

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
First Session — Sixteenth Legislature
19th Day

Tuesday March 12, 1968

The Assembly met at 2:30 o'clock p.m.

On the Orders of the Day.

WELCOME TO STUDENTS

Mr. F. Larochelle: (Shaunavon) — Mr. Speaker, I beg leave to draw to the attention of all Hon. Members, a fine group of grade 11 and 12 students seated in the third row of the Speaker's gallery. They are boys and girls from the Frontier school district. They are accompanied by their teacher, Mr. Peeling and their chaperone, Mrs. Erickson, and the bus driver, Mr. Buckley. I'm sure that all Members will join with me in extending to them a very warm welcome to this Legislature and in wishing that their long journey here would prove educational. We also wish them a safe journey back home, Mr. Speaker.

Some Hon. Members: — Hear, hear!

Mr. D.G. MacLennan: (Last Mountain) — Mr. Speaker, in the Speaker's gallery, there is a group of students I would like to introduce to this House through you. They are from the community of Nokomis and they are accompanied by Mr. Pirie, their teacher and I know all Members of this House wish them a most interesting time of it here today and a safe return trip home.

Some Hon. Members: — Hear, hear!

Mr. W.E. Smishek: (Regina North East) — Mr. Speaker, it gives me a great deal of pleasure to introduce a group of 29 grade seven and eight students from the M.J. Coldwell school, who are here accompanied by their principal, Mr. Janz and the bus driver, Mr. Nigabour. Mr. Speaker, I'm sure that all of us here know that this school is named after an outstanding citizen of this country, M.J. Coldwell, an educator, former alderman of this city, parliamentarian, leader of the political party that I am associated with. Not only do we pay tribute to him, but to the school that is here with us. I'm sure that the group that is here is going to have an enjoyable session this afternoon and an educational one.

Some Hon. Members: — Hear, hear!

Hon. D.V. Heald: (Lumsden) — I would like to associate myself with the remarks made by the Hon. Member for Regina North East (Mr. Smishek) in respect of the grade seven and eight classes from M.J. Coldwell school. A good many of these students come from my constituency in the area immediately northeast of Regina North East and I would like to associate myself with his remarks to welcome the students here, and the teacher and the driver and to wish them a safe journey home.

Some Hon. Members: — Hear, hear!

Mr. I.H. MacDougall: (Souris-Estevan) — Mr. Speaker, I'd like to introduce to you this afternoon, two groups of students, one from Sacred Heart school in Estevan brought here by their teacher, Mrs. Arlene Anderson and their chaperones, Mrs. N. Morsky, Mr. K. Anderson, Mr. L. Lafrentz, Mrs. Lafrentz and Mr. Don Johnson. And we hit the jackpot today because we have two groups, we have also one from the Macoun school seated in the east and the west galleries; they had to split them. They came by bus and they are brought here today by their teacher, Mr. Schindel and we wish them all an enjoyable afternoon in this Legislature.

Some Hon. Members: — Hear, hear!

Mr. J.E. Brockelbank: (Saskatoon Mayfair) — Mr. Speaker, I have the honor of introducing a group of grade eight students from Mayfair school in Saskatoon Mayfair constituency. There are about 42 students, they are situated in the east gallery and I am certain, Mr. Speaker, that they will find this afternoon's proceedings in this Legislative Chamber of interest and educational as well. I am sure that all Members join with me in wishing them a safe trip back to Saskatoon Mayfair at the end of this day in Regina.

Some Hon. Members: — Hear, hear!

Hon. D.T. McFarlane: (Qu'Appelle Wolseley) — Mr. Speaker, I notice a group of good-looking students from the very progressive community of Indian Head in the west gallery this afternoon. I am only sorry that I didn't have the opportunity to meet with them before the House went into session. Many of them have been here on previous occasions and some I recognize as having taken a part on that very popular program, "Reach for the Top," and having done very well in past years. I just want to wish them a very happy afternoon, a good journey home and I hope they enjoy their stay with us in the galleries this afternoon.

Some Hon. Members: — Hear, hear!

Mr. G.G. Leith: (Elrose) — Mr. Speaker, I beg leave to draw the attention of all Hon. Members of the Legislature to a fine group of students seated in the west gallery. They are from the Elrose school, they are accompanied by their teacher, Mr. Housen and the bus driver, Mr. Fullerton. I want to take this opportunity of welcoming them here and wishing them a good afternoon in the gallery, lots of knowledge and a safe journey home.

Some Hon. Members: — Hear, hear!

