

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
Third Session — Eighteenth Legislature
18th Day

Wednesday, March 16, 1977.

The Assembly met at 2:00 o'clock p.m.
On the Orders of the Day.

WELCOME TO STUDENTS

MR. SPEAKER (Saskatoon Westmount): — I should like at this opportunity to introduce to the Chamber in the Speaker's Gallery a group of 35 Grade Eight students from Confederation Park School, in the constituency of Saskatoon Westmount.

They are accompanied today by Mr. Terry Husulak, Nora Sutherland and Larry Klopoushak, teachers and assistant teachers. I want all Members to join with me in welcoming this group of students from Saskatoon Westmount. They attend Confederation Park School which is a relatively new school in Saskatoon. I would suspect that a number of them come from and actually live in the constituency of Biggar but the majority live in the constituency of Saskatoon Westmount. I know Members will join with me in wishing them a safe journey back to Saskatoon.

HON. MEMBERS: — Hear, hear!

HON. W.E. SMISHEK (Regina North East): — I should like to introduce to you and to the Members of the Legislature a group of 37 Grade Eight students from St. Michaels School. They are accompanied by their teachers, Mr. Peter Bresciani and Mr. Jerry Adams. We hope that their afternoon will be a pleasant experience. I do hope to be able to meet with the students between 2:45 and 3:00 o'clock in the Members' dining room area. To all those 37 students, a pleasant afternoon.

HON. MEMBERS: — Hear, hear!

HON. A.E. BLAKENEY (Regina Elphinstone): — Mr. Speaker, I should like to bid welcome on your behalf and on behalf of all Members in the Assembly to a group of students sitting in the west gallery from Kitchener School. They are from Grade Seven and Eight in Kitchener, a large group as you can see, accompanied by Mr. Samways, Mr. Russell, Mr. Erb, and the Vice-principal, Mr. Zalinko.

I know that they will have had an opportunity to tour parts of the Legislative building or will do so following their visit with us here. I too look forward to the opportunity to meet them a little later on in the Members' dining room. I trust that they will find at least part of their visit to the Legislative building entertaining and fruitful. I bid them welcome and wish them a pleasant stay.

HON. MEMBERS: — Hear, hear!

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HON. E.L. COWLEY (Biggar): — I would just briefly like to join Mr. Speaker in welcoming the students from Saskatoon from Confederation Park. I too, hope they have an enjoyable afternoon in the Assembly and in Regina.

HON. MEMBERS: — Hear, hear!

MR. C.P. MacDONALD (Indian Head-Wolseley): — Mr. Speaker, I found my Glenavon students who were unable to make it yesterday and I should like, on behalf of all the Members of the Assembly to extend the welcome to 20 Grade Ten students with their teacher, Mr. Preikchat and accompanied by Mrs. Gladys Inglet. I certainly hope that they have a very enjoyable day in the Legislature and I look forward to visiting with them at the conclusion of their visit in the Assembly.

HON. MEMBERS: — Hear, hear!

QUESTIONS

OPERATIONS OF POTASH MINES

MR. E.F.A. MERCHANT (Regina Wascana): — Mr. Speaker, I wonder if I might direct a question to the Minister in charge of the Potash Corporation. Mr. Speaker will recall that a few days ago I was inquiring about a profit and loss statement on a quarterly basis. By now, Mr. Speaker, though, your Government has invested \$272 million, received the annual statement from the Potash Corporation, (a two-page document which neglected to bother with a profit and loss statement, no income or loss statement. I notice, Mr. Speaker, and I wonder if the Minister could assist me, there are two statements in the balance sheet, they show assets of charges to future operations of \$3.2 million, then liabilities and advances from government finance of \$2.9 million, a decrease in working capital of \$2.9 million. I wonder whether we are justified in assuming that the losses this year are \$3.2 million or the \$2.9 million that recurs more than once.

HON. E.L. COWLEY (Minister of Potash Corporation): — Well, Mr. Speaker, the Member is not justified in assuming that either of them are losses.

MR. MERCHANT: — A supplementary, I wonder if the Minister would indicate why we have the Potash Corporation with a \$272 million investment that we know of and that no profit and loss statement is shown in an annual report or has the Minister perhaps not seen annual reports in the past?

MR. COWLEY: — Mr. Speaker, I believe I have seen more annual reports than the Member opposite, but I don't intend to debate that. With respect to the annual report that he has before him it is dated June 30, 1976. At that time the Potash Corporation of Saskatchewan had acquired neither the Duval mine nor had it entered into a preliminary agreement to acquire the Sylvite mine and consequently, Mr. Speaker, there was no \$272

million invested as the Member suggested at that time and there was no profit and loss statement because the Corporation was still in the stages of being set up. The items which the Member refers to obviously will be charged to future operations that have been capitalized in line with generally accepted accounting principles which I know that all the Members opposite support fully and wholeheartedly.

MR. MERCHANT: — Supplementary, Mr. Speaker. Would the Minister indicate then whether the charges to future operations of \$3.2 million means that the Potash Corporation before it had purchased a single mine or done a single thing, really, had spent \$3.2 million?

MR. COWLEY: — Mr. Speaker, the Potash Corporation had spent some of that. Some of that is not related to the acquisition of the two potash mines. For example, some of it concerns properties which might be developed at a future date and as long as the potential for those properties is there to be developed, it's treated as a capital asset charged to future operations. In the event that they were dropped, they would then be charged to that current year's operations.

MR. MERCHANT: — Final supplementary, Mr. Speaker. In the notes to the financial statement the Minister indicates that all operating costs have been deferred, these costs are to be amortized over a reasonable period when revenue generating operations begin. Can the Minister even indicate to this House that the Potash Corporation at this time is making a profit?

MR. COWLEY: — Well, Mr. Speaker, I haven't checked today to see whether today's operations are profitable or not. I want to assure the Member that I believe that the Potash Corporation of Saskatchewan will be, when we bring the next annual report before this House, a profitable operation.

SOME HON. MEMBERS: — Hear, hear!

BASE HOSPITALS LACKING EQUIPMENT

MR. G. PENNER (Saskatoon Eastview): — Mr. Speaker, I should like to direct a question to the Minister of Health. Yesterday during the question period, the Minister complained that the generalities of questions asked by us, generalities of statements made by doctors, nurses and hospital boards, hospital administrators in the province were such that everybody else was wrong and the Government and he were right.

I want to be more specific with a question to the Minister today and ask what the Minister's reaction is to the charge that some base hospitals in Saskatoon and Regina are still lacking essential equipment, equipment such as auto staplers, culpasopes, lung scanners, exercise electrocardiographs?

MR. W. ROBBINS (Minister of Health): — Mr. Speaker, if the Hon. Member for Eastview read

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the paper last night he would realize that a number of those items are now in the process of being purchased.

MR. PENNER: — Supplementary, Mr. Speaker, if I may. Isn't it true that the lack of this specialized equipment which you admit has been lacking in our hospitals, has not only affected the quality of care negatively but has also seriously jeopardized the specialty training program in the province?

MR. ROBBINS: — This is a subjective judgment, Mr. Speaker. Frankly, I do not apologize at all for delay in the purchase of computer axial tomography equipment. That kind of equipment is a new item, large quantities of those are now being ordered across America and even in the last three years some of them ordered are now obsolete and they have to be replaced.

MR. PENNER: — Final supplementary. What is the Minister and his Department prepared to do to ensure the laboratory technician training programs will not lose their accreditation as is expected because of a lack of funding?

MR. ROBBINS: — Mr. Speaker, six out of seven of the training programs in Saskatchewan received unqualified approval from the National Accrediting body which is associated with the Canadian Medical Association. There was a problem concerning the program at the University Hospital, however there is now an informal understanding and a verbal confirmation that accreditation is forthcoming for the University Hospital program. Five staff members have been added to the University Hospital program during the current fiscal year and students are currently being selected for next year's program. The problem should be fully resolved in the near future.

INCREASE IN STAFF AT MOTOR CARRIER ADMINISTRATION BRANCH

MR. J.G. LANE (Qu'Appelle): — Mr. Speaker, I should like to direct a question to the Attorney General in the absence of the Minister responsible for the Highway Traffic Board. Mr. Attorney General I note the Estimates of the Highway Traffic Board show a 30 per cent increase in the number of positions in the Motor Carrier Administration Branch. Traditionally in the past that Branch has had a very small staff complement, in fact, we have had situations in Saskatchewan where weigh scale personnel were brought in to train drivers for driver licensing tests, all of a sudden we have a 30 per cent increase. Would the Attorney General not admit that this 30 per cent increase in staff is really to enforce and administer the new load limit policy as announced by the Minister responsible yesterday at the SARM convention? And in fact this sudden and dramatic increase in the number of personnel is really the establishment of a grain gestapo to monitor the discriminatory . . .

MR. SPEAKER: — Order! Order!

MR. ROMANOW: — Mr. Speaker, I do know that the Conservatives are locked in totally with Cargill and the CPR on this whole grain dispute but I am not going to get into

that debate or get into that type of issue that the Member does. The answer to the question is, No, to the Hon. Member because the Minister in speaking to SARM yesterday, and I have a copy of his speech here before me, said that what had happened was consultations had taken place between himself and his Department and various local authorities and the basis of their conversations here was his thinking or his proposals. No firm policy, decisions or announcements were made and accordingly the question, which was presupposed on that, is erroneous. The Hon. Member should think carefully before he asks that kind of question.

MR. LANE: — A supplementary. Is the sudden backtracking of the Government from a firm position of policy have something to do with the unanimous resolution passed by SARM today condemning the Government's policy and opposing the Government's policy?

MR. ROMANOW: — Well, Mr. Speaker, I suppose the press will pick this up and sort of assume that the statements of facts upon which that question is based is correct. It is not correct. I have a copy of the speech here. The question assumes that there is some kind of a backtracking. If the Member looks at the speech and is honest and truthful in basing the question, he will see that there was no announcement of policy. It is, therefore, a shallow and a phony basis to ask a question and, Mr. Speaker, how am I to respond to something like that. I simply ask the Conservatives to please change and elevate the level of questioning in this House.

PROPOSED POLICY FOR TRUCKS AND ROADS

MR. MacDONALD: — Would the Attorney General give the assurance of the House on behalf of the Government that the unanimous resolution of the SARM convention against the proposed policy of the Government will be taken into consideration and the policy will be dropped and not discriminating . . .

SOME HON. MEMBERS: — Hear, hear!

MR. ROMANOW: — Mr. Speaker, this Government, unlike former governments of the Liberal Party and unlike the Conservative Party, is very sensitive to the interests and communications of the local governments and the organizations that speak for local governments. Of course, the Minister will and the Government will very seriously consider the resolution. But I have to remind the Members of the House that it is SARM, among other groups, and I believe that they are still concerned with the costs for roads and for the costs of construction and maintaining roads especially in the light of the heavy trucking costs which are a consequence thereof. They may not like the proposal, if they don't I'm sure we'll take a look at it, but the general need to look at the question of protecting roads because the cost is as current today as it was prior to the motion being passed. Yes, we will very seriously consider the SARM motion.

MR. MacDONALD: — One more supplemental. Will the Attorney General tell me whether it is Government policy as indicated in the front page story of the Leader-Post and the remarks of the

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Minister after the speech, that the policy was not directed towards the protection of rural roads but was directed at the inland terminals in Weyburn and in Rosetown, and is that Government policy?

MR. ROMANOW: — Well, Mr. Speaker, I am prepared to debate and we will debate the Liberals and Conservatives commitments to Cargill. That is a debate which has to be considered and the people of Saskatchewan are going to face that one. I answered that question to a Member from your side yesterday when I said that the overall intent of this proposed policy - in fact it was the Member for Thunder Creek (Mr. Thatcher) - was to give protection to the roads and the costs that all taxpayers and all local governments bear and all politicians of all political parties should be concerned about. Now you say that the taxpayers should simply be ignorant of that. I don't agree with you.

DEBATE ON PROPOSALS TO SARM

MR. J. WIEBE (Morse): — Mr. Speaker, in the event that the proposed suggestions made by the Minister of Municipal Affairs yesterday, in the event that those proposals are going to be enacted by the Provincial Government, can they assure this House that all of us in this Legislature will have an opportunity to debate those changes by your Government introducing an Act or will it be done by Order in Council?

MR. ROMANOW: — Mr. Speaker, I gave a tentative answer to that question yesterday and the answer was that as a government and as a lawyer in the Government advising the Government we would do it the way which is legal and proper and expeditious in the interests of the Government and the local authorities. If it can be done by Order in Council, whenever it is done, that is likely the route that is to be taken. You have full access to Orders in Council. You people look at them every week. If you don't like it, your approach to the Assembly is very simple: put on a resolution and debate it on Private Members' Day. There are three more days left of the Budget Debate. Debate any kind of proposals you want, that is the approach that is taken. Now it may very well require legislation later on down the line, but I can't give the Member that commitment or that assurance today because we haven't progressed that far as of today.

MR. WIEBE: — A supplementary question. Will the Attorney General give this House the assurance that if the Order in Council is passed after the House is adjourned that he will then reconvene the House to allow us to debate that issue by a Private Member resolution?

SOME HON. MEMBERS: — Hear, hear!

MR. ROMANOW: — Well, Mr. Speaker, the only thing I can say, I guess, to that is that it is a hypothetical question. A copy of the Minister's speech is here in front of me and I think that that speaks for itself. The proposals are there. He read that speech. The proposals are before all the Members of the

House and for the public to see. The public knows what he said, I can't answer a question based on that kind of a hypothetical approach.

SHERIFF'S LETTER - INCREASE IN STAFF

MR. H. LANE (Saskatoon-Southland): — Mr. Speaker, a question of the Attorney General. Preliminary to that I've delivered a photocopy of a letter, dated December 21st, 1976, which I received at my office and which all other solicitors reportedly of Saskatoon have received and I should like to table a copy of the letter, there is a photo copy in the hands of the Clerk.

Now the letter indicates, it speaks for itself, but I in leading up to my question would like to highlight several things. One of them is that the sheriff for the judicial centre of Saskatoon over whose hand the letter is written, indicates an increase of 31 per cent in the number of documents to be served by his office. It also indicates a 22 per cent increase in the number of persons and corporations to be served. Further, the sheriff states at the centre in Saskatoon that he is unable to carry out his duties specified by the rules of court and he invites people of the legal profession in Saskatoon to get private solicitors. Now my question is in light of the increase in staff outlined in the Estimates, which I believe to be 11, what number of that increase are being assigned to the sheriffs' offices at the various judicial centres in Saskatchewan?

MR. ROMANOW: — Well, Mr. Speaker, this is another example of the false and erroneous basis on which a question is based. He is going to table this letter I just read a few seconds ago. I may be in error but nowhere does the Sheriff say that he is unable to do the job. He is asking for the co-operation of the solicitors in making sure that any process that they give him that that kind of a process is one that can't be handled elsewhere say through a private bailiff. Now that's the situation on a quick glance that I have seen. In any event I think that that is a reasonable request. I think that a sheriff is entitled to say to the solicitors, make sure before you ask a process to be served that it can't be done somewhere else before you tax a very busy operation here.

Now I can't give you the exact percentage. During the Estimates if you want to ask for the details on sheriffs and the allotment to them I will be prepared to handle it. I do know there is a substantial increase in the court services portion of the Attorney General's budget and for which I am very pleased.

MR. LANE: — If all 11 of that increase had gone to the Sheriff's Department that still wouldn't account for a 31 per cent increase in service of process just last year. Now surely what the Minister is admitting at this point in time is that we have come to a stage in Saskatchewan where court orders, once you have them, can't be enforced for lack of staff. Is that not correct?

MR. ROMANOW: — The answer to that is that

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it is totally incorrect because the person who has raised it, first the Member for Qu'Appelle (Mr. Lane) from the left Lane to the right Lane, now in Saskatoon-Sutherland. You are the only people who have raised it. I have received nothing from the Law Society of Saskatoon or the Law Society of Saskatchewan or from individual listeners and I am not just going to take that kind of politicization of terrifically hardworking sheriffs and court services staff in the Province of Saskatchewan. So you Tories can keep on making all the issue you want, until the Law Societies give me a form of communication which requires some need of urgency on this operation, I don't think the people of Saskatchewan will give any credence to that kind of phony allegation.

RENT CONTROL

MR. G. H. PENNER (Saskatoon Eastview): — Mr. Speaker, a question to the Minister in charge of the Rentalsman's Office.

During the Budget Speech last week the Minister of Finance indicated that the price and wage controls are likely to be lifted September next. I wonder if the Minister would care to comment on what effect that announcement has with regard to his department to the continuation or the cessation of the role of the Office of the Rentalsman?

HON. E. WHELAN (Minister of Consumer Affairs): — Mr. Speaker, I believe I answered this question before when the Hon. Member asked it about one week ago.

We are constantly monitoring the vacancy rate in the different cities across the province and as yet we have made no decision.

MR. PENNER: — If I may, Mr. Speaker. Would the Minister not agree that the rationale given for the introduction of rent control legislation last year was to fit with the broad concept of Price and Wage Controls?

MR. WHELAN: — No.

MR. PENNER: — Final supplementary, Mr. Speaker. I submit to the Minister that if he were to check the record that the Minister in charge at that time put forward as a strong argument for the inclusion of the Rentalsman Office with rent control legislation, the need to move into the philosophy of wage and price controls and that because the wage and price controls are coming off, that there is no further need for the Rentalsman's Office to continue.

MR. SPEAKER: — Order!

DEPARTMENT OF NORTHERN SASKATCHEWAN

MR. G.N. WIPF (Prince Albert-Duck Lake): — Mr. Speaker, I should like to direct my question to

the Minister of Northern Saskatchewan.

I have been informed that there is a serious breakdown of communications between the Department of Northern Saskatchewan and the people in northern Saskatchewan. You are aware of that? Examples are such decisions as closing of the school at Cole Bay and the water pollution problem there and unpaid school taxes, at Ile-a-La-Crosse because of the provincial Government's restraints, and the often criticized refusal of the Government to listen to the local officials.

Would the Minister not admit that the DNS is falling into the old semi-colonial approach of the previous governments.

MR. SPEAKER: — Order! I hesitate to interrupt a new Member but I think he is distinctly inviting debate and I shall take the next question.

RENT CONTROL

MR. E.C. MALONE (Leader of the Opposition): — Mr. Speaker, I direct my question to the Minister in charge of the office of the Rentalsman.

Do I take it, Mr. Minister, from the answer to the Member for Saskatoon Eastview (Mr. Penner) that at such time as the vacancy factor in apartments reaches a certain stage, that the rent control legislation will be repealed? And, furthermore, will you tell me what vacancy factor you are looking at, what percentage?

MR. WHELAN: — I am sorry if the Hon. Member took that inference from my comments. There are a number of factors that will be considered and as yet we have made no decision as to whether we will continue or discontinue rent control. No decision has been made and I indicated that in my first statement and that is still the position.

MR. MALONE: — A supplementary question, Mr. Speaker. What criteria then are you looking at to determine whether or not rent controls should be lifted? Is it on the basis of wage and price controls; on the basis of vacancy, or what?

MR. WHELAN: — Well, there are a number of factors and of course the vacancy rate is one of them. If there are no places for people to stay, that is one good reason for keeping rent control, but there are a number of other factors. We will take them all into consideration before we decide and as yet no decision has been made.

MR. MALONE: — A supplementary. Are you prepared to tell this House today what those factors are?

MR. WHELAN: — No, because as yet we are not sure what position the Federal Government is going to take on wages and prices and we are not sure when they will be discontinued. If you read the

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paper from day to day, God only knows what the Federal Government has in mind.

ELECTRICAL AND GAS RATE INCREASES

MR. L.W. BIRKBECK (Moosomin): — Mr. Speaker, I should like to ask a question even though I realize I run the risk of having the Attorney General rate it category X or that he may have to make necessary explanations to the press gallery so that they understand my question.

I should like to direct a question to the Minister responsible for Saskatchewan Power Corporation before he gets out of the Assembly.

Recent reports indicate further electricity and gas rate increases. We will assume, Mr. Speaker, that any rate increases will not be announced until after the Pelly by-election if present government policies continue. When after the Pelly by-election can we expect the rate increases and can the Minister give us an estimate as to the predicted rate increases?

HON. J.R. MESSER (Minister of Saskatchewan Power Corporation): — Mr. Speaker, the policy of the Saskatchewan Power Corporation in regard to increases both for electricity and natural gas have been to announce them in the summer of the year, if a rate increase is required. That has been the case in the last two increases. There have been no decisions made as to whether there will be an increase in either gas or electricity in the Province of Saskatchewan. If the Member would look around he would see that energy costs are going up everywhere in Canada, including Alberta, where in many instances electrical costs are higher than they are in the Province of Saskatchewan. He should also be aware that 60 per cent of the natural gas that is consumed in the Province of Saskatchewan comes from the Province of Alberta and we have no control over the pricing of that gas, consequently, if the Province of Alberta which is now governed by a Conservative Government undertakes to increase the cost of that gas, we will have no alternative but to pass that cost on to Saskatchewan consumers.

We have some of the lowest electrical and natural gas costs anywhere in North America.

MR. BIRKBECK: — A supplementary, Mr. Speaker. Instead of any increases would the Minister be prepared to have funds diverted from the Energy Fund to our senior citizens so that they are not faced with further utility rate increases?

MR. MESSER: — That, Mr. Speaker, is not the intention of the Energy Development Fund and we try to convey to the Conservative Caucus and its Members that to use that fund for that purpose simply depletes the fund and we would have no benefit in future years. It is our intention to undertake to invest that fund in wise investments which will have some long-term return to the people of Saskatchewan, such as potash and the development of other minerals in this province. I think that he simply shows his ignorance continuing to request the Government to use that fund in such a short-sighted manner.

REQUEST FOR PRIORITY OF DEBATE ON ROAD LOAD LIMITS

MR. J.G. LANE (Qu'Appelle): — Mr. Speaker, with leave I should like to ask you a question on the procedure. We have requested Priority of Debate and we would just like to ensure that our motion requesting leave for a matter of Priority of Debate be debated today and we'd like the Speaker's direction as to when that matter would come up.

MR. SPEAKER: — I can give the Member the direction that if the Member objects to passing on to Special Order at this time, then we will proceed down the agenda to Orders of the Day and the matter will be dealt with. However, if the Member does not object to passing down to Special Order, the matter will be dealt with later on today when we raise the balance of the agenda and get to Orders of the Day.

MR. LANE: — You are saying that if I do object, it will be dealt with later on today.

MR. SPEAKER: — No, if you do object to giving leave, it will be dealt with very soon.

MR. LANE: — Well we are prepared to have the matter dealt with after radio time, in the normal course, if that's acceptable.

MR. SPEAKER: — That's fine. Then I would advise the Member not to object to passing to Special Order at this time. Do I have leave?

MR. MacDONALD: — Mr. Speaker, may I direct a question. Are you suggesting, Mr. Speaker, that this important matter may never come up today, because if the Special Order continues until 5:00 o'clock this afternoon, there will be no opportunity to debate this or no opportunity to give it consideration? Is that the process we're now going through?

MR. SPEAKER: — Well, I'm always in the hands of the House, because we're dealing with subject matter and we're accepting leave from the House and I'm going to try to follow the usual practice before the House adjourns today, of dealing with the balance of the agenda that we have skipped over at this point. So I can only give you my assurance that I will attempt to deal with it in that way and I assume the Members will attempt to follow me.

MR. LANE: — Are we on the firm understanding that after radio time today that the matter will be taken up, that this matter will be dealt with today? We think it is a matter of urgent importance and we want it dealt with today. Now we're prepared to allow the speakers who are committed to radio time to go ahead and we don't want to disrupt that, but we want a full debate on this matter today.

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MR. SPEAKER: — I cannot give the Member that assurance. I can only ask the Attorney General if that is contained in his request for leave?

MR. ROMANOW: — Mr. Speaker, you know, this matter has come up before the House before. The Member for Regina South put a Priority of Debate on, I think it was Monday of this week. And when I asked that the proceedings of the House be stood so we could get on with the air time which we are on now, as a common courtesy on the day, the Conservatives agreed on that day because it wasn't their motion, but so did the Liberals. Now because it's their motion, they don't agree. Being obstructive, because they want to get into the air time operation. What more can I say, Mr. Speaker, except from past precedent of the operation that's the way it's been going. Now I wish the Conservatives would stop playing games in this Legislature.

SOME HON. MEMBERS: — Hear, hear!

MR. SPEAKER: — Order! I think it's fair to draw from the Attorney General's statement that he intends to follow the usual practice of completing the balance of the agenda that we skip over to get to Special Order. I think I'm correct in assuming that therefore, the question before the House is this; at this time do we have leave to pass to the Special Order?

Agreed.

ADJOURNED DEBATE

BUDGET DEBATE

The Assembly resumed the adjourned debate on the proposed motion of the Hon. W. E. Smishek (Minister of Finance) that this Assembly do now resolve itself into a Committee of Finance and the proposed amendment by Mr. W. C. Thatcher (Thunder Creek).

HON. E. COWLEY (Provincial Secretary): — Mr. Speaker, it's with a great deal of pleasure that I rise to take part in this debate on the Budget. I want first of all to congratulate the Minister of Finance for an excellent job of preparing and presenting this, the sixth Budget of the New Democratic Party Government.

Mr. Speaker, I'd also like to welcome the two new Members to the Assembly. I'm sure that they will soon enter into the fray in this Chamber and I promise them, in true parliamentary tradition, as warm a welcome as I can muster.

Mr. Speaker, I believe that this Budget is a sound budget. It takes a reasonable approach to the economy, to spending and to revenue. Nothing that has been said by the Opposition spokesmen has shaken my belief in this Budget. The Member for Thunder Creek's speech certainly didn't lack enthusiasm, but it was sadly short in substance. The House should now know how the Member has garnered so many awards for his bull. In fact, one of the prize members of his herd might have enlightened this Assembly as much as he was able to.

The Opposition assaults on this Government are a mass of confusion. They oppose government spending with all their heart, except where they want more spending on health, bigger pensions, bigger welfare payments, more funds for the auditors. They say spend more on everything, buy less altogether. Mr. Speaker, this is rank hypocrisy. It's typical free enterprise schizophrenia.

SOME HON. MEMBERS: — Hear, hear!

MR. COWLEY: — I will, Mr. Speaker, return to these contradictions later.

This Government will not fall prey to the cries of the wolves opposite. This province has the best health care in North America, the finest educational system, and our record of financial management is unmatched.

SOME HON. MEMBERS: — Hear, hear!

MR. COWLEY: — Our resource policy is designed for the citizens of this Province, for their children and for their children's children. We won't listen to those in the Opposition who fought our every attempt to obtain a fair return from the province's resources, who wanted to see the revenue from Saskatchewan resources line the pockets of their corporate friends and who now say forget the future.

Mr. Speaker, the Member for Lakeview (Mr. Malone) who is in the process of leading the Liberal Party out of the wilderness and into oblivion and the Member for Nipawin (Mr. Collver) are birds of a feather. Their only difference is that one is a lawyer, while the other needs a lawyer.

SOME HON. MEMBERS: — Hear, hear!

MR. COWLEY: — Both would sell us out to foreign corporations. Both to their corporate friends, we in the New Democratic Party have never approached government in that manner, nor will we do so in the future.

Mr. Speaker, in speaking in this Assembly in the Throne Speech debate, I dealt at some length with the people and the groups that finance the Progressive Conservative Party in this province. I outlined the little guys who pay the piper and call the tune for the Tories. Little guys like oil companies, mining companies, banks and trust companies. I listed a number of these and the level of their contributions. I also listed a few interesting individual contributors, such as the Drs. Baltzan of Saskatoon.

I questioned the contributions of CKCK to various Conservative candidates. This portion of my remarks seemed to attract some public attention. It even brought a response from a member of the senior management of CKCK and of Armadale. He admitted they'd made contributions to two political parties. Now I suspect, Mr. Speaker, that we all know who they were. He also said that he saw nothing wrong with this whatsoever. Well, Mr. Speaker, if CKCK felt that making these contributions was justified and was perfectly acceptable, then why was it that

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they chose to make the contributions to the Tories in the nice round figure of \$99, a figure which happens to be just under the level which would bring about public disclosure?

Now the Member for Nipawin, the Leader of the Conservative Party, wasn't pleased that I'd obtained these figures. The Member for Swift Current, he went so far as to accuse me of using information which was somehow privileged. For the record, for the benefit of the Conservative caucus in particular, I should like to read a passage from the Election Act. The passage deals with the responsibility of the Chief Electoral Officer, with respect to the returns filed by political parties and by candidates. The passage is in Section 203 A (1) (C). It says and I quote:

Shall at all reasonable times during the six months period next after they've been delivered to him permit any elector to inspect them and to make extracts therefrom.

Now, I don't know whether the Members of the Conservative Party can't read or didn't take the time to look it up, but whatever the reason, I feel that the allegations made by the Member for Swift Current, that I'd obtained the information in a manner somehow less than straightforward, were uncalled for and unworthy of a Member of this Assembly.

SOME HON. MEMBERS: — Hear, hear!

MR. COWLEY: — The other comment I made in my remarks last November dealt with the credibility of the Member for Nipawin's membership claims. I said at that time and I repeat today, that the Conservative Leader, in the June 9, 1975 edition of the Regina Leader-Post, claimed a membership of more than 10,000. This was at the same time as the official records of his party, as filed with the Chief Electoral Office, indicated that they had a membership of only 5,184 on May 12th, plus 210 youth members. On June 9, 1975 the same day as the newspaper article, they had a membership of only 5,803. That's only slightly over one-half of what the Party Leader claimed.

The Member for Nipawin rose to challenge my statement. He accused me of producing a falsehood. He asked me to withdraw the remarks and tried to wiggle out of his web by saying I referred only to memberships sold during the election period. Mr. Speaker, I was not referring to only those memberships sold in the course of the election. That figure was filed separately by the President of the PC Party in January of 1976. In just a moment, Mr. Speaker, I will table the documents on which my statements about the Conservatives misleading the people of this province, were based. The documents that I am about to table consist of two receipts which were filed by the Progressive Conservative Party along with their election return. The receipts are from Computer Services Western Ltd. 201 - 416 21st Street East, Saskatoon, Saskatchewan. They are billings to the Progressive Conservative Party of Saskatchewan. Bills for the production of mailing labels. On the first receipt, a certified true copy of which I now table, there is a charge for labels, all members. May I repeat that, Mr. Speaker. Labels, all members, 5,184 at 3.5 cents each. And a second charge PCYF 210 at 4.5 cents each. PCYF is the initial form for the Progressive Conservative Youth Federation. This receipt is dated May 23, 1975.

Mr. Speaker, the second receipt, a certified true copy of which I now table, is dated June 9, 1975. Another bill from Computer Services to the PCs. This bill contained the charge of 409 additions at ten cents a piece. If you add the May 12th figure of 5,184 to the June 9th addition of 409, plus the 210 young Tories, you come up with a grand total, 5,803, nowhere near the more than 10,000 deliberately exaggerated figure used by the Conservative Leader.

SOME HON. MEMBERS: — Hear, hear!

MR. COWLEY: — Just so the record is straight, Mr. Speaker, I'd also like to document the other comments I made regarding the Conservatives' dubious financing. I table first, a certified true copy of the original election return filed by the Conservative candidate in Last Mountain-Touchwood. The return shows contributions from Murphy Oil Company of Calgary, Alberta in the amount of \$99.50, a contribution from CKCK radio in the amount of \$99, and a contribution from Canada Permanent Trust of \$100. This return was filed on July 24, 1975. Just to show that a Conservative can be smart enough to know he made a mistake, I would also like to table at this time, a certified true copy of the second election expenses return filed by the Tory from Last Mountain-Touchwood, this one dated August 14, 1975.

Now, Mr. Chairman, the Murphy Oil Company contribution is nowhere to be seen. The CKCK contribution has disappeared. The Canada Permanent Trust entry is mysteriously gone. Mr. Speaker, it would appear that the Tories are ashamed of their friends and well might be.

SOME HON. MEMBERS: — Hear, hear!

MR. COWLEY: — Entered on the second return is a simple entry. Twelve donations \$100 or less, names not revealed, for a total of \$725.50. Mr. Speaker, this may go down in political history as "the case of the disappearing donors." Just so that no one thinks this was an isolated case, I also table a certified true copy of the return filed by the Conservative candidate in the Morse constituency. This return also shows a CKCK contribution of \$99.

Finally, Mr. Speaker, I don't want to burden the House by tabling too much information, so I end the documentation of my case by laying on the table a copy of the June 9, 1975 Regina Leader-Post story on the Conservative Leader's comments in Humboldt. It says, and I quote:

The Saskatchewan Party is working with only the money received from within the province on a day-to-day basis, Mr. Collver said.

I ask the Hon., (and I use the description somewhat loosely), Member for Nipawin, what about Murphy Oil of Calgary, what about the PC Canada Fund, what about Canada Permanent Trust and on and on and on?

I could only offer to the Conservative Leader an old adage,

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Oh what a tangled web we weave
When first we practise to deceive.

SOME HON. MEMBERS: — Hear, hear!

MR. COWLEY: — Now, Mr. Speaker, I would have thought the Conservatives Leader would have been more careful after last fall. However, on February 10, 1977 it's reported in the Prince Albert Herald, and I quote, and I'd like to table this as well:

Responding to the NDP advertisement linking the PCs and the Liberals to the giant corporations, Mr. Collver said his party has not received a dime from such corporations.

MR. MOSTOWAY: — Not a dime, but millions, yes. Not a dime. That's true, not a dime.

MR. COWLEY: — The Member for Saskatoon Centre says not a dime, just millions. Mr. Speaker, one could say about the Conservative Leader that he seems to dance to that old tune, "don't let the facts get in your eyes.

Let there be no mistake about it, Conservatives have always been financed by Bay Street. They've always represented the privileged interests in our society. They've always pretended to represent the little guy while protecting the rich and the powerful and they haven't changed, Mr. Speaker, they haven't changed.

SOME HON. MEMBERS: — Hear, hear!

MR. COWLEY: — Mr. Speaker, I intend to devote the bulk of my comments in this Budget Debate to dealing with the criticisms offered by the Leader of the Conservative Party and examining the few proposals he and his party have put forward.

You know, for over two years he's been speaking in generalities, without any examination of either his or his party's position. I suppose it was too much to expect the press of this province to analyse the Tory Party, given their obvious commitment to see them elected. Nevertheless it's still disappointing to see the press continually plugging the Member for Nipawin and ignoring anything negative with respect to him or his party.

I expect, Mr. Speaker, that any comments I may have will be ignored by the media, nevertheless, I can tell you one thing, I don't intend to be accused of not having tried.

SOME HON. MEMBERS: — Hear, hear!

MR. COWLEY: — In the debate yesterday, the Conservative Leader gave us the benefit of his financial wisdom. He spoke mostly of gloom and doom, of what terrible things deficits were. I was convinced, listening to him, Mr. Speaker, that no self respecting Conservative would ever have even a "teeny weeny" deficit. Mr. Speaker, I decided then to see how Conservatives

do it in other places, and I checked Ontario. I looked at 1972-1973 because I wanted to see how big a surplus they had in that year. You know what surprising information I came across? They had a \$365 million dollar deficit that year.

Now, Mr. Chairman, even Tories can be given one mistake. So I checked the next year, and you will never guess at the surprise I received. A 379 million dollar deficit. On to the next year and another shock. A \$546 million deficit in Ontario. Mr. Speaker, that would buy several potash mines. I didn't put them out with three strikes, so I thought I would give them one more chance, and I looked at the next year, 1975-1976. Lo and behold, Mr. Speaker, a deficit of \$1,480,000, Mr. Speaker that was larger than our entire budget was that year.

Mr. Speaker, they say that people in glass houses shouldn't throw stones; well I want to say to the Tories in their saran wrap house, they shouldn't even breathe.

SOME HON. MEMBERS: — Hear, hear!

MR. COWLEY: — Mr. Speaker, the Conservative Leader went on to decry the fact that this Government has just a little over half of our cash forward in cash or marketable securities, as of March 31, 1976, and he said Mr. Speaker, that was fiscal mismanagement. That is what he said. Those are his words. I wondered how the Tories do it in Ontario.

You know he is criticizing us for having only a little over half of our cash in marketable securities, so I checked Mr. Speaker. In Ontario, at their year end on exactly the same date, they didn't have even half. Mr. Speaker, they didn't have a quarter. Mr. Speaker, they didn't even have a zero balance. No, Mr. Speaker, they were the grand sum of \$155,124,000 in the hole. Not only that Mr. Speaker, those wise Tory financial managers had a bank overdraft of \$463,460,000. Now talk about mismanagement in the Member for Nipawin's (Mr. Collver) terms. It is no wonder that the banks contribute so much to the Tories, they can't afford to let them go down the tubes.

Now I can hear it coming and I know the Member for Nipawin, Mr. Collver, will say "look to Alberta." Well, Mr. Speaker, I did, and I used the Leader of the Conservative Party's very own patented method. One by the way I don't agree with, but it is his method, so I used it. I am reminded of another Legislative sage whom we had in this Chamber, who happened to be a Liberal, who had his own method. He said that population was the acid test of the Government. That got him. Well, Mr. Speaker, I will use the Conservative Leader's special and unique technique to examine Alberta. As of March 31, 1976, the Conservative Government in Alberta had a surplus of \$516.6 million, like our cash carry forward. They also had an amount due to Heritage Fund, like our Energy and Resource Development Fund, of \$1,500 million. The total surplus was shown as \$2,016,600,000. But, Mr. Speaker, they only had in cash and short term deposits \$933.3 million.

Now, using the Member for Nipawin, Mr. Collver's simple minded and illogical approach, they had a short-fall.

MR. HAM: — Mr. Speaker, I understand

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it is proper Legislative procedure not to use a Member's personal name.

MR. DEPUTY SPEAKER: — Order! Order! Please order! I suppose the point is well taken and I ask all Members to bear this in mind when they are addressing the House and the Assembly.

MR. COWLEY: — Mr. Speaker, I can understand why the Members opposite don't want anyone to know the name of their Leader.

I want to point out that I was very careful at all times to say the Member for Nipawin, Mr. Collver, which I believe is quite appropriate in this Assembly.

SOME HON. MEMBERS: — Hear, hear!

MR. COWLEY: — Mr. Speaker, If we mismanaged our affairs, which we didn't, then Alberta, that Conservative mecca, by the Collver standard has been a colossal disaster.

SOME HON. MEMBERS: — Hear, hear!

MR. COWLEY: — Mr. Speaker, the Conservative Leader's criticism wouldn't hold up to scrutiny before a kindergarten class. It is shallow and erroneous and I'm disappointed that the press of this Province, some of his best contributors, didn't take him apart before the cameras. Surprise! Surprise!

Mr. Speaker, the Conservatives bemoan the fact that we had advanced some of the Energy and Resource Development Fund to Crown corporations. I want to tell him and Members of this Assembly and the people of Saskatchewan that we are not alone in this regard. Alberta has advanced more from their Heritage Fund to one Crown Corporation than we have to all of ours, \$424.4 million. Not only that Mr. Speaker, but they have sunk, and I believe that is the appropriate word Mr. Speaker, sunk, \$320.1 million into Syncrude, that gigantic sellout. Mr. Speaker, \$320.1 million and they don't even own it. And the Leader of the Conservative Party criticises or acquisition of resources which the people of Saskatchewan now own.

SOME HON. MEMBERS: — Hear, hear!

MR. COWLEY: — Sure he would sell them, to his friends. Who would get Saskoil? Maybe Murphy Oil who contributed to the last Saskatchewan Conservative campaign. Perhaps the Province would put up the money and Murphy Oil would get the ownership a la Syncrude.

Mr. Speaker, I want to turn to one of the common criticisms of this Government, and one the Leader of the Conservatives used yesterday in his speech on this Budget debate. That we are spending too much money, that the Government is too big in Saskatchewan, that there is too much bureaucracy. The criticism comes from both Liberals and Conservatives who suggest that somehow they would do better. Well, let's look at the facts.

Mr. Speaker, I should like to give this House some figures on per capita spending based on the various Provincial Government addresses and estimates for 1976-77. Expenditures are gross and include government department current and capital spending.

Well, Mr. Speaker, who do you suppose is the biggest spender of them all? None other than good old Conservative Newfoundland at \$1,956 per capita. In second place trying hard to be the biggest spenders of all, is Liberal Prince Edward Island at \$1,710. Next come two more Conservatives, New Brunswick and Alberta, \$1,679 and \$1,622 respectively. And just so the Liberals don't feel left out, numbers five and six are or were at the time, two Liberal Governments, Quebec and Nova Scotia, \$2,569 and \$1,538 respectively. Ontario is in seventh place, undoubtedly because of minority government, and NDP opposition, followed by British Columbia, still benefitting from NDP policies. And who are the best, two best managed Provinces Mr. Speaker? Why, for gosh sakes, it is Manitoba and Saskatchewan at \$1,400 and \$1,420 respectively.

Saskatchewan and Manitoba provide more and better services in health care than other provinces, they provide them more efficiently. It is obvious that some people opposite just talk a good fight.

SOME HON. MEMBERS: — Hear, hear!

MR. COWLEY: — Mr. Speaker, the same two Opposition Parties continue continually attack the growing bureaucracy in the Province as they call it. Again, one needs to look at the facts to sort the wheat from the chaff. No one denies that we have more programs in Saskatchewan than in other provinces. For example, a children's dental program, a hearing aid plan and a drug program. Mr. Speaker, people are required to run these programs, but the Conservatives have suggested that they could in some way do better. Well, a comparison with Alberta is enlightening for those who take the Tories at their word. As of December, 1975, according to Statistics Canada, there were two and one-half times as many civil servants in Alberta than in Saskatchewan.

Mr. Speaker, that, for a province with fewer programs and fewer services than Saskatchewan. Well Mr. Speaker, I know what someone is going to say, "but they have more people to serve". Well, Mr. Speaker, I compared them on the basis of population. Saskatchewan had 1.8 per cent of its people in the civil service compared to 2.4 per cent in Alberta, 33 per cent more. Mr. Speaker, actions speak louder than words.

SOME HON. MEMBERS: — Hear, hear!

MR. COWLEY: — Mr. Speaker, where are our free enterprise friends across the way when it comes to auto insurance? Somehow they are strangely silent. Perhaps it is because here the facts are too well known. They can't bluster their way around with vague criticisms. For example, look at a single twenty-one year old who has no accidents and is driving a 1975 Chevrolet. For a policy with a \$200,000 public liability and \$100 deductible he would pay over \$800 in Calgary or Toronto. In Saskatchewan it would cost him less than \$300.

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Mr. Speaker, are the Conservatives and Liberals committed to public auto insurance or would they move in the wrecking crew here, too?

SOME HON. MEMBERS: — Hear, hear!

MR. COWLEY: — Mr. Speaker, if they are committed to public auto insurance why are there so many general insurance companies listed as contributors to the PC Canada Fund? I would suggest Mr. Speaker, that since the Tories are committed to selling our potash to their corporate friends and committed to selling our oil resources to their corporate friends, SGIO can't be far down their list.

SOME HON. MEMBERS: — Hear, hear!

MR. COWLEY: — They won't be any kinder to public insurance than their free enterprise friends in British Columbia. Indeed it may be that the Bailey buggy would become the 1980 version of the Bennett buggy.

Mr. Speaker, I turn now to examine one of the few proposals the Conservatives and their Leader, Mr. Collver, have put forward. Indeed it only consists of three words, a catch phrase they have used from time to time, zero base budgeting. It is a term that I doubt any of them understand, but nevertheless it does give the impression to the public that the Conservatives have an alternative.

Traditionally in Saskatchewan, and virtually all jurisdictions in North America, budget control has focused on incremental evaluation. In this approach certain programs are assumed to be built into a budget before one starts. One starts with certain assumptions. Assumptions such as that we will have a hospitalization and a medicare program, we will run an education system, and will make grants to municipalities. Then we deal with incremental spending, adding or subtracting to existing programs.

I read the Conservative literature distributed during the two recent by-elections, and noticed that they would introduce this zero base budgeting. I had a general understanding of the term, but I couldn't believe that even they would propose it. So I obtained a detailed explanation to make sure I hadn't missed anything, and it really only verified my fears. I should like to explain to this House, and to the Conservative Caucus in particular, what zero based budgeting means.

Zero base budgeting doesn't acknowledge the existence of any base. It starts out assuming there aren't any programs. What this means, Mr. Speaker, is that the Conservatives are committed to no existing programs. Let us be perfectly clear. A conservative Government is not committed to providing a medical care program. They have said so, "Put the care back in medicare". Indeed, Mr. Speaker, how can a party whose budgeting process commits it to no programs put the care back in medicare? Empty words Mr. Speaker, empty words.

SOME HON. MEMBERS: — Hear, hear!

MR. COWLEY: — Mr. Speaker, farmers should know that the Conservatives' zero base budgeting means there is no commitment on the part of the Conservative Leader to FarmStart, community pastures and ag reps or any other agricultural program. A Conservative Government would not be committed to any of them. Consumers should know that Conservatives are not committed to consumer protection nor to enforcement of consumer legislation.

Workers should know that Conservatives are not committed to occupational health programs, labour standards enforcement, nor indeed, I suspect, Mr. Speaker, to much of the labour legislation now in force. Indeed, Mr. Speaker, zero base budgeting means the Conservatives are committed to nothing except power, something many of us have suspected all along.

Mr. Speaker, significant advances in budget reform have already been made in Saskatchewan. Program-based Management Information System is the focal point of this reform. This method holds out more promise than the zero base approach. Total information is generated relative to selected programs and input-output analysis is more refined than any known zero based applications. The name of the game is to provide improved information to support allocative decision-making. Saskatchewan is miles ahead of any jurisdiction in Canada in this respect. Zero base budgeting if applied in Saskatchewan would be outdated, destructive and irrelevant, from the standpoint of budget analysis and control.

The concept of zero base budgeting has been dismissed by this Government and by leading budget theorists throughout the world. Basically because there is no budget system anywhere per se which is non-incremental in all applications. Now, Mr. Speaker, I don't think the Conservatives know what they are talking about. I don't think they really understand the meaning of the term. And I ask them as they take part in this debate to expand on this proposal and to explain fully to this Assembly and to the people of Saskatchewan how they would implement such an approach.

Mr. Speaker, yesterday speaking in this debate the Leader of the Conservative Party said the people in Saskatchewan should be given the opportunity to participate directly in the future of the potash industry. Well, what the Conservative Leader proposes is that the Crown corporations of the Province which are involved in the resource industries will be formed into a public corporation which issues shares. It is our position that every citizen of Saskatchewan already has a share in this Corporation. An equal share, a share regardless of their financial position, their geographic location or any other considerations.

He proposed that every Saskatchewan citizen would receive one voting share. Now, Mr. Speaker, these shares would have to be transferable or they wouldn't be worth any more than the paper they are written on. If they are transferable that means that I or anyone else would be free to sell that share to whoever I wish. I could also give voting rights to whoever I wanted to in the form of a proxy.

Now if the Member for Nipawin or anyone else in his caucus had a knowledge of corporate structure or so-called "theory of the firm," they would see the folly of their proposal. For any company, such as this where the shares are widely distributed, it would only take 4 or 6 per cent of the shares for a group to take control of the company. Even for companies whose shares

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are less widely distributed, the figure seldom rises above 20 per cent. What could happen then would be that some corporation could buy 10 per cent of the outstanding shares of the company and have succeeded in taking control of it, for only 10 per cent of the cost. You know, at least the Liberal Leader would try and negotiate the price for selling our birthright. The Conservative Leader would virtually give it away.

Now I know the Conservatives may respond by saying the shares would be restricted. They couldn't be held by non-residents. That would partly blunt the point of the whole exercise, but it could probably be done, even if it were done there are definite problems. A large group based in the province could take over the new corporation. They could do so either by acquiring shares from individuals or by voting as a block or by obtaining the proxy vote of their members.

I sort of contemplated this, Mr. Speaker, and I wondered if the Conservative Party might not object to the Saskatchewan Federation of Labour electing all the members of the Board of Directors of this new corporation, and perhaps they wouldn't but it certainly would be a very likely possibility, given this particular structure. As it is now no one citizen has excess say on how these Crown businesses are operated nor does any particular citizen receive more benefits simply because he belongs to a group or because he has enough funds to purchase other people's shares. Under the Tory proposal those who are wealthy, those who belong to special groups or organizations would have disproportionate power to the detriment of the average citizen of Saskatchewan.

SOME HON. MEMBERS: — Hear, hear!

MR. COWLEY: — I would suggest to the Conservative Leader that he listen to his convention, which for all the wrong reasons, made the right decision in rejecting his proposal. While it may sound appealing on the surface it is typical of all the proposals that emanate from the Members of the Conservative Party, it is shallow and doesn't stand up under scrutiny. I suggest that they stick to vague generality and to corporate planning at the level of "Mismanagement Associates" and not wander into the dangerous areas of actually making specific proposals.

Mr. Speaker, I only have a couple of brief areas I should like to cover before closing. Yesterday, I was, along with most Saskatchewan residents, pleased to hear unemployment figures for this province released. Unfortunately, it wasn't as pleasant a day for the rest of Canada. It was interesting to note the usual apologetic way that the press mentioned Saskatchewan's relatively excellent showing. I first heard the reports yesterday morning about 8:00 o'clock on CKCK. I was surprised that the only provincial comment that they had was from the Conservative Leader, the Member for Nipawin. I tried to catch it again but they didn't replay it as far as I could find out. Even CKCK, an acknowledged supporter of Conservative candidates, didn't think it was worthwhile re-airing the inane comment he had made. He said something like this: — the reason Saskatchewan has such good results is because we don't have such secondary industry. Then he went on to say that we need to develop more secondary industry to reduce unemployment.

Now, Mr. Speaker, it didn't make any sense at all and even CKCK was too analytical to replay it. I would suggest that the Leader of the Conservative Party spend his time talking about vague generalities and not try to give specific comments like that. Perhaps he should follow Joe Clark's example - hear no policy, see no policy, speak no policy, have no policy.

SOME HON. MEMBERS: — Hear, hear!

MR. ROMANOW: — . . . and going down in the Gallup Polls every day.

MR. COWLEY: — The Attorney General says, and going down in the Gallup Polls every day, only going down slower than the Members for the Conservative Caucus opposite.

SOME HON. MEMBERS: — Hear, hear!

MR. COWLEY: — Mr. Speaker, I know the Members of both opposition parties with their blind commitment to free enterprise, will fail to see the merits of our Budget and our resource policies. However, I am convinced that the people of this province will support our Government and its endeavours to obtain the maximum economic return from our resources.

Mr. Speaker, you can look at the potash industry as an example. To all those free enterprisers opposite I ask: how many young Saskatchewan people do you know who worked hard, built up an enterprise and now own a potash mine? I guess we all know the answer, Mr. Speaker, none. If we are going to have Saskatchewan ownership, it is going to involve the Government. Either it will be through a Crown corporation, where all share equally in the ownership, or a private company heavily backed by the Government where all will share in the risk, but the few with the money will share the profits.

Mr. Speaker, this Government has chosen the first option, the Conservatives have chosen the second which should surprise no one. They don't believe in the public sharing the profits, only the risks. One need only look at Syncrude and Churchill Forest Products to see how their policies would operate.

Mr. Speaker, I firmly believe that this Budget and our policies will be supported by the people of this province and consequently I will oppose the Liberal amendment and support the main Motion.

SOME HON. MEMBERS: — Hear, hear!

HON. W.A. ROBBINS (Minister of Health): — Mr. Speaker, I take pleasure in entering the Budget Debate at this time. I should first like to congratulate the Minister of Finance on the presentation of a good, sound document in line with economic situations as they currently exist.

I should also like to take the opportunity, Mr. Speaker, to congratulate two new Conservative Members, the Member for Prince Albert-Duck Lake (Mr. Wipf) and the Member for Saskatoon-Sutherland (Mr. Lane). I hope they will make significant contributions in the House. I have often wondered in the last few days if the Conservative Party would be over there at all if it wasn't for the two new Members, all the rest of them were out of their seats.

I note the elation in the Conservative ranks with respect to the two by-elections. I suppose that is understandable. One characteristic, particularly of the Leader of the Conservatives,

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is that he doesn't possess much humility. Mr. Speaker, I fail to understand that simply because he has so much about which he should be humble and could be humble. I take a look at the Conservative Leaders across the country, Mr. Speaker. If I go to Newfoundland I find Premier Moores, a very nice fellow, I have met him. I see Mr. McQuaid in Prince Edward Island, a very nice fellow; Mr. Buchanan in Nova Scotia, very nice fellow; Premier Hatfield in New Brunswick, very nice fellow. I suppose, in Quebec, because one can't find a Conservative Party there I have to look at Mr. Biron, the Leader of the Union Nationale. If I come to Ontario I find Premier Davis, well known to the Canadian public and who has been in the public eye for a long time. If I come to Manitoba I find the Conservatives are led by a person named Sterling Lyon. I have talked to some people in Manitoba and they think those names should be switched around. If I come to this province I find the Hon. Member for Nipawin (Mr. Collver) as the Leader of the Conservatives. I look at Alberta and I find that they have Premier Loughheed, who has been in the news, not so much recently but quite a bit in the last few years. The Leader of the Conservatives in British Columbia is Doctor Scott Wallace, a very nice fellow, but the trouble is he hasn't anyone to lead, he is the only one in the House of the Conservative persuasion. Now if I go back to Ottawa and look at their national leader, Joe what's his name? I find that the group as a whole are a pretty mediocre lot, but the Leader of the Conservative Party in this province, Mr. Speaker, stands head and shoulders below them all.

SOME HON. MEMBERS: — Hear, hear!

MR. ROBBINS: — A great deal has been said in this debate with respect to the budget brought down in March one year ago.

The financial critic from the Liberal Opposition and the Leader of the Conservatives have attempted to make much of the projected shortfall of approximately \$45 million between estimated expenditures and anticipated revenues in the fiscal year which will end on March 31st next. They intimate they looked in their crystal balls and accurately prophesied such a short fall. Rubbish, Mr. Speaker, complete and utter rubbish. In both cases it was simply a shot in the dark. A year ago in his budget presentation the Minister of Finance suggested a probable addition of some \$2 million to cash carry forward. The estimated excess of \$2 million is now predicted to be a shortfall. It is readily explainable.

When the budget was presented a year ago, no one, Mr. Speaker, not even the so-called prophets across the way could predict a payment of \$8 million in disaster allowances related to spring flooding in April and May and a disastrous windstorm in central Saskatchewan in June. How, I ask this House, Mr. Speaker, could any one predict a payment of some \$31 million to cow-calf producers some seven months after the budget for 1976-77 was presented in this Assembly?

In May 1976 there was a nurses' strike some two months after the budget presentation. The settlement resulting in an increased cost of some \$8 million. Even the Hon. Member for Nipawin, Mr. Speaker, should be able to total additional expenditures for these three items and come out with a figure of \$47 million. These expenditures eliminated the estimated \$2 million excess and created the \$45 million anticipated shortfall. Even a printout from a computer operated by

Management Associates - or is that managed associates - and the management processes advocated by the Hon. Member for Nipawin should lead him to believe that \$31 million plus \$8 million plus \$8 million, totals \$47 million and had those expenditures not been made a \$2 million excess in cash inflows over cash outflows would have resulted. Does he disagree with these expenditures? If he does let him say so. Does the Hon. Member for Thunder Creek (Mr. Thatcher) oppose them? If he does, let him admit it.

The Hon. Member for Nipawin suggests the results of the two recent by-elections, Mr. Speaker, resulted in increases in the health budget for fiscal 1977-78. Wrong again! His crystal ball is still cloudy. He sees through the glass darkly.

In the 1976-77 budget we estimated health expenditures of \$338 million - an increase of some \$44 million over the actual expenditures incurred in 1975-76. The estimate will be exceeded and actual health expenditures by March 31, 1977, will be in the range of \$344 million to \$360 million. The actual increase in expenditures over the preceding year will be in the range of \$60 million.

Now, Mr. Speaker, he asserts we are appreciably increasing the allocation to health as a result of the by-elections. The Budget presented last Thursday was complete and in print prior to the March 4th by-election result tabulations.

Mr. Speaker, the 1977-78 Budget is a responsible financial document which realistically reflects current financial indicators. It has made reasonable provision for sustenance of our major provincial programs. It provides some new additional services. I am, Mr. Speaker, particularly pleased that a major expansion of home care services is to be launched in the 1977-78 fiscal year. The Budget provides \$6,300,000, an increase of some 50 per cent and I wish to make it clear that this is the first stage in implementing this major community-based health and social services program. As needed, services are provided to people in their homes, we believe it will in time reduce the demand pressures for additional nursing home beds and Level 4 facilities.

We believe that this program will be of major benefit to the elderly as well as the handicapped, disabled and other chronically ill persons.

Once again, Mr. Speaker, this Budget provides for major increases in funding for health care programs to an estimated total of \$403.7 million. Funds provided to the Saskatchewan Hospital Services Plan are estimated at \$232.4 million, an increase in excess of 20 per cent over the preceding year. Mr. Speaker, I invite the Members opposite to compare this increase with the 8 1/2 per cent to 11 per cent ceiling increases imposed by other provincial jurisdictions through the Dominion of Canada.

The Budget provides \$23.5 million for hospital construction. That figure includes \$16 million for construction and equipment at the University Hospital in Saskatoon. I want Hon. Members to note the University Hospital project will have a total cost of approximately \$41 million when completed in 1978.

Mr. Speaker, we have also budgeted \$3.1 million for the

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beginning of the regeneration program for Regina hospitals - a program totalling some \$66 million over a ten-year span. In addition, we have an allocation of \$4.3 million for a variety of construction and renovation projects in the health field throughout the province. Saskatchewan Provincial Health Programs have always been the model for all of North America, Mr. Speaker, and we intend to keep them in that position.

As Saskatchewan people we have every right to be proud of these programs. We expect the health benefits in our province will continue to remain a model for other jurisdictions.

SOME HON. MEMBERS: — Hear, hear!

MR. ROBBINS: — These expectations are a direct result of our commitment to the maintenance and expansion of health benefits designed to improve the well-being of Saskatchewan people. We have managed to expand the range of our health programs and to do that during a Canada-wide restraint program in relation to health cost escalation. In Saskatchewan we do not pass on directly to the individual consumer of health care, the burden and pressure of escalating health costs and we do not intend to do so, Mr. Speaker.

As a government, we have been subjected to a great deal of criticism for taking responsible decisions in health expenditures. Much of that criticism is totally unwarranted. For example, in 1971-72, 53.3 per cent of provincial health expenditures went to hospitals. Today hospital expenditure is approaching 58 per cent of the total budget. If one includes capital grants for hospitals, hospital expenditures consume almost 63 per cent of our health budget. Hospitals are receiving a fair share of our health dollars. The adequacy of our hospital facilities is reflected in the availability of hospital services in Saskatchewan when compared with the rest of Canada.

I ask the Members of this Assembly to take note that Saskatchewan has the highest number of rated beds per thousand of population in Canada. That is from Statistics Canada. Saskatchewan has the highest number of beds per thousand on an approved basis anywhere in Canada. Saskatchewan has more separations per thousand population than anywhere in Canada. Saskatchewan has not reduced the quality of its services. Actual staffing available expressed in paid hours per patient day is at 12.7 today - that is the end of 1976 - compared to 11.4 in 1971. This general increase in staff allowance is evident in major categories of staffing including nursing service, which stood at 5.9 in 1971 and stands at 6.5 today.

Those statistics, Mr. Speaker, come from the federal authority in this country and should be taken note of by the Members of this Assembly.

On a per capita basis we have more occupied hospital beds than any other province - 5.6 per thousand compared with 4.1 nationally. We also admit more persons to hospital each year and we provide the most days of patient care. If we had hospital admissions at the national average last year we would have had 40,000 less patients hospitalized. Overall, the gross expenditures of the Health Department have risen from \$156 million in 1971 to just under \$404 million in the coming fiscal year, a rise of 158 per cent in six years — an average annual

increase in the range of 25 per cent.

Mr. Speaker, in the past these costs have been shared with the Federal Government through cost-shared programs. These are now being replaced by block grants and tax point transfers. The federal authority is opting out of its responsibility to share the financial burden in developing much-needed community programs which would provide some alternatives to higher cost institutional services. Ceilings have been placed on federal contributions to provincial health and social service programs. The ceilings are restrictive - they shift the burden of escalating costs on to the provincial economies and that new policy will cost this province many millions in the next five years.

To sustain Saskatchewan health and social programs and provide new services which are most important to the elderly and the chronically ill new resources must be found at the provincial level. The only other alternative is to redirect funds from existing health and social programs. The policy in this field of the Liberal administration in Ottawa is totally insensitive to these facts. Virtually all new federal money will be directed to the wealthier provinces of Ontario, Alberta and British Columbia. They appear to follow the biblical exhortation: — “To him that hath shall be given - to him who hath not, even that which he hath shall be taken away”. This applies to at least five of the provinces of Canada and will create particularly grave difficulties for the Maritime Provinces.

Our provincial health budget, Mr. Speaker, is constructed after a careful review of needs and priorities. We intend to regularly review those requirements to enable us to most appropriately meet community needs. We invite comparisons with other provinces and their healthy programs. We have not imposed ceilings. We have conscientiously assessed needs and arrived at a prudent budget to appropriately meet those needs. Evidence of such review is the Saskatoon situation where additional hospital service needs were recognized. We authorized day surgery units at the City and St. Paul's hospitals and provided some \$479,000 additional in operating grants to meet that established need. That is an example of responsiveness, Mr. Speaker, from this Government.

The 1977-78 health budget remains responsive to the needs of special groups. The increase of the elderly people among us is apparent and will continue with their needs for special services. Some 25 per cent of all the medical services in this province and 40 per cent of all hospital days are required for treatment of persons 65 years of age and older.

We hear much from Opposition Members of deteriorating health services. Yet the Executive Director of the Saskatchewan Health Care Association denies Opposition Members' assertions that there has been a reduction in health service levels in 1976 because of the restraint program. We suggest that as Executive Director of the Hospital Association he is in a position to know.

Mr. Speaker, I would like to make some brief comment on tax changes in the Budget. Tobacco taxes are increased. The increase in tax may, to some degree, discourage the habit. If it does not, at least it will provide revenue to help meet the high medical and hospital costs associated with lung cancer

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and emphysema cases which are directly derived results of that habit.

Opposition Members decry the gasoline tax returning to the 19 cent per gallon level. I want them to take particular note that it is at the same level now, 19 cents per gallon, as it was in 1970 when the Liberal Party occupied the Treasury Benches. The gasoline tax today is some 22 per cent of the average price of a gallon of regular gasoline. In 1970 it was some 33 per cent of the price of a gallon of regular gasoline.

Opposition Members praise the repeal of the Succession Duties and Gift tax. There is nothing wrong with such a tax except that it should be applied at the national level where it can be uniformly applicable. Opposition Members used to decry what they termed an exodus of people of substance to Alberta and westward. I have talked to many of those people. In 1973 they told me they were leaving, in 1974 they told me they were leaving, in 1975 they told me they were leaving, in 1976 they told me they were leaving and they are still here, Mr. Speaker.

Budgets are based on estimates. What else could they possibly be based on? Does either of the Liberal financial critic and/or the self-styled management whiz kid for Nipawin (Mr. Collver), (some people in Saskatchewan, Mr. Speaker, doubt the efficacy of that title - and have good reason to doubt it) have access to better information and analysis of the probabilities than do the highly skilled dedicated civil servants of the Budget Bureau - the Tax and Fiscal Policy Branch and the Financial Investment Services section of the Finance Department? The answer is crystal clear. They simply do not.

Mr. Speaker, I should like to make just a few brief remarks with respect to the 'Safety '77 Program'. In 1975, 286 persons died in Saskatchewan in automobile accidents; 27,239 were injured in automobile accidents; 10,000 of those people appeared in our emergency wards of our hospitals. Mr. Speaker, had those people been wearing seatbelts we would have had 6,000 less people in our emergency wards. We would have saved approximately one-half of those 286 people who were killed in accidents. Some people will argue that the use of seatbelts is an interference with their freedom. Do these people argue that it is an interference with their freedom when they ride on an airplane and are required to do up a seatbelt. The chances of being injured or killed in an automobile accident are much greater than that they will be killed or injured in a plane accident. Do they, in fact, Mr. Speaker, consider it an infringement of their freedom because they have to drive their cars on the right hand side of the road? Their car will work just as well on the left hand side of the road, it will operate just as efficiently. The fact of the matter is you must have some established rules in relation to a society such as ours. We are hopeful that the Safety '77 Program will in fact do so if we gain the co-operation of the public generally.

Mr. Speaker, I would have liked to have made some additional remarks with respect to some other items, i.e. agricultural farm prospects, resource development implications for our economy and the merits of the long-term fiscal planning approach of our Government. However, I will not take up too much more time of the House but simply state that we must be cognizant of the fact that the farm income in this province will probably be

one-half in the year 1977, of what was achieved on a net basis to the farming population in the year 1975 when we had \$1,470,000,000 in farm net earnings. Saskatchewan's net income to farms was about \$1,017,000,000 in 1976 and that could well be in the range of \$750 to \$800 million on a net basis in 1977. A lot of that of course is obviously due to the fact that despite the fact we had the largest crop in our history, declining prices and rising input costs is squeezing the net income to the farm sector. I should have liked to have gone into that much more fully, however, Mr. Speaker, time does not permit me and I am sure that the Members of this House will have concluded by now that I have come to the decision that I will support the Budget and the main motion and vote against the amendment.

SOME HON. MEMBERS: — Hear, hear!

MR. H. LANE (Saskatoon Sutherland): — Mr. Speaker, I would request your indulgence for a few preliminary remarks prior to the comments which I wish to make on the Budget. First of all, I should like to thank the constituents of Saskatoon Sutherland for the very warm reception they gave me at their doors during a very hard-fought political campaign. There was a lot of political activity on the part of the three major parties and people in Saskatoon Sutherland certainly demonstrated some fair amount of patience in hearing our views.

I should also like to thank them in addition to their patience for the opportunity granted me to represent them.

In addition to the constituents I would like to make a comment about my campaign team out there led by my campaign manager. There are a number of people I should like to single out but in particular my campaign manager, Mr. Keith Lampart did an excellent job for me and I wish to thank him for the excellent job for me and I wish to thank him for the excellent team he put together and the long hours he spent on my behalf and on the party's behalf.

Now I can appreciate that with the entry of a new Member into the House that Members of not only your own party but the other parties wish to know where the new Member stands on various things and I think that is fair. In recognizing that when one attempts to analyze and find out your own self image it can be somewhat distorted in doing so, but believing firmly in the philosophy of "To thine own self be true", I would have to classify myself, Mr. Speaker, as a moderate. I make no apologies for the fact that I fall squarely on the side of free enterprise. I think too many times in the past many have apologized for just that, for wanting to make something of themselves and for wanting to succeed. I don't believe, Mr. Speaker, that profit is a dirty word. I believe that that is the reward one gets for taking risks, just as wages is a reward for labour and interest is a reward for saving money.

I do believe that free enterprise carried to an extreme, and I hold this conviction honestly, would have fourteen-year-old children back in coal mines. I, therefore, am under the impression that the Government, any government, must demonstrate a social conscience and must use its inherent power to protect its poor, its elderly and its sick and so on. On the other hand I don't believe that a government should be allowed to attempt

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to control every aspect of its constituents' lives.

A good example, in my opinion, of what happens when this is done is under the doctrinaire socialist government in England. Here is a country that survived the break-up of a colonial empire, it survived two world wars, it survived disaster after disaster and yet cannot survive socialism. Here is a proud nation that now is down on its knees begging for some money from the International Monetary Fund. And therefore, I intend to avoid the extremes. We have spent too much time in Saskatchewan tearing at each other for our political beliefs and it is time now that we take a common-sense stand and of course the common sense we tried to indicate to the people in our campaign.

My commitment is to fight for my constituency and my constituents and where some wrong exists that needs remedying I am prepared to do that and there are no qualifications as to whether or not the constituents supported me at the polls.

Now yesterday the Hon. Member for Weyburn (Mr. Pepper) indicated that serving the people of Saskatchewan properly required the legitimate and genuine contribution of all 61 Members of this House and I concur with him. I think that he is absolutely right and I intend, Mr. Speaker, to do the best I have in order to add my contribution in some positive criticism and some constructive proposals. In this respect I should like to thank all Members of the House for the warm reception which they have given me although sometimes qualified.

Naturally I am a little bit apprehensive at this time leading into my first speech in the House. The one thing that encourages me, of course, is the knowledge that every one of the Members here had to go through precisely the same thing. The other thing that encourages me, Mr. Speaker, is the front page of the Commonwealth Magazine, the NDP newspaper, which someone brought to my attention. The front page of the Commonwealth refers to me as "Harold Lane, the genius from Saskatoon". Now, Mr. Speaker, they also have some other things to say about me and modesty prevents me from repeating those other things.

A minute ago I referred to something from the speech given by the Member for Weyburn that I liked very much. He also did say something yesterday that shocked me a bit and I believe that this is a good point to launch into my comments on this Budget. The Hon. Member said that we here in Saskatchewan have unfortunately not been blessed with the sort of resources other areas enjoy and, of course, I couldn't believe my ears. Here we are in Saskatchewan with a province that has more agricultural land than any other province. We have most of Canada's potash, we have most of Canada's uranium, we have a lot of timber, we have a lot of Canada's oil, we have a lot of other mineral resources. In short we have the kind of resources that any of the other provinces or any country in the free world would give its eyeteeth for.

Mr. Speaker, we have a province about which our leaders should be generating unprecedented excitement. This is the future giant of this world, this is the place that people should be talking about, this is the place where people should be setting up new businesses and experimenting with new techniques in farming, in pulp and a host of other industries. And for the

record, Mr. Speaker, I emphasize that people should be doing all of these things, not the Government. We in Saskatchewan will be on the world's moving edge when we have a government that is less government and when we have a government that is more optimistic about our future and when our leaders start to demonstrate some of the contagious excitement, like they have in Alberta, a province that has been mentioned a number of times here today.

Now, Mr. Speaker, in this regard I would point out that roughly 70 per cent of my graduating class in law were all excited about moving to Alberta or British Columbia or Ontario and, in fact, did move. The record is clear. The Hon. Health Minister speaks of the fact that the people have indicated they are moving away but they are still here and yet we know that the population of this province hasn't changed significantly since 1939. Something is wrong, the priorities are wrong.

In the recent by-elections we, of course, linked - as a Conservative Party we make no bones about that - we linked the lack of proper health care with the spending on potash, which of course dug up unprecedented wrath from the NDP. Partially possibly because it was true, they knew there was something wrong and partially because, of course, the NDP has the feeling that they have the copyright on conscience, on social conscience and believe me, Mr. Speaker, statistics aren't any good, they don't help those people that are sick and lined up to get into the hospitals.

Now, of course, the Tories in Alberta were referred to and the Tories in Ontario and yet we have it on medical authority that the waiting list for elective surgery in Tory Ontario is something in the order of six weeks while here it is eight months. Tory Alberta was referred to and, of course, the mention of more expensive premiums in Alberta and so on but no time the mention that the provincial portion of the tax in Alberta is something in the order of half of what it is in Saskatchewan.

Now, the fact that we linked these two issues, as I said, did generate a whole lot of wrath from the NDP. We think from looking at the new Budget Speech that we are going to have lots more ammunition for the next general election two years down the road possibly and that is we are going to be able to link the municipalities and municipal governments with what this province does with the potash industry. We are going to be able to link the Attorney General's department with the potash industry, we are going to be able to link education with potash. Can anyone believe after having heard this Budget Speech that potash and a dollar spent on potash are no longer related to such things as health care and so on.

Let's have a look for a moment at the Department of Education. The Minister indicates that the grants were increased by 10 per cent. I challenge the Minister to go to Saskatoon and ask them if they got a 10 per cent increase. It seems that in the Province of Saskatchewan the grant structure has been designed in such a way to force all local jurisdictions to increase their mill rate with respect to education in particular at this point in time by about five to six mills just in order to hold the line. And the burden of increased taxes, of course, will be placed on local officials. In two pages of Budget

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reporting in Saskatoon's paper, education got one line.

Obviously this Government either has something to hide or it doesn't have anything good to say about education. It appears that the Government didn't have much at all to say in the line of education. The cuts, we understand, are starting now and I ask this House, Mr. Speaker, what will be cut, where will they cut in education in Saskatoon and the other jurisdictions around the province? Perhaps they will start by cutting Grades One to Six, perhaps by new school buildings, perhaps they will start cutting teachers or text books. Through legislation this Government sits here in Regina and negotiates teachers' salaries then passes on the bill to the local school boards who have no input into the bargaining table and to my knowledge nowhere else, at least nowhere west of the Maritimes, in Canada does this exist.

I am not advocating a change in the system, I am advocating a change in the Government's attitude. If the Government wants a hand in the negotiation of salaries and putting the bill before the school boards let them, of course, have a hand in supplying the funds to run these school boards. More and more jurisdictions are being perplexed at this Government cutting into school building programs. Mandatory cuts in the size of classrooms, Mr. Speaker, in the size of gymnasiums and even the size of the total school plan in the size of gymnasiums, indeed in the size of the total school plan. In the next breath they are dictating that there should be at least one half hour of physical education per child per day. This course presents two dilemmas. Physical education will have at some point in time to be taken outside in snowdrifts in 40 below weather in order for each child to get half an hour in each day. With the compulsory physical education program of one half hour a day, plus sex education, music education, family education, outdoor I wonder, Mr. Speaker, how much time will be left to learn the skills, the basic skills of reading, writing and mathematics?

School boards and teachers have been proud of the sort of record they have in education in this province, why does this Government then continue to attack teachers by telling them what to teach or attack school boards by how to build schools. There is more and more erosion of school board autonomy. Where is the school board autonomy when it comes to curriculum planning or to school construction or to hours of physical education to be taught per day.

Mr. Speaker, you know where we stand, decentralization. More responsibility and more power to local school boards and local municipalities, not more tax burdens.

When I looked at the Attorney General's Department, during question period, I directed a question to the Attorney General regarding court services in this province. The whole idea as I understand it, the Attorney General may not agree with me, is that when you have a dispute you go to the courts, you appear before a judge, you have a hearing, at the end of the day one of the parties gets an order. Well, what the situation now is, one letter has already been tabled, I intend to table another letter, that when you have your order for enforcement, you can throw it in the garbage can. One letter here, I will table it in a few minutes directed from the Sheriff and Local Registrar, December 14, 1976, states and I quote:

As we have no staff to investigate seizure at the present time, what good is a writ of execution if there is no staff to investigate seizure and enforce court orders.

Another letter, the one that has been tabled, the Attorney General indicated a few minutes ago, that nowhere in the letter did it say that the sheriff could not provide the service. I should like to quote from the letter which is in possession of the Attorney General:

At this time we are receiving approximately seven documents for service each day, accounting for approximately 10 services requested per day, we are gradually falling behind and cannot give the service that is required by the rules of court.

If you are in fact lucky enough to get an order, if you are in fact one of those people who is lucky enough to get into court, then you of course may later take your chances at enforcement.

An issue which we raised in the campaign was the issue of crime. The Attorney General had adopted what appeared at the time to be a rather flippant attitude during the recent by-elections in Saskatoon Sutherland and Prince Albert - Duck Lake and he was quoted by the local media as saying that crime was worse elsewhere. I think he had in mind places like Chicago, New York and Watts and so on. In fact, says the Attorney General, the crime situation is not all that bad in Saskatchewan at all. I am sure it is not in the Attorney General's office. Now the Attorney General being an honorable man, and I say that sincerely, will change his mind when the facts are put before him. But I wonder if the Member for Saskatoon - Riversdale would not change his mind on his own if he simply walked down 2nd Avenue in Saskatoon after 7:00 o'clock p.m. A few years ago robbery with violence was a rarity and I invite the Attorney General to check the police station docket any morning of the week for robbery with violence has become commonplace.

I am sure the Attorney General would change his mind of his own volition if he talked to the parents of the four children murdered in Saskatoon recently. Or if he went to my home town of Aberdeen, where I grew up, and the worst problem was the town drunk, loitering on the streets in an unseemly manner, where now recently police are investigating a kidnapping, a local bank manager, armed robbery, of the local bank, arson, and the list of course, Mr. Speaker, goes on. Or if he talked to the people who can't attend church suppers any more, because, Mr. Speaker, if you try to raise money for a charitable or religious purpose in Saskatchewan and happened to be unfortunate enough to be carrying the cash box, you or your friends might be murdered. Or if the Attorney General tried to earn his living by driving a taxi cab in Saskatoon, or more particularly in Regina, or if the Attorney General read the Star-Phoenix or the Leader-Post, any day of the week.

What the Progressive Conservatives were talking about during the recent by-elections was not the kind of kid who gets into trouble now and then, gets into a tight spot in a weak moment, we were talking about repeating hardened offenders, with 40 to 50 offences to their credit. The Attorney General knows what he can do, and I am confident with a little persuasion from

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the Opposition he will, he can start by examining his own attitude. He can start by talking to local police and prosecutors, he can bring the message to his federal counterparts, or he can have an interview with the Premier and review the positions of this Government and the priorities of this Government.

I have several things to compliment the Government on in their Budget Speech, one of them was the removal of succession duties and gift taxes. The Hon. Member opposite yesterday referred to the rednecks in the Progressive Conservative Party. I wonder how the Wafflers will treat the removal of succession duties? I wonder how the Wafflers will treat the removal of the gift tax? I am sure they will have their hands full with their membership.

The increased allotment which resulted from the two by-elections and from the Opposition criticism of the Government's present health care system was something to behold. This is what we were talking about in the by-election and I believe that this is the reason for the sudden change in the Government's attitude.

During the recent by-elections we referred to reform and welfare and the Minister for Social Services already questioned me on this in the House. We indicated a pamphlet which was circulated in the community, in the constituency, that reform in welfare is urgently needed. What we stated was this. Many people in our province cannot work and are required to live in near poverty, they must be provided with sufficient money and decent living. Many others can work but are drawing from the welfare rolls, they must be provided with the opportunity to work. The vicious welfare circle in which they find themselves can be broken by decentralizing the decision making to the local level and by re-examination of welfare priorities. Now the Hon. Member in charge of welfare indicates in the House that most welfare goes to the elderly and retarded. Isn't it a shame, when our system treats the elderly as welfare recipients and they don't get the decency they deserve in their retiring years. What in any sense has been done that is substantial for the elderly in this Budget?

We have referred to better management in our campaign. We asked during the campaign for people to look at the reports of the Provincial Auditor and of course were accused of attacking the Provincial Auditor. What we did say was that the Provincial Auditor needs more funds for his department and more staff, staff he should be getting. Now I invite this House to look at the report of the Provincial Auditor, for the year ended March 31, 1976, and in particular the following category, Department of Agriculture where the problem which affected the Provincial Auditor's opinion was the failure of departments to adhere to generally accepted accounting principles. The Department of Agriculture, "Uncertainty regarding inventory valuation." The Department of Attorney General, "Inability to verify trust liabilities and inconsistency in application of accounting principles," and of course the list goes on.

In addition, we had emphasized that negotiation is better than confrontation, and of course one of the Members opposite yesterday said if you allowed the companies to give you what they want to, they wouldn't give you anything. Of course, if

you adopt that attitude, that there must be confrontation, negotiations will never begin. We suggest that it would be prudent on the part of this Government to begin by taking an attitude that negotiation is possible.

I should like to refer next to the provincial by-elections in Saskatoon Sutherland and Prince Albert-Duck Lake specifically. All three parties agreed that these were important by-elections. The Liberals indicated in these two by-elections they would prick the Conservative bubble, they indicated that they had a new leader and they would be positive. Of course, the advertising if anyone cares to look at it was about splitting the vote, and who would get the most votes against the NDP which we don't feel was positive. They indicated that they were revitalized and they show ads in which 45 per cent just a year and a half ago in the constituency had supported the Liberals and that the PCs had indeed lost their deposits, and indeed the PCs did lose their deposits in both seats a year and a half ago.

Mr. Malone, a Liberal is a Liberal is a Liberal, and of course the people believed him. Mr. Malone said, leadership is an issue, and again the people believed him.

We think that in Saskatchewan we should have a province in which we are taking our proper place in Confederation and this can be done under a Progressive Conservative Government, this will happen in two short years . . . (In looking around the House, Mr. Speaker, I appreciate that this is an artificial situation, perhaps I will continue it another time when I have the proper feedback in order to deal adequately with this.) For the reasons I have given, I cannot support the motion.

MR. MERCHANT: — Mr. Speaker, I wonder if the Member would entertain a question before he takes his seat?

MR. SPEAKER: — The Member for Wascana asks whether the Member for Saskatoon Sutherland will entertain a question before he resumes his seat. I take this opportunity to tell the Member that he has the option of saying Yes or No with regard to the request.

MR. LANE: — Certainly, Mr. Speaker.

MR. MERCHANT: — I was most interested in the comments which the Member made about crime in Saskatoon. I wondered since he mentioned a capital offence in Saskatoon, if he would indicate to the House what his stand is on capital punishment?

MR. LANE: — I don't mind indicating to the House what my position is on it. I don't think it is relevant to the Legislature. The comments I was making of course were referring to the entire field of crime, of course the entire field of crime is administered by the Attorney General for the Province of Saskatchewan. What I believe in as to capital punishment personally, I believe capital punishment is wrong. I hold that opinion honestly. However, I believe by the same token that if the majority of people in society demand capital punishment, they are right and they should get it, period.

MR. ROLFES: — Would the Hon. Member entertain another question?

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MR. LANE: — Yes.

MR. ROLFES: — The Member referred to the capital crime that was committed in Saskatoon. Is he aware that Mr. Threinen was released by the Conservative Government in Alberta? Is he also further aware that recently the Alberta Government released a Mr. Nessler who was out on a pass for a committed crime of rape, and while he was out committed another crime by killing another girl?

MR. LANE: — Mr. Speaker, if you want me to answer that question, I would ask Mr. Rolfes that had he practised law in this province, he would realize of course, that governments do not release prisoners, it is the court system that releases prisoners. We are indicating in our debate and we have indicated in the constituency that crime is under the jurisdiction, the administration of justice which is under the jurisdiction of the Attorney General for the Province of Saskatchewan. There is a certain amount of input that he can put in the administration of justice and leading in a proper fashion. But governments don't release criminals, courts do.

MR. ROLFES: — Mr. Speaker, it is a fact that the Alberta Cabinet released Mr. Threinen.

MR. SPEAKER: — Order, order! I think we are getting into a debate on this issue. I'll take the next speaker.

MR. E.F.A. MERCHANT (Regina Wascana): — Mr. Speaker, some of us have learned that just because a person wasn't a law graduate shouldn't restrict him from entry into this House, but I am sure the Member will pick that up in due course. I am sure as well that he will discover from the Minister no doubt that when someone is committed at the pleasure of the Queen because of being held as a result of having some mental deficiencies that he gets released at the pleasure of the Queen which regrettably in the Province of Alberta is at the pleasure of the Tory Government there.

Mr. Speaker, I wanted to devote a few comments to this Budget, I consider it a regrettable budget, but I don't particularly propose to dwell on its obvious failings. Indeed Mr. Speaker, given the unfortunate circumstances for the people of this province of having that government in power, I suppose one might expect more budgets of this nature, stifling the initiative of the people of this province. But again, Mr. Speaker, I don't want to deliver that kind of a speech.

From time to time, for whatever silly reason, I try to advise the Government on how better to run this province. I have noticed that they are singularly slow to pick up on any good idea, no matter what the source, but, Mr. Speaker, I propose to continue in that vein from time to time. This happens to be one of those times.

MR. WHELAN: — Your friends advised Ted Malone.

MR. MERCHANT: — Well, I propose to be advising Ted Malone when he is sitting at the side where Mr. Romanow is presently, and I propose to sit beside him to do the advising.

SOME HON. MEMBERS: — Hear, hear!

MR. MERCHANT: — Mr. Speaker, clearly I suggest government spending is too high. The spending of this Government is excessive. Indeed the spending of government at every level in democratic countries has reached alarmingly high proportions. Governments in Canada appear to be driven by public demand to overspend. In fact, they are not driven, the apparent demand is all too often caused by politicians themselves. To a great extent politicians entice people into allowing them to overspend with the people's money. Politicians entice people with programs of questionable need, they create the perception of need and then for their own political ends fill that need. All that goes on, notwithstanding the increasing realization by taxpayers that governments give poor value for the mounting tax bite.

Governments, Mr. Speaker, now spend over 50 per cent of our gross national product. And because that spending is service oriented, product growth in the public sector is difficult to maintain much less measure. The public sector which was once underpaid and perhaps a touch more dedicated is now well paid and handsomely pensioned with indexed pensions, largely non-existent in the producing economic world. The Public Service Alliance nationally because their indexed pensions are being questioned are now going so far as to ask for public support for similar pensions in the private sector. Some of us are beginning to ask, where will that end?

Mr. Speaker, I began with that brief review of rather alarming facts, but what is most shocking is that we are doing nothing about it. Of course, asking this motley crew of NDP incompetence to crack down on that kind of thing is sort of like asking the Mafia to crack down on corruption.

SOME HON. MEMBERS: — Hear, hear!

MR. MERCHANT: — Unfortunately, Mr. Speaker, it is not much better with other governments across Canada. Political parties at all levels appear unwilling to even voice the kind of realistic warnings that must be sounded, much less take action about them. I suggest we are on the brink of completely losing control of government spending. The addiction of politicians to so-called free services is one problem, finding incentives to save as a society is another and a low priority of careful government spending is a third.

Let me briefly, Mr. Speaker, address myself first to the problem of the low priority of careful government spending. That is really a question of cutting back, how to pare regarding the budget. I urged the Government to divide the functions of the Minister of Finance into parts. The Minister of Finance, Mr. Smishek, bringing his full capacity of mind to that question thought that when I spoke of a division of functions for him, it meant he would be going to the bathroom sometimes at home and sometimes at the office. His NDP backbenchers thought I meant that half of the Minister would be sent to run the

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Schreyer Government in Manitoba and half would be sent to bedevil the Lougheed Government. Well, Mr. Speaker, though Mr. Smishek's dissection very much appeals to me, as does the discomfort of Premier Schreyer and King Peter, that was not the intent of my remarks. I was, Mr. Speaker, in the last debate on the Budget, pointing to the lack of an effective chopping block in government.

In the Federal jurisdiction the functions of the Minister of Finance are divided into three functions - the planner, the Minister of Finance; the raiser of money, the Minister of Revenue; and the cutter man, the president of the Treasury Board, one Minister in charge of paring spending! He accomplishes this by stopping others from spending. While all other Ministers 'accomplish' (so-called) by initiating new programs and by enlarging their departments, and spending more, the Minister in charge of paring seeks to cut back.

With 20 provincial Cabinet Ministers in this Government determined to spend more is it too much for the taxpayers to ask that there be one Minister whose job it is to spend less and better? One Minister who would be counsel for the defence of the taxpayer.

Well that, Mr. Speaker, was the nub of half of my comments to your Ministers last year. A plea on behalf of the taxpayers of Saskatchewan that this Government govern better and possibly govern longer in the process. Now one would have expected that an option of governing longer would have appealed to their political desire for longevity in office. Unfortunately for the taxpayers of this province most of the Ministers are reaching that age when they are deciding to retire from politics anyway. And the Premier, regrettably for the taxpayers, perhaps has over-reached that age and he has decided to leave these kinds of plans for the new government.

Now, Mr. Speaker, the low priority on careful government spending is one problem; the second factor is the problem of growing government spending caused by politicians creating demands for so-called 'free' services. It is the politicians, I suggest to the Hon. Member, who have convinced people in the first place that these services are free. In economic terms the problem is that we have strong consumer pull where the pull is uniform, but the cost is apportioned differentially.

What is the basic problem of the 'free' services syndrome? How can we make the consumer-voter see the real cost of the products he is led increasingly by government to demand from government? How can we make him see that government is frequently not the cheapest and most effective vehicle by which to provide those products and services to our province?

Government is, in itself in most cases, less efficient than private enterprise. Add to that, the waste that develops from providing services on a universal basis. The inefficiency, Mr. Speaker, is compounded.

Taxpayers pay for products and services from government that they may not want but utilize those services to the full because once the tax is paid the service is indeed free to them as individuals. Though the value of that service, the utility of that service, may be considerably lower to the consumer-voter than the utility of the dollars to pay the cost,

when payment is made collectively then everyone will demand a full share of the service.

The only answer, I suggest, is to tie the cost to the service. Make it possible for the buyer to individually judge the utility to him of each government service as he judges purchases of services and products in the non-governmental sphere.

How do you put a cost to the service? The only answer is to tax those who benefit and to apply user charges. The marketplace principles must be applied increasingly, I suggest, to the purchase of government products.

It might be argued that benefit taxation is a more equitable way of taxing. My purpose in advocating a shift in that direction, however, is that benefit taxation and user charges are the only means of attaining a greater efficiency in the allocation of resources within the public sector. The group in society receiving the benefit, using the highway, receiving additional garbage collection, expecting special policy protection, whoever that group may be should be taxed to some extent for that benefit. When a user is receiving government services and frequently turning a profit in the process, he should expect to be charged the approximate cost of that government service. That is all benefit taxation and user charges really amount to and they grapple with the problem of the appearance and the reality to some extent of products coming from government under the guise of being free.

How can we articulate consumer demand in the public sector. That, Mr. Speaker, is the question that your Ministers grapple with constantly. The product may not have been universally necessary, but when all are compelled to take part in the payment, all demand their full share.

We are running a government like a good social convener who wants to ensure that he has a few drunks to liven up the party. And that good social convener will know that though the cost of drink may be 50 cents per drink if he gets everybody at the staff party to pay in advance they will over-imbibe than they would if they had to pay on a shot by shot basis. Well, Mr. Speaker, government run like a drinking binge isn't going to be easy to cure.

The political system, in doing its lousy job of accurately articulating demand and overgoverning and oversupplying in the process, is always reluctant to give back some semblance of buyer control to the people for whom it chooses to articulate that demand. Unfortunately in that analogy, once the staff fund has purchased more liquor than was needed, or wanted perhaps in relation to cost, there are always gluttons to consume the free supply.

Even if we could, in government, accurately determine consumer demands, the political system, unfortunately, as it loses control of government in this country, will find it increasingly difficult to force its bureaucrats to stop over-supplying. Increased use of benefit taxes and levies may not be a panacea but it does offer a way of introducing economic rationality into the public sector in areas where goods and services are provided for the benefit of distinguishable individuals.

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The legitimate high level of taxpayer unease and resentment at the extent of government meddling in every aspect of our lives suggests that we must find some better means of allocating public resources and cutting back.

When even the NDP and even the Minister of Finance can realize that increasing taxes will result in a great deal of resentment by their support and when, Mr. Speaker, you are treated to the Minister dancing from one foot to the other in his explanation of those increased charges, it becomes clear that resentment against big government is growing and that all governments have to be seeking ways to lessen that resentment for the good of democracy in general.

Benefit taxation is usually rejected out of hand by the NDP because in part they are always seeking to increase government involvement in our lives, and by the same token they hope to increase dependence of the people upon government, and the popularity for that kind of dependence. They seek to decrease the popular capacity to initiate and self-direct.

MR. CAMERON: — . . . to do it . . .

MR. MERCHANT: — In fact I must say to the Hon. Member for Regina South (Mr. Cameron) — that I have been tempted to say that repeatedly and was determined to maintain this speech at some level of a high plane, and I appreciate the help of the Member for Regina South to get it back into a level that the Hon. Member may comprehend.

Benefit taxation, Mr. Speaker, in the past has not been progressive and that's what made economists of the left reject the concept. Too much, economists have failed, I suggest, to know the reason for the rejection of benefit taxation. The Carter Commission Report, rejected the concept in a cursory way. Other jurisdictions, Ontario for instance, in its reports, have more kindly dealt with benefit taxation, but all have incorrectly assumed that this form of taxing may only exist where redistribution of wealth is undesirable.

The error is a mixing of giveaways into costing questions. The recipients of giveaways should get their deserving help without the strings of tying that assistance to a program. Taxpayers should know the cost and be discouraged from receiving those government products where, as a group, the cost is larger than the marginal benefit.

The Drug Plan, for instance, and the Hon. Member asks for examples, provides universal drug assistance. People who do not need government involvement are bogged down and held down to some extent by that government help. They are bogged down with government forms to get even a three-dollar prescription. The administrative costs are high. The cost to the province is approximately eight times the cost of a similar program in Manitoba, where all drug expense over \$50 is paid by the province. For the old and the truly sick, (and I'm pleased to see that one of the Ministers who I'm sure won't be back is back in the House), who receive over 25 prescriptions a year and more than half of the drug plan goes to those over 50, the Saskatchewan Plan is more costly than the Manitoba Plan, if they receive more than 25 prescriptions. Those in need, the old and the truly sick, receive less under our program. Those who

don't need, the young and healthy, those who could care less and don't want to be bogged down with government forms, they find themselves going to unhappy druggists who don't understand why the Government is meddling so directly in their lives, and they pay more for the services than they need to pay if they were paying directly.

SOME HON. MEMBERS: — Hear, hear!

MR. MERCHANT: — The error, I say to the Hon. Member, is that people who do the thinking on his side of the House, tend to avoid concepts like benefit taxation because they have always tried to tie in essence welfare considerations to what should be a process of cost analysis.

We intend to apply benefit taxation to highways, though our Minister always denies it. Gasoline taxes build highways. That's just another example. Unfortunately, we don't allow revenues to dictate expenditures to the degree that they should, or might. Leaving aside the farm community who should continue to have the purple gas exemption which Premier Thatcher introduced and which should carry, I suggest, a larger differential, let us look at the Gas Tax. Would it not be better to remove the considerations of redistributing wealth and allow highway use to be dictated by cost. It would be better to remove the considerations of redistribution and better to assist the poorer segments of the economy directly and let those taxpayers having received that assistance choose how they wish to spend the help that government may give to them from the public purse. A taxpayer getting a redistribution through highways and gas tax might have chosen to spend his redistributed wealth on something else. He might have spent those dollars in the private sphere. But governments of the left deny him that freedom to choose for himself. Assuming we agree on the level of redistribution, why can government not allow that freedom of choice to the individual taxpayer?

MR. ALLEN: — Would you do it with Government Insurance?

MR. MERCHANT: — You're damn right I would do it with auto insurance!

Government subsidizes travel by private automobile for about one cent per passenger mile. Perhaps each of us as individuals would choose to spend in this way, using private automobiles. But just as likely we might choose to spend that redistributed wealth in some other way. Beyond question, that freedom to choose how we, each of us, as individuals, should spend the money which government collects from us and then redistributes to us should be left to us as individuals.

Air travel is subsidized to an even greater rate. Two or three cents per passenger mile. Passenger rail travel is subsidized at a rate of six or eight cents per passenger mile. We are subsidizing the rich who use the airlines in an effort to redistribute that wealth. In some smaller questions of government spending direct voter approval for expenditures would be possible. I see the Hon. Member for Regina Victoria (Mr. Baker) not being occupied at City Hall, has been dropping in and indeed we have been getting full value from him, Mr. Speaker, since his untimely reduction in salary at City Hall. The municipal governments, for instance, now pave back

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alleys if a majority of the people on that block want to pay for it. What a logical and appropriate way to decide whether you will pave a back alley.

MR. BAKER: — We don't do it that way.

MR. MERCHANT: — Then I overspoke my time, Mr. Speaker, because I assumed that the Mayor of Regina would have handled this city in the pattern of Saskatoon, a much better managed city I've always thought, and that's the way they pave back alleys there.

SOME HON. MEMBERS: — Hear, hear!

MR. MERCHANT: — Governments can finance a project like a back alley paving program but why, I say to the Hon. Member for Victoria, do you assume the demand. Why not ask those people on those blocks if they want to have their back alley paved since they are going to pay for it? Why do we allow city wards to not have the freedom to perhaps dictate garbage collection? I don't know, for instance, whether the members from different areas might not choose in voting in their own wards, perhaps in the city of Regina, to get a little tax break and have biweekly garbage collection. I don't know the answer. And I suggest the Hon. Member for Victoria doesn't know that answer. But what we do in that instance, if government dictates to the people who will have to pay, that every area will have the same kind of garbage collection and I ask the question: — Why? Bureaucrats don't have to decide everything for us.

Mr. Speaker, admittedly a serious need exists for improved redistributive fiscal policy, but that should be met directly, perhaps with a negative income tax. I suggest that we should not continue to try to meet it indirectly.

We should not maintain our myriad, often contradictory and always confusing bits and pieces of redistributive policy which we have scattered everywhere throughout our legislation. The picture of true demand for services from government is being distorted and bureaucracy is mushrooming. Unfortunately, I suggest that perhaps the NDP like the toadstools that they find so palatable within their Government.

Mr. Speaker, allocating resources would be far more easily and efficiently done if we got rid of our redistributive anomalies. Not only are we distorting the demand pull indicators in providing 'free' services, but there is a growing and very disturbing evidence that we may not even be accomplishing our redistributive goals.

Health care, for instance, is over-utilized by people of the middle income, not the poor. Recent studies indicate that the poor, the people that that Government was trying to help, legitimately, perhaps when they brought in an omnibus health care kind of program, that the poor even today tend to avoid obtaining even adequate health care, while the middle income over-utilize the programs.

Benefit taxation tied to direct redistribution of wealth rather than indirect redistribution may be fairer. At the very least, Mr. Speaker, it is no less fair and most important at the very least that it will bring an efficient pricing of public services and that will clarify the extent and nature

of our redistribution of wealth.

The compelling argument for benefit taxes continues to be that the demand for 'free' services will be cut back. Revenue for government will not rise but expenditures may be reduced.

Mr. Speaker, since the beginning of the depression government spending has grown three times more quickly than private spending. Much of that growth is waste. Certainly in this Government but in governments all over the free world.

Since the NDP took over, spending has increased in this province by three and one-half times. Spending in 1970 was \$405 million. This year's Budget is a billion and one-half. The NDP in Manitoba during a like period of time have similarly increased spending three-fold. They now face an electorate over just that problem, an electorate that, I suggest, may well defeat them.

Mr. Speaker, as long as government services go on being free or are distributed at a rate which is less than the marginal cost of supplying them, the apparent need to expand those services will rise. That rise is encouraged by the bureaucrats who are only too happy to meet the so-called 'need' and at a rate encouraged by the politicians who created the appetite in the voter in the first place, and only too happy to seek to get re-elected for providing those services.

Their domain increases by popular demand and the political cup of the elected masters overflows with satisfied users. The taxpayer, as Mr. Thatcher would say, "fears no evil; though he sleeps in the shadow of still factories, UIC and DREE; though he walks through the valley of the soup kitchen, inflation and the NDP are always with him and he fears no evil. His taxes runneth over and he shall live in subsidized housing forever."

Mr. Speaker, if we believe in consumer sovereignty then benefit taxation and costs tied to services naturally follow. I have confidence in people. It is part of what I believe as a Liberal. I believe that the people have the power and the intelligence to decide on their own how their money should be spent. That obvious right should not change when people spend through their government.

SOME HON. MEMBERS: — Hear, hear!

MR. MERCHANT: — People should be allowed to spend as they see fit, voting with their dollars as we essentially allow them to vote with their dollars in the private sphere.

By taking tax dollars and providing services which though used when 'free' may not be truly wanted because they are worth the true cost to the individual, we are spending badly and building waste into the system.

Any true believer in consumer sovereignty must support increasing individual direction of the public sector. Freedom of choice for individuals I suggest is possible even with public sector spending.

An additional inefficiency is added to the two that I have mentioned. We pay for services with ability based taxes.

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Redistribution then becomes one of the goals. We overspend in an effort to get the redistributive aims which we desire. Overspending on unemployment insurance for instance to get that unemployment insurance money into the Maritimes and to a lesser extent into Quebec, is one of the results through the Federal Government.

Increased use of the benefit principle in public financing is desirable. The real obstacle to that increased use lies in public attitudes as to what is public and what is private; what should be sold and what should be free.

The hang-ups against benefit financing become at best sentimental. Nowhere are such attitudes clearer than in the constantly repeated litany that one cannot charge for health, one cannot charge for education, one cannot charge for programs because we all would be apt to say that historic free access makes those things a basic human right. I may be prepared to accept that those areas of spending should be paid for collectively, but one really has to wonder why if the market system of pricing is so inapplicable in those areas, why we continue to charge in the market system for, I guess things that are even less basic according to your government, things like food, clothing, shelter. As Richard Bird puts it, it is plain that the real hang-up is not the essentiality of services like education, but the nature of the provider, namely that the services are provided by a government organization.

Why do we always start with the presumption that water should be under priced and heavily subsidized by municipal and provincial governments, and therefore, in part paid for by the public purse and by all of us, but we don't make that assumption about bread, milk or clothing. The only troubling question is whether, given the bureaucratic stranglehold now held by your bureaucrats over your Government and others across this country, whether the tax burden would, in fact, go down even if benefit taxation was brought in. We would have to ensure that there were offsetting tax reductions.

In a political sense the greater problem is that once something is given away it is very hard for governments to start charging for it. Tactically for a government, as I said this was a suggestion to your Ministers, Mr. Speaker, I suppose the best I could do is say that any attempt at rational pricing would have to be confined to new services. But that may be the vehicle for a government to stop being pulled even further into the syndrome of the free services problem.

The need is obviously great to continue in many areas with public sector spending paid for collectively. We must continue to alter the distribution of wealth. There nevertheless is a great deal of evidence that this has gone too far in public sector spending. The gains in redistribution can be maintained directly and the gains are in any event more than counterbalanced by the losses in inefficiency. We must, I suggest return consumer sovereignty to areas of government spending.

Of course the NDP and those who associate freedom and the market system with the devil himself and who associate big government meddling with all that is goodness and light will obviously see the strength of this particular argument more slowly than those of us who are more normally endowed.

Consumption taxes, Mr. Speaker, are not as difficult to administer as income taxes. E & H for instance is collected by store owners who should be paid more for the trouble they go through, but even when you put together their trouble and the trouble of the government to collect it, they are able to collect that tax far more easily than a like amount of tax collected through income taxes. The importance, Mr. Speaker, becomes that benefit taxation is a program that could help us, I believe, to solve part of the problems that governments everywhere face.

Unfortunately the NDP perhaps have difficulty accepting the basic tenet of market sovereignty, namely, that people themselves have the intelligence to know what is good for them. Premier Blakeney, I suppose, prefers to maintain his role as a nursery governess, telling the people of this province what is best for them. He will do for them what he thinks is best for them. He denies that they have the intelligence and the means to understand the problem.

Mr. Speaker, the last of the areas of change that I want to suggest to the House concerning ourselves is with the totally missed incentives to save. Our tax system is really a disincentive to save. In part the answer to that problem will flow from a turning away from income taxes which discourage work, towards graduated consumption taxes. Consumption taxes were the earliest taxes that developed in society. They followed border tariffs, vendor licensing, agricultural assessments.

The salt tax, for instance, in France is credited with bringing on the French Revolution. These kinds of taxes are very common and I suggest are under utilized by government. The inadequacy of consumption taxes in the past is that they have not been progressive. To a small degree the rich pay more tax because they have to spend more. That is only to a small degree.

If personal taxing were to be based on consumption and not income, then to maintain equity in the system, I certainly believe we have to have a progressive nature in that tax. For a single taxpayer perhaps a ten per cent tax on everything over \$5,000 that he spends, not that he earns. For a single taxpayer, perhaps the next \$2,000 or \$4,000 would be taxed 40 to 50 per cent. Then, Mr. Speaker you could move to a rather curious situation that you would say to somebody having earned the money, if you spend in a year more than \$75,000 or whatever the figure might be, the consumption tax could be as high as 500 per cent on the amounts of money spent over the amount.

Taxing income discourages earning, taxing spending encourages savings and encourages investment. By encouraging savings and encouraging investment, if we tax earnings at say 75 per cent at a rate that is over \$60,000, if we by doing that, we clearly are discouraging our most talented and most capable people. Indeed if we are discouraging people who earn even \$14,000 to \$18,000 a year because they face, if they reach that level of taxable income of 50 per cent level of tax; if we are discouraging by taxing at that level, and thereby holding back the economy, a hefty consumption tax could result in maintaining the illusion of earning and at the same time compelling spending and investment.

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Mr. Speaker, consumption taxing is something that isn't possible for this Government to bring into effect. In fact, you need the power of the national government. You need the power to control the tariffs and you need controls on the amounts of money that can be taken from the country.

I hope and I see signs indeed that economists are beginning to re-examine both of these areas. They are beginning to re-examine their thinking about tax regimes.

Benefit taxation and consumption taxes when made progressive are extremely attractive in attacking the problems of waste in government and they encourage the work ethic and encourage saving at the same time.

Mr. Speaker, I have suggested three areas of re-examination to the Government. As I do so, I am unfortunately aware that we of the Anglo-Saxon world are said to hold as a basic tenet a reluctance to review our problems in a logical way. A characteristic I am afraid that the NDP have honed to a fine edge and adopted almost as a mode of operation in government.

In a tax system in this country that was brought in in 1917 when income taxes called 'temporary' war measures and didn't remove the word 'war' from the names of the Acts for 30 years, I can't honestly say that logic has been our long suit. It is something however, Mr. Speaker, that we have to look at in a far more basic way than simple to go on taxing more and spending more and having more and more bureaucrats.

You know, Mr. Speaker, if ignoring logic has been a national trait in our tax view, then I suppose the NDP in Saskatchewan, are exemplary Canadians in ignoring any kind of logic in their approach to tax, sort of experts in poking out their eyes in a futile attempt to touch the end of their noses.

I think again, Mr. Speaker, in this Budget, except with that one exception of taking off the tax on inheritance, that this Budget demonstrates again from the Members opposite that unfortunately for the people of Saskatchewan there are none so blind as those who refuse to see.

Mr. Speaker, I propose to support the amendment and I will be voting against the Budget.

SOME HON. MEMBERS: — Hear, hear!

MR. H. LANE (Saskatoon - Sutherland): — Mr. Speaker, I wonder if I may ask the Member for Regina Wascana a question.

MR. MERCHANT: — You're not going to like the answer.

MR. LANE: — Yes, Mr. Speaker. I can appreciate the Member has a lot more tenure in the House than I do and a lot more experience and I am trying to learn how this is done.

He talked about the effective and efficient use of public moneys and user pay policies and I thought that was good. Does he consider the use of government aircraft to fly members of the

Parliamentary Press Gallery to private parties in Regina, an effective and efficient use of moneys.

MR. MERCHANT: — That is not the question I anticipated.

SOME HON. MEMBERS: — Hear, hear!

MR. MERCHANT: — The answer may be longer than you think.

Yes, Mr. Speaker, I think that the people of this country can well see the importance of maintaining a means for government to communicate with the people throughout the country. I will come directly to that particular point.

It was John Diefenbaker, Mr. Speaker, who bought executive airplanes for his government. He bought executive airplanes and the Liberals are still flying on the old things, though they are the fastest thing in the air in Canada. He bought executive airplanes because as a western Cabinet Minister and a man who was determined to make Confederation work, he could see the government was only talking to Toronto and Montreal.

SOME HON. MEMBERS: — Hear, hear!

MR. MERCHANT: — He could see that unless time could be made available for Ministers to get to the West and get to the Maritimes, government was going to go on being a government for central Canada. That is the reason he bought those planes and when a Minister, a western Minister, Otto Lang uses those planes absolutely to the full, he uses them because he spends more time communicating and travelling to his province and to the West than any other Minister of the Crown.

SOME HON. MEMBERS: — Hear, hear!

MR. MERCHANT: — And I say that goes to his credit. And he spends a great deal of time travelling to the Maritimes as well.

Now, Mr. Speaker, he has to do that because the Province of Alberta, in their narrow parochial way, keep electing Conservatives and don't want to get involved in the government of this country, because the people of Alberta find that their government, in that province, doesn't really care about a national country; isn't prepared to look at the needs of this country all across the country in a universal way.

Mr. Speaker, when those planes are in the air they cost the same amount of money that they cost if they are sitting on the ground. The people who work with those planes are salaried employees, Mr. Speaker, and the planes cost the same amount whether they are utilized or not utilized. And, yes, Mr. Speaker, the practice has developed that when those planes are going from one place to another on government business, or government business, it is not inappropriate for people to be on the plane. The plane is going anyway.

Conservative Members of Parliament very frequently have caught rides back and forth across this country, and I suspect they will go on doing that. When the Conservatives were in

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power Liberal Members caught rides back and forth because the planes were going back and forth anyway.

Mr. Speaker, during the Conservative years the practice grew up of trying to schedule a meeting of the press club in Toronto and Montreal at a time when a Minister was ordinarily travelling there on government business and, indeed, during the Conservative years this touring press party started to take the national press gallery tour to Toronto and Montreal. It was at no extra cost to the taxpayers of this country, the plane was going anyway. Yes, Mr. Speaker, the Minister from Saskatchewan said that he thought that what the Tories from Toronto thought was good enough for the press gallery to travel to Toronto to put on their show, was good enough to bring the press to Saskatoon and Regina when on government business, from time to time.

SOME HON. MEMBERS: — Hear, hear!

MOTION FOR PRIORITY OF DEBATE

ROAD LOAD LIMITS

MR. D. M. HAM (Swift Current): — Mr. Speaker, I beg leave to move the Assembly give Priority of Debate to a definite matter of urgent public importance to be:

The Government of Saskatchewan's announced intention to place uniform load limits of 74,000 pounds on municipal roads but placing load limits of 58,000 pounds on municipal roads for vehicles hauling grain will cause severe economic hardship to many farmers in Saskatchewan, and is causing great concern in local governments by an unwarranted and arbitrary interference with the rights of local governments.

STATEMENT BY MR. SPEAKER

MR. SPEAKER: — A notice regarding this matter proposed for Priority of Debate was received in the Clerk's office at 8:55 a.m. today for which I thank the Hon. Member.

The fundamental principle underlying Rule 17 was to provide an opportunity within a proper framework of parliamentary procedure, where none otherwise existed, for the immediate discussion of any matter deemed to be of such urgency and importance that all of the normal or special business of the Assembly should be put to one side in order to provide complete right of way to a discussion of one specific particular subject.

I agree with the Hon. Member that the matter of load limits in Saskatchewan is of public importance and falls within the jurisdiction of the Provincial Government. The key question that faces me is whether this matter is urgent enough to set aside the business of the Assembly in order to debate it at this time.

The said announcement was made just yesterday and therefore, has been raised in this Assembly at the earliest opportunity but all Hon. Members will note that the

notice of the Priority of Debate did not state an implementation date on the proposed policy. Therefore, this Assembly is not faced with an exact deadline before which the debate on this matter must take place.

Although the matter of load limits in Saskatchewan is of public importance I rule under Rule 17(6) that it is not of sufficient urgency that all of the normal business of the Assembly should be put to one side at this time.

MR. LANE: — On a Point of Order! Would the Speaker kindly explain to the House when the Government states a policy that it has pointedly said will not be brought before the House at any time to debate it, by what other means can this Assembly on an urgent matter, bring this matter before the House?

MR. MacDONALD: — On the Point of Order. Mr. Speaker, there are two results that might well occur from a debate on a matter of urgent public importance.

The first might be to discuss a policy already implemented with a deadline date as you indicate, but what could be of even more public importance and greater urgency, would be the prevention of a policy that might be in opposition to the best interest of the people of Saskatchewan.

Mr. Speaker, because of that I should like to suggest that you reconsider that decision, because it is not only the implementation of a policy that is of urgent public importance, but it may well be, as I indicated, far more important to the public that a policy not be implemented.

SOME HON. MEMBERS: — Hear, hear!

HON. A. E. BLAKENEY (Premier): — Mr. Speaker, I rise on the same Point of Order and point out that in my judgment, at least, the object of Priority of Debate is to provide an opportunity for the discussion of a subject in a timely manner, in respect of which the rules do not provide another opportunity. I think that is virtually the quote you gave and the Speaker's ruling of November 30, 1973, is cogent, I think.

The motion for debate is also out of order if the matter can be debated in the ordinary manner, with the proper notice or in a major debate, such as the Address-in-Reply or the Budget Debate.

Now, it seems to me that this matter before us falls precisely within that ruling of November 30, 1973, since anything that could be said on this Priority of Debate motion can be said equally well today and tomorrow and on the succeeding day in the Budget Debate. The Hon. Member for Swift Current (Mr. Ham) if he wishes to say anything with respect to this matter, can stand in his place in the Budget Debate and say it all and he doesn't need a Priority of Debate motion.

MR. LANE (Qu'Appelle): — Further to the Point of Order, Mr. Speaker.

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MR. SPEAKER: — Order, order! I think I have sufficient guidance from the House now.

I want to thank all Members for their comments on the Point of Order and say that I considered a number of aspects of the item that was put before me namely, the notice. I had to base my decision on the notice which was before me and I did that. The decision I gave was based on the strongest point I found in the notice. It was based on Precedents established by this House at some time in the past. The precedent I cited was by the previous Speaker Snedker and I find it quite effective in this particular instance. I think that while the Members are saying that the issue is probably an important issue, I still think that the point I made with regard to urgency is valid and consequently that is the way that I ruled.

Motion denied.

The Assembly adjourned at 5:00 o'clock p.m.