$85 million in revenue sharing for municipalities. Revenue-sharing grants to municipalities are currently 55 per cent or more than they were four years ago. And to help municipal governments, we are increasing support for priority infrastructure projects through cost-shared, federal-provincial-municipal infrastructure programs.

Mr. Speaker, it is fitting that Saskatchewan's centennial year budget contains one of the largest capital budgets in the history of our province. We are building for the future, creating legacies for our children and their children, with a \$327 million investment in capital spending, an investment in our next 100 years.

Funding for health facility capital is being increased by \$18 million or 45 per cent over last year. This budget will ensure that planning and/or construction can proceed on facilities in Swift Current, Ile-a-la-Crosse, Moosomin, Outlook, Maidstone, Preeceville, Humboldt, Saskatoon, and Regina.

Some Hon. Members: — Hear, hear!

Hon. Mr. Van Mulligen: — This budget also increases funding for medical equipment, Mr. Speaker.

We are also committed to maintaining modern, well-equipped learning environments for Saskatchewan students. The budget contains \$26.7 million in capital funding for kindergarten to grade 12 schools in Ile-a-la-Crosse, Warman, Saskatoon, La Loche, Prince Albert, and Moose Jaw, and funding for maintenance and renovation projects throughout the province.

Some Hon. Members: — Hear, hear!

Hon. Mr. Van Mulligen: — We are supporting post-secondary capital projects as well. SIAST [Saskatchewan Institute of Applied Science and Technology] and the regional colleges will receive \$2.5 million. The University of Saskatchewan is receiving \$15 million over three years for a major expansion at the Western College of Veterinary Medicine. And I am pleased to announce that we have provided \$30 million to enable the University of Regina to begin construction on a new laboratory building, a top priority, capital project for the University of Regina.

Some Hon. Members: — Hear, hear!

Hon. Mr. Van Mulligen: — And, Mr. Speaker, we have also provided a further \$27.6 million for renewal and capital maintenance at the two universities and federated colleges.

Some other noteworthy capital investments include \$3.9 million to begin replacement of the Regina Correctional Centre which was constructed in 1913; \$3.4 million to complete the multi-purpose facility at Regina's Exhibition Park in time for the Canada Summer Games, and also the riverfront development project in Saskatoon; and funds for the design and start-up costs for the new \$27 million provincial laboratory building to improve vital testing facilities for our health system.

And I am again pleased to emphasize that we are investing \$327 million in capital projects throughout this province, capital investments to ensure a legacy for future generations.

Mr. Speaker, research and development and a growing economy go hand in hand. That's why the research and development budget for this year is being increased to \$137 million. We are building on our successes such as the Canadian Light Source synchrotron, Canada's largest science project, and the Petroleum Technology Research Centre in Regina.

Earlier I mentioned increases in funding for the ethanol fuel tax rebate, STEP [Saskatchewan Trade and Export Partnership Inc.], and Tourism Saskatchewan to support economic development. In addition, we will be allocating \$8.9 million for the film employment tax credit and \$6.3 million for the Western Economic Partnership agreements.

Mr. Speaker, this government is committed to maintaining the successful momentum we've achieved in this economy. We're committed to growing an even more prosperous economy in the future.

Mr. Speaker, too often in our history, economic progress has come at a cost to our natural environment. This government's commitment to build a green and prosperous economy heralds a determination to preserve and protect our natural environment. At the same time, we're building green technologies and

industries that will prove successful and profitable within the province and beyond.

This year, SaskPower will complete the Rushlake Creek wind power facility which will add 150 megawatts of zero emission energy. That's enough green power for 64,000 homes.

Some Hon. Members: — Hear, hear!

Hon. Mr. Van Mulligen: — And once this facility is complete, Saskatchewan will be the third largest producer of wind power in Canada. That is a significant achievement when you consider we only ventured into wind power less than four years ago.

In this centennial year budget, we are spending \$1.7 million to increase the energy efficiencies of government buildings. We also expect to begin cleanup of the abandoned uranium mines in northern Saskatchewan once the federal share of funding is in place, and to begin the first steps in a process to clean up abandoned non-uranium mines.

One of the green programs that has proven very successful is the Energy Star PST rebate. This program encourages consumers to buy specific energy efficient appliances by providing a PST rebate. Effective April 1 we are making the rebate available at point of sale. Customers will no longer have to mail in their applications and wait for their cheques, and government administration will be reduced.

Mr. Speaker, this budget will continue the implementation of the safe drinking water strategy, to improve our drinking water and waste water infrastructure, and improve water quality monitoring. Mr. Speaker, there is close to \$1 million in this budget to begin a two-year Great Sand Hills regional environmental study. This study will determine future land uses within an about 140-square mile area of environmentally sensitive land.

And there is funding in this budget to manage the increased costs of monitoring and testing for chronic wasting disease or CWD, with Saskatchewan leading the development of a national CWD strategy. Mr. Speaker, we firmly believe that Saskatchewan can have a green and prosperous economy by balancing the protection of our natural environment with new and exciting business opportunities.

Medicare, Mr. Speaker, the very name is synonymous with Saskatchewan. Expectations are extremely high here in the birthplace of medicare, so we are faced with a delicate balancing act. We must meet the needs and expectations of Saskatchewan people while ensuring programs and services are delivered as efficiently as possible. At the same time, we're battling against skyrocketing health care costs and striving to provide the best health care in Canada.

Let me just provide some context, Mr. Speaker, regarding our ever increasing health care commitment. Last year we increased health spending by \$264 million over actual spending in the previous year. That is a 10.5 per cent increase. The budget I am delivering today provides a \$192 million increase over last year's budget, an increase of 7.1 per cent. Over the last four years, health spending has grown by over 30 per cent or nearly \$700 million.

With a record investment in health care of nearly \$3 billion this year, I am pleased to say that Saskatchewan will meet its commitments to enhance services under the federal health accord and the agreement resulting from the first ministers meeting on health.

This budget contains new funding for program and service enhancements including, as I have said, close to \$18 million in increased funding for health capital — that's building and medical equipment; almost \$4 million for new childhood vaccines; funding to expand the range of home care services to nationally agreed upon levels; and funding to continue primary health care reform, including funding for 23 new primary health care sites by the end of this fiscal year.

We are supporting the goals and initiatives set out in the Action Plan for Health Care 2001, our blueprint for a sustainable health care system.

Mr. Speaker, we are listening to Saskatchewan people. We are reducing surgical and diagnostic waiting times, managing wait-lists, and implementing surgical registry initiatives. We are ensuring those who need surgery most urgently will receive it first.

The demand for diagnostic imaging has risen dramatically. In the last six years the volume of CT [computerized tomography] scans performed has increased about 70 per cent. During the same period, the number of MRIs [magnetic resonance imaging] performed has increased a remarkable 210 per cent. To further increase diagnostic testing this year, we are investing \$4.7 million. These increases include funding for 4,600 more MRI scans, 16,500 additional CT scans, and more than a 50 per cent increase in bone mineral density testing.

To target patients who are waiting more than 12 months for surgery, we will add between 1,200 and 1,500 additional surgeries.

Sadly, Mr. Speaker, there are not many people whose lives have not been touched by cancer. The Saskatchewan Cancer Agency is receiving a 15 per cent increase in funding over last year. We are expanding the capacity for cancer treatment. This expansion will allow room for close to 250 new patients, over 560 additional chemotherapy visits, and close to 2,000 additional radiation treatments.

With a new \$2.8 million investment, we will increase dialysis treatments by 8,000 procedures annually, an 11 per cent increase.

Mr. Speaker, this budget contains \$1.8 million to enhance our provincial drug and alcohol strategy.

To maintain a viable health care system and provide the best health care in the nation, obviously we need qualified health professionals. Mr. Speaker, that is why we're providing 280 new bursaries, as well as 109 continuing bursaries for students in various health disciplines including nursing and other health professions. The budget also includes 50 new and 65 continuing physician bursaries. We will also be increasing the number of spaces for nursing education. In addition, there's funding for nine new residency seats at the College of Medicine.

Health care, Mr. Speaker, one of the key priorities in this province during our first century, it will continue to play a vital role in our second century.

Some Hon. Members: — Hear, hear!

Hon. Mr. Van Mulligen: — Mr. Speaker, this centennial year budget continues the government's commitment to make our province an affordable place to live and raise a family. This budget builds on the many steps this government has taken to keep costs down for Saskatchewan families.

That's why in 2001 we began implementing the largest personal income tax reform in the province's history. We continue to improve our personal income tax system by indexing components like the basic personal tax exemption to inflation. This protects taxpayers from inflation, especially low-income earners and senior citizens.

In November, we made good on our commitment to provide the lowest utility rate bundle for families in the nation. And, Mr. Speaker, this centennial year budget contains no tax increases.

Some Hon. Members: — Hear, hear!

Hon. Mr. Van Mulligen: — In fact this budget provides \$55 million for the first of two years of education property tax relief for Saskatchewan families, farms, and businesses.

Some Hon. Members: — Hear, hear!

[15:00]

Hon. Mr. Van Mulligen: — In 2005 the average property taxpayer will receive a credit of approximately 8 per cent of the education property tax levy.

Some Hon. Members: — Hear, hear!

Hon. Mr. Van Mulligen: — To keep our families and communities safe, this year's budget includes funding to add 18 new police officers.

Some Hon. Members: — Hear, hear!

Hon. Mr. Van Mulligen: — As promised we are extending the Sask 911 service to Lloydminster and northern communities, completing implementation to all but the most remote communities. That means 98 per cent of the province will have access to 911 service.

Some Hon. Members: — Hear, hear!

Hon. Mr. Van Mulligen: — Mr. Speaker, our centennial motto is, 100 years of heart. Saskatchewan people are known for their generosity and for caring for their neighbours. We are also known for innovation and social programming. In this budget we are continuing to invest in social programming to ensure that all Saskatchewan residents — regardless of level of income, regardless of where they live, regardless of abilities — enjoy a similar quality of life with access to the same vital programs and services.

This budget includes an additional \$6 million for our Building Independence strategy, to help low-income families improve their ability to find work and to achieve independence.

Some Hon. Members: — Hear, hear!

Hon. Mr. Van Mulligen: — Mr. Speaker, I am also pleased to announce that this budget includes an increase in benefits for all those who receive social assistance.

Some Hon. Members: — Hear, hear!

Hon. Mr. Van Mulligen: — Mr. Speaker, there will also be a significant boost to the child nutrition and development program. This budget also contains other measures to help low-income families and persons with disabilities. The new family housing supplement will provide up to \$113 per month for approximately 10,000 low-income families.

The new disability housing supplement will mean up to \$151 a month for 3,000 households for people with disabilities. And, Mr. Speaker, we will also develop 600 affordable housing units this year, working towards our goal of 2,000 units.

Mr. Speaker, there is no doubt Saskatchewan continues to be a leader in social programming.

Some Hon. Members: — Hear, hear!

Hon. Mr. Van Mulligen: — In 2003 the Premier announced the largest child care expansion in the history of the province. This government made a commitment to establish 1,200 child care spaces over four years. We are meeting that commitment with \$1.2 million in increased funding to develop 250 new spaces this year.

Mr. Speaker, our youngest citizens, our babies, are our most precious resource. They're also the most vulnerable among us. Mr. Speaker, we will be increasing funding to the Kids First program to increase the number of families participating in the home visiting program. This is a program that reaches out to improve the developmental opportunities for very young children.

With federal funding of \$22 million this year, we are investing in children through the early learning and child care initiative by developing a new, made-in-Saskatchewan system. We will increase our support by \$1.1 million to First Nations child and family service agencies, ensuring our children are well protected. Community-based organizations that care for individuals with intellectual disabilities will see increased funding of \$1.9 million.

Mr. Speaker, it's all about our first duty to protect the most vulnerable members of society. It's all about helping Saskatchewan people build successful lives.

Some Hon. Members: — Hear, hear!

Hon. Mr. Van Mulligen: — Mr. Speaker, this government is committed to helping Saskatchewan's young people find exciting opportunities when they complete their education and training, to build their careers and start their families right here

at home.

And it all begins with a high-quality education. That is why this budget includes a record \$1.2 billion for education — a direct investment in the future of Saskatchewan. I am especially pleased to announce this budget includes a one-time Saskatchewan centennial university tuition grant of \$6.7 million. This grant will allow our two universities to freeze tuition fees in this, our centennial year.

Some Hon. Members: — Hear, hear!

Hon. Mr. Van Mulligen: — That means no university tuition increases this year. During this year the Department of Learning will conduct a review of accessibility to post-secondary education, including student financial assistance.

Some Hon. Members: — Hear, hear!

Hon. Mr. Van Mulligen: — And all of this is in addition to other enhancements to student bursaries and student loans included in this year's budget. Good news for Saskatchewan students, Mr. Speaker.

The tuition grant is in addition to a 2 per cent basic operating grant increase for universities, federated and affiliated colleges, to support approximately 33,000 students at these institutions.

This centennial year budget also includes a 6.8 per cent increase in operating funding for SIAST, which provides learning opportunities to approximately 12,000 students at its four campuses, and a 3.7 per cent increase in operating funding for regional colleges.

Some Hon. Members: — Hear, hear!

Hon. Mr. Van Mulligen: — This budget also includes an 8.3 per cent increase in operating funding for the Apprenticeship and Trade Certification Commission to provide increased training opportunities for young people.

We are meeting our commitment to expand the number of spaces in the Nursing Education Program of Saskatchewan. There will be 100 new spaces this year and 40 new spaces in the northern nursing education program. In total, Mr. Speaker, this budget funds 1,000 new training opportunities to enable our young people to acquire the skills they need in today's and tomorrow's job market.

Some Hon. Members: — Hear, hear!

Hon. Mr. Van Mulligen: — As promised, we are addressing the planning and implementation of the accreditation plan for the College of Medicine with a total of \$7 million in funding.

Last May the government announced school division restructuring as part of a three-phase initiative to reform the K to 12 [kindergarten to grade 12] education system. To support school division restructuring, a more efficient administration of the system, we are providing \$4.5 million in additional funding to school divisions.

Mr. Speaker, the number of young people employed in

February was 6,000 more than in February of last year in Saskatchewan. In government, we want to maintain this momentum with plans to hire young interns to work in the Department of Agriculture and Food in the area of agribusiness development, to provide approximately 800 public sector jobs for young people through the centennial student employment program, and the Green Team for young people interested in environmental management and energy conservation, and jobs for young people in our Information Technology Office.

As well, there are numerous employment initiatives in the Crown sector targeted towards young people and Aboriginal participation, including an Aboriginal bursary program and the gradworks intern program. Our Crown corporations are committed to providing quality employment opportunities for our young people.

Mr. Speaker, building towards \$1,000 in 2007, the graduate tax credit for post-secondary grads will increase to \$675 this year. In plain language, Mr. Speaker, this tax credit will effectively add \$6,136 to the amount of income a graduate can earn this year before having to pay Saskatchewan income tax.

Some Hon. Members: — Hear, hear!

Hon. Mr. Van Mulligen: — We made this promise, Mr. Speaker, to provide additional financial incentives for our graduates to start their careers right here at home.

Mr. Speaker, centennial year marks a major milestone for our province. It is a time to look back with pride and to look ahead to a future full of hope and promise. Together we are celebrating our history and commemorating it with legacies for generations to come.

September 4 is Saskatchewan's 100th birthday. In recognition of our official birthday, the province is working with cities and northern communities to develop a province-wide celebration that allows everyone to participate in a community near them. The Centennial 2005 Office has registered more than 2,000 events in 400 communities in every part of this province, including 300 homecomings. We are excited about this birthday.

But even as we celebrate Saskatchewan's centennial year, we reflect upon the many contributions Saskatchewan people have made for this province and for this country. Many of our veterans made the ultimate sacrifice to defend freedom and democracy. This year, we will acknowledge their contributions by supporting the creation of a war memorial in their honour.

Mr. Speaker, we need the young people of our province to be our planners, our builders, and our visionaries as we move into our second century. Throughout our centennial year, we will be supporting many initiatives aimed at youth — led by our young people — and plans are under way to recognize all of Saskatchewan's students from kindergarten to grade 12.

Mr. Speaker, this centennial year budget marks year two of our four-year fiscal plan. I am proud of this budget. Each budgetary decision was carefully weighed to balance spending choices with revenue measures, to ensure the economy remains viable, the business climate is competitive, and the needs of

Saskatchewan people are met now and in the future. That is why this budget includes record investments in health care and education. We did not make these spending choices lightly but in the context of what Saskatchewan people need, what they expect, and what this province can afford.

We have a plan, Mr. Speaker. It is a plan that continues on the path that has turned our financial situation around, a plan that focuses on our four key commitments: building a green and prosperous economy, making Saskatchewan an affordable place to live and raise a family, providing the best health care in Canada, and building the future here for our young people.

This plan has allowed us to continue investing in the important social and economic programs our families and communities need. It is a plan based on a balanced approach with prudent financial management.

It is a plan that has succeeded because it encompasses Saskatchewan's fundamental values — the same values that were entrenched in this province 100 years ago. It is a plan that is carrying Saskatchewan forward into its second century as a successful Canadian province built upon a strong foundation, prepared for and excited about the future.

Mr. Speaker, looking back 100 years ago, how amazing it is to see what we've achieved. From such humble beginnings, young people today have so many opportunities, so many choices. This second century in Saskatchewan is brimming with promise.

Mr. Speaker, I move, seconded by the member for Moose Jaw North:

That the Assembly approves in principle the budgetary policy of the government.

I so move, Mr. Speaker.

Some Hon. Members: — Hear, hear!

[15:15]

The Speaker: — It has been moved by the Minister of Finance, the member for Regina Douglas Park, seconded by the member for Moose Jaw North:

That the Assembly approves in general the budgetary policy of the government.

Is the Assembly ready for the question? The Chair recognizes the opposition Finance critic, the member for Saskatoon Silver Springs.

Some Hon. Members: — Hear, hear!

Mr. Cheveldayoff: — Thank you, Mr. Speaker. It's a pleasure to rise in this Assembly and respond to the budget for the first time as Finance critic for Her Majesty's Loyal Opposition.

I'd like to begin by paying tribute to my predecessor, the member for Canora-Pelly. For the past number of years, he has defined the role of opposition Finance critic. He has done so

with such vigour and passion, not to mention credibility, that it will be a hard act to follow, Mr. Speaker. However, I will do my best to fulfill my duties in my own way, to take on this challenging yet very rewarding position.

I'd also like to thank my leader, Mr. Speaker, the member for Swift Current, the Leader of the Official Opposition, and all members of the opposition caucus for the trust and confidence they have shown in me. I am very proud to be part of this team, Mr. Speaker.

Mr. Speaker, I want to thank the people of Saskatoon Silver Springs for allowing me to serve as their first MLA. The brand new constituency of Saskatoon Silver Springs, located in northeast Saskatoon, was created through redistribution. It's a growing, vibrant part of our province and it's a privilege to serve the residents as their voice in this Assembly. I want to thank the hard-working people of Saskatoon Silver Springs for placing their trust in me.

Mr. Speaker, I want to extend a sincere thank you to my constituency assistant, Beth Epp. I truly appreciate all the work she does in my constituency office. She is active in the community and is very good at what she does.

Mr. Speaker, a special thank you to my family: my wife, Trish — she is not able to be here today because budget day is a very busy day in her career as well — and my children. Carter, age 7, is in grade 2 at Cardinal Leger School and my daughter Paige, age 5, is in pre-kindergarten at Maria Montessori School in Saskatoon.

I am most pleased, Mr. Speaker, to say that my mother, Lucy Cheveldayoff, is able to be here today to witness these proceedings.

Some Hon. Members: — Hear, hear!

Mr. Cheveldayoff: — Mr. Speaker, the Legislative Building is filled this afternoon with people from across the province representing all aspects of life and work in Saskatchewan. Many thousands more will take the time from their busy day to watch this NDP government's budget speech on television or the Internet, or to listen to the budget speech on the radio. And hundreds of thousands more Saskatchewan people will tune in to the news tonight or read the newspaper tomorrow.

All of them, Mr. Speaker, are wondering the same thing. With \$1 billion in windfall revenue, how will this NDP government use all that new money to improve our lives and the quality of life for our families and our communities?

Well, Mr. Speaker, the people of Saskatchewan have their answer. Never has a government done so little with so much.

Some Hon. Members: — Hear, hear!

Mr. Cheveldayoff: — Last year, Mr. Speaker, when revenues were down and times were tight, this government took more money out of your pocket by raising taxes. This year, even with \$1 billion more than they expected, the NDP isn't giving any of your money back. Mr. Speaker, 71,000 low-income earners — many of them young people, single moms earning minimum

wage or less who face the highest personal tax rates in Canada under this NDP government — they were hoping. They were hoping this NDP government would use some of its billion-dollar windfall to provide much-needed, low-income tax relief.

But the NDP Finance minister just said, no. The Premier, the NDP Premier said, not a chance — not one dime of low-income tax relief for the people of Saskatchewan.

What about our senior citizens, Mr. Speaker, who are on fixed incomes and struggling to make ends meet? They were hoping that this government would recognize their contributions to Saskatchewan's first 100 years by lowering their income taxes, or reversing last year's PST increase. But there is no tax relief for seniors in this budget. There is no income tax relief for seniors, no sales tax relief for anyone in this, our centennial year.

For the almost 25,000 families in Saskatchewan with a loved one enduring the longest surgical waiting lists in Canada there was hope that finally this government would come up with a plan to make their wait shorter. But as we have just heard, Mr. Speaker, there is no specific plan for reducing Saskatchewan's waiting lists, and little to give hope to those enduring the long waits for the surgery they need and deserve. What we did get is yet another vague commitment to monitor surgical waiting lists that are already the longest in Canada, and growing longer everyday, Mr. Speaker.

Families that own small businesses, the lifeblood of the Saskatchewan economy, Mr. Speaker, were watching to see what the NDP government would do today with all that new government money to make the business climate more competitive. But what they heard was the NDP's plan to launch yet another study of business taxation and a promise to consider the results in a year. A one-year delay while Saskatchewan businesses pay the highest business taxes in the country — shame, Mr. Speaker.

You know, Mr. Speaker, the last time the NDP launched a taxation study, the Boughen Commission, it resulted in a provincial sales tax increase. University students in Saskatchewan, Mr. Speaker, who face the third highest tuition fees in Canada, were counting on the NDP to follow through with its commitment for long-term tuition fee relief. What they got was a one-year hold with absolutely no commitment to long-term tuition fee relief; and the universities got no long-term funding commitment.

Nor was there any commitment in the NDP's budget to establish a children's hospital in Saskatoon, something near and dear to my heart, Mr. Speaker. And no commitment to move forward this year with the construction of a much needed integrated health sciences facility at the University of Saskatchewan.

Mr. Speaker, nurses, working harder and longer than they should, are on the front lines of the health care system. Nurses were watching today to see if the NDP government would recognize their contribution to our province by using some of that almost \$1 billion in windfall government revenue to keep nursing salaries competitive. Well, Mr. Speaker, this NDP

budget has no specific funding to cover a fair and competitive increase in nursing salaries, which means Saskatchewan may be headed for another nurses' strike, and will also almost certainly continue to lose nurses to other provinces.

Teachers, most of whom will not be watching the budget speech today because they are busy teaching our children, educating the next generation of doctors, nurses, community leaders, business owners, labour leaders, tradespeople, and yes, Mr. Speaker, even a few budding provincial politicians.

Teachers will be anxious to hear about whether the NDP will make them a priority with \$1 billion in windfall government revenue by putting some of that money aside to fund a fair and competitive salary increase. But, Mr. Speaker, I'm afraid the news is bad for teachers as well, because the NDP government has decided to freeze the education foundation grants at last year's level. What do teachers get — a freeze at last year's level.

So there is not one single cent in the Education budget to increase teachers' salaries this year. Mr. Speaker, given that teachers have just given the STF a massive 93.7 per cent mandate for strike action, it appears almost inevitable that this NDP budget that completely ignores teachers will lead directly to a province-wide teachers' strike.

It gets worse, Mr. Speaker, because school boards were counting on the NDP government to use some of its record resources, its record revenues, to increase foundation operating grants to cover the increasing costs of educating our children. Now many school divisions will have little choice, Mr. Speaker, but to consider education property tax increases to make ends meet.

Mr. Speaker, the mayors, reeves, councillors, who represent cities, towns, villages, rural municipalities, were looking to the budget for an increase in revenue sharing to hold the line on property tax increases, but the NDP also decided to freeze municipal revenue sharing grants at last year's levels. And that will almost certainly drive property taxes even higher.

In my city, Mr. Speaker, the city of Saskatoon, there's a proposed 7 per cent property tax hike increase this year. Property taxpayers in Regina are facing a 4 per cent increase and the municipal funding freeze will force other communities and RMs [rural municipality] across the province to increase property taxes as well. So much for the NDP's now-broken promise of property tax relief, Mr. Speaker.

And of course, Mr. Speaker, the Saskatchewan Party was also watching today for any sign, for a sign that the NDP government would use its billion-dollar windfall to present a bold vision for the future of our province and a long-term plan to achieve that vision. Well, Mr. Speaker, now everyone in Saskatchewan has the answer. The NDP promised a budget that would build Saskatchewan for the next 100 years, but this budget doesn't have enough vision for the next 100 days, Mr. Speaker.

Some Hon. Members: — Hear, hear!

Mr. Cheveldayoff: — In this our centennial year,

Saskatchewan people deserve better. This budget exposes, Mr. Speaker, this budget exposes an NDP government with no long-term vision for Saskatchewan and no plan to build our province. And it demonstrates once again that this government never misses an opportunity to miss an opportunity.

Some Hon. Members: — Hear, hear!

Mr. Cheveldayoff: — Mr. Speaker, this budget that we have just heard rips hope away from thousands of Saskatchewan families and gives them nothing back. Mr. Speaker, never has a government done so little with so much.

Mr. Speaker, with that I move to adjourn debate on this motion. Thank you.

Some Hon. Members: — Hear, hear!

The Speaker: — It has been moved by the member for Saskatoon Silver Springs that debate on this motion be now adjourned. Is it the pleasure of the Assembly to adopt the motion.

Some Hon. Members: — Agreed.

The Speaker: — Motion is carried. The Chair recognizes the Minister of Finance.

Resumption of Budget Debate

Hon. Mr. Van Mulligen: — Mr. Speaker, I move, seconded by the member for Moose Jaw North:

That the debate on the motion that the Assembly approves in general the budgetary policy of the government be resumed on Thursday, March 24, 2005.

I so move.

The Speaker: — It has been moved by the Minister of Finance, the member for Regina Douglas Park, seconded by the member for Moose Jaw North:

That the debate on the motion that the Assembly approves in general the budgetary policy of the government be resumed on Thursday, March 24, 2005.

Is it the pleasure of the Assembly to adopt the motion?

Some Hon. Members: — Agreed.

The Speaker: — Motion is carried. This House stands adjourned until tomorrow at 10 a.m. Not yet, pardon me. The Chair recognizes the Government House Leader.

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

The Speaker: — My apologies to the members. It has been moved by the Government House Leader that this House do now adjourn. Is it the pleasure of the Assembly to adopt that motion?

Some Hon. Members: — Agreed.

The Speaker: — And on the basis of that motion, the House stands adjourned until tomorrow at 10 a.m.

[The Assembly adjourned at 15:29.]

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