Mr. W. McIvor: (Arm River) — Mr. Speaker, I would like to introduce to you and through you to the other Hon. Members of the Assembly, a group of 15 students from Loreburn seated in the Speaker's gallery. These students are accompanied by their teacher, Mr. Anderson and several members of their families. I'm sure all Members will join with me in extending to them a very warm welcome to the Legislature of our Province, and we wish them a safe journey home.

Some Hon. Members: — Hear, hear!

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Mr. G.T. Snyder: (Moose Jaw North) — Before the Orders of the Day are proceeded with, I'd like to introduce a group of students in the gallery, Mr. Speaker. They are a group of students from the Riverview collegiate in Moose Jaw. I think I can refer to them as a mature and intelligent group of students that belong to the New Democratic Youth in the city of Moose Jaw. I'd like to take this opportunity of welcoming them on behalf of both my colleague from Moose Jaw South (Mr. Davies) and myself on this occasion. I'm sure that they will find the proceedings very interesting.

Some Hon. Members: — Hear, hear!

QUESTIONS

MELVILLE COMPREHENSIVE SCHOOL

Mr. J. Kowalchuk: (Melville) — Before the Orders of the Day, I would like to submit a question to the Hon. Minister of Education (Mr. McIsaac). When can the people of Melville and surrounding districts expect at the earliest possible date to go ahead on the Melville comprehensive school? It is urgently needed. In fact Estevan, North Battleford and Prince Albert . . .

Some Hon. Members: — Hear, hear!

Mr. Kowalchuk: — . . . Anyway I'd like an answer as to when. The people of Melville and districts are very concerned.

Hon. J.C. McIsaac: (Minister of Education) — I would hope, Mr. Speaker, that we'll have an answer for the Hon. Member within a month or so. As he well knows we are having discussions and negotiations with Ottawa on this very question, but certainly we hope to be able to answer him before very long.

ANNOUNCEMENT — RESIGNATION OF HON. WALTER GORDON

Mr. A.E. Blakeney: (Regina Centre) — Mr. Speaker, before the Orders of the Day I'd like to direct a question to the Premier. In view of the announcement that the Hon. Walter Gordon had resigned from the Federal Cabinet, I wonder if the Premier had given any consideration to obtaining his valuable services in some capacity in the Provincial sphere?

Some Hon. Members: — Hear, hear!

Hon. D.G. Steuart: (Provincial Treasurer) — We've got too many Socialists now.

ADJOURNED DEBATES

BUDGET DEBATE

The Assembly resumed the adjourned debate on the proposed motion of Mr. Steuart (Provincial Treasurer) that Mr. Speaker do now leave the Chair, and the proposed amendment thereto by Mr. Blakeney (Regina Centre).

Hon. W.S. Lloyd: (Leader of the Opposition) — Mr. Speaker, may I join with others who have already extended a welcome to our visitors in the galleries today. As so many of us have said on so many different occasions, it is good to have this increasing number of visitors from the schools of Saskatchewan here in the Legislature from time to time.

When I adjourned the debate last evening, Mr. Speaker, I had taken time to make some suggestions which I hope the Government will take heed of. Some of these had to do with the field of young people, some had to do with the field of developing a total environment for living in the Province of Saskatchewan. I had also made some comment with respect to remarks which Ministers had made earlier in the debate.

This afternoon I want to turn more directly to the Budget Speech itself. The Attorney General (Mr. Heald) when he was speaking gave us something of a picture of how the Budget Speech was prepared. He referred to the soul-searching of the Provincial Treasurer while preparing the Budget. May I submit, Mr. Speaker, that our Saskatchewan Provincial Treasurer (Mr. Steuart) searching his soul provides a subject for a grade 'B' movie at least. You know he may have searched his soul, but I'm afraid by force of habit he found his cash register. I gather that he failed to notice any difference between the two. I could have hoped and the people of Saskatchewan, I'm sure, will join me in the hope, that he had stopped his searching with his soul, that he had stopped searching there before he'd got his hands in the pockets of sick people, old people, poor people, young people, to replenish his cash register. I'm sure that you and the other Members of the Legislature, Mr. Speaker, would want to join with me in extending to him the hope that his soul recovers from the battering it must have had before he prepares another Budget. I say that because his soul is going to need strength to fight back before there is a return engagement. His soul might be rough enough to take it but the people of Saskatchewan, I'm sure, can't.

There are some conclusions, some generalizations which can be drawn from the Budget. First I suggest that it demonstrates the deceit which the Saskatchewan Liberal party has practised on the people of Saskatchewan. No effort has been too great, no technique of publicity left unused in order to conceal the facts from the public and to distort the real situation.

Secondly, this Budget demonstrates in a very obvious way the past poor management of the Saskatchewan Liberal Government. Why else other than poor management, Mr. Speaker, should we have in one year an increase in taxation of approximately \$35 per person in this province: When I say almost \$35 per person I'm accepting the estimate of the Provincial Treasurer, I suggest that the actual increase is more likely to be \$40 per person than \$35 per person.

Thirdly, this Budget demonstrates the upside-down nature of the values of the Saskatchewan Liberal party. Why else do we have these added taxes bearing so heavily on the leanest of the lean people in the land?

Fourthly, it demonstrates why the Government lacked the courage to face the truth of another Budget before calling the election. Why else an election after three years instead of the usual four? Mr. Speaker, this is a Budget that practises

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deceit. It promotes inefficiency. It provides for inefficiency.

Some Hon. Members: — Hear, hear!

Mr. Lloyd: — May I elaborate a bit on that which I have called deceit — truth concealed or distorted if you will. The story of the extent to which this was practised before the election has been well documented. It is now, I submit, accepted by nearly everybody in the Province of Saskatchewan. The deceit of the Liberal Government is now on the lips of people in every part of Saskatchewan. Even the Government's own supporters are saying: "It was not for this that we voted Liberal in October of last year."

Some Hon. Members: — Hear, hear!

Mr. Lloyd: — Strange and almost impossible as it may seem, the creditability gap between the Government and the people has increased. This is a creditability gap probably exceeded only in a country like Vietnam.

The Treasurer in the Budget Speech assured us that: "We enjoy the greatest prosperity in our history." He went on to say, however, that in his words, "there are weak spots." The question is raised as to who is to blame for these weak spots. In the Budget in his usual modest way, he blames these weak spots on the failure of Federal Governments and secondly, on excessive demands of the people. But as to his own Government, he says: "We have conducted our financial affairs in a most responsible manner." "But after all" he add, "we are only a small part of the nation and we find ourselves faced with the consequences of other people's actions. "Mr. Speaker, in this great sea of economic sin, inside Saskatchewan and outside Saskatchewan, according to him only the Saskatchewan Liberals remain pure and virginal. This is deceit compounded with a large measure of conceit as well.

The Treasurer in his address continued to try to deceive with respect to the contribution of the Federal Government to post-secondary education. He accused me in his speech of, and I quote, "deliberately misleading the public" or "of being incapable of understanding." He continues to claim in other words that Federal money is not meant for university or other post-secondary education in the millions that it is. Let me call some four witnesses briefly, Mr. Speaker.

First, the Faculty Association of the Regina campus in material circulated to all Members of the Legislature quotes Mr. Sharp in the House of Commons saying: "Since the priority of expenditures for higher education is now well recognized, the Federal Government undertook to ask Parliament to abate or reduce the Federal income by four additional percentage points of person income tax and one additional percentage point of corporation profits." It goes on to say that the Federal offer to the Provinces "to help finance the rising costs of post-secondary education goes beyond this tax transfer." That witness supports my position and the position of the Regina Faculty Association and many others that these millions were meant for education in Saskatchewan.

Secondly, the President of the University, Dr. Spinks in the annual report of the University, tells of the Federal-Provincial meeting on university financing at Ottawa. He quotes

the Prime Minister of Canada who stated that the Federal Government was prepared to help alleviate the extra burden of higher education by transfer of tax revenues and by other means. That witness substantiates what I have said and contradicts the interpretation of the Provincial Treasurer.

The Dominion Bureau of Statistics in its Daily Bulletin for February 9 says that, "The financing of education in 1967 underwent a marked change brought about by the massive transfers of Federal financial resources to the Provincial Governments for the purpose of providing funds for post-secondary education." That's a good witness on behalf of the statement that I made and the Provincial Treasurer attempts to dispute. I know the Treasurer doesn't make use of Dominion Bureau of Statistics unless he can help it.

And the fourth witness, the Canadian Association for Adult Education in a recent publication speaks of the The Fiscal Arrangements Act and said, "It bears on the total amount of revenue available for educational purposes. The Provinces will receive more money from the Federal Government for education than they did before." And the same bulletin adds this worthwhile note of warning, "We urge the citizenry to keep a sharper eye on the level of grants made by Provincial Governments to the universities from year to year." To that I say, "Hear, hear," and particularly in Saskatchewan. And with those references Mr. Speaker, I leave to the people to judge who it is that is deliberately misleading the public and why.

He tries also to confuse people with respect to the cost of health programs. I admit these involve a lot of money, a tremendous lot of money. They do so because people believe that health is important and health services are expensive. In his Budget Speech he says that, "Some of this money comes from Ottawa. The taxpayers of our Province are paying almost the total costs." Mr. Speaker, if there were no public plans such as SHSP and Medical Care Insurance, Saskatchewan people would then pay all of this cost. May I submit that we probably wouldn't have such plans as these had it not been for the previous CCF Government in this Province of Saskatchewan.

Some Hon. Members: — Hear, hear!

Mr. Lloyd: — But the Provincial Treasurer (Mr. Steuart) seems to infer in his Budget Speech that he would prefer an absence of these plans because then presumably it would cost less money. The question which he and others who argue that way need to answer is; if there were no plans, who would pay them and how much? The Treasurer infers that the cost to be paid by Saskatchewan people would then be less. If there were no public plans, there would be some savings if you define savings according to Saskatchewan Liberal philosophy. There would be savings because the people would be unable to get medical or hospital service because of inability to pay. Payments by the same people, if there were no public plans, would be the situation, Mr. Speaker. But those who would be sick more often and longer would pay more. The impact of the Treasurer's remarks is that this would be better if people paid more because they were sick longer or more often.

He suggests, secondly, that the future costs of these plans are ruinous. How does he propose to make these costs less ruinous? Well his suggestion is and I quote: "That the amount

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people pay should be related to the use they make of those services.” Translated into plain English, Mr. Speaker, this means that the longer you are sick, the more you pay. The oftener you’re sick, the more you pay. Nobody has explained yet any measurable savings as a result of the application of such philosophy. It would be true only if fewer people get services or if they get poor-quality services. This policy, Mr. Speaker, I submit is the policy of one or the policy of a group who believe that people are basically dishonest. This is the policy of people who believe that you cure sick people by punishing them not by treating them, you punish them by charging them more. You fine people for being sick, that’s the proposal in the present Budget.

Some Hon. Members: — Hear, hear!

Mr. Lloyd: — This is the policy of the Saskatchewan Liberal Government, Mr. Speaker. The Liberals are a bunch of economic witch doctors plying their trade on sick people in the middle of the 20th century.

Some Hon. Members: — Hear, hear!

Mr. Lloyd: — Those who oppose public services will always, while opposing the service itself, try to make their point by attacking these services on the basis of alleged ruinous costs. So ran the argument for many years of those who opposed old age pensions, unemployment insurance and family allowances. So ran the arguments of the Liberal party after proposing Medicare Insurance in 1919 and delaying its implementation until 1968. So still runs the arguments of many Liberals today in 1968. They may still continue that argument, Mr. Speaker, and apply its meaning, if the wrong person happens to be elected Leader of the Federal-Liberal party in a few weeks’ time. We may still be called back into this House in special session to raise the \$10 million the Budget is planning as a Federal contribution to medicare in Saskatchewan. And I have to add that, if there is a June election and the Tories are elected, then almost certainly we’ll be back here trying to get another \$10 million out of Saskatchewan.

Mr. Speaker, public plans of this nature represent a shift of power from the few to the many. Public plans represent a redistribution of wealth. The opposition to public plans is usually on the basis of costs even though the costs of the services, paid for individually, would be as high in total and higher for many individuals. Yet there are people who try to prejudice public plans by talking about the costs.

Mr. Speaker, this is an inefficient Budget. Deterrent charges of \$7.4 million are to be paid by Saskatchewan sick people. The return to the Treasury is going to be only about \$5 million. There is a shrinkage, a loss, an erosion of \$2.4 million, almost one-half of the net gain, the highest collection costs in history. Add to this the collection costs and the uncollectible debt cost of all hospitals and doctors, as they collect this in dribs and drabs of \$1, or \$1.50, or \$2 a case. It is an inefficient Budget.

This Budget also deceives, as I said earlier, as to the amount to be collected. The Budget suggests the increase will be about \$35 per capita. For a man and his wife and a family

of three that's \$175 per capita. That's about three and one-half times the homeowner grant for those families who get homeowner grants. If one of the family happens to be at university, you can add another \$85. That's an increase in living costs of \$260 for that family this year. That's bad enough, but I suggest again that the actual increase is not about \$35. It is closer to \$40 per capita.

Why are we being overtaxed in 1968? This, I suggest, is a pay-now-vote-later plan. We are being overtaxed now for two reasons, first, so that at some future date the Government will be able to reduce taxes. At that point Santa Claus will emerge from the right and enter into the centre of the stage. We are being overtaxed now so that there will be a surplus and at the appropriate time, then Mr. Steuart will become a jolly little elf, the helper of Santa Claus and distribute those surpluses as alleged gifts.

Mr. Speaker, even before the Legislature met the Government was busy increasing charges to add to its revenue. It increased the charge for liquor, it increased the licence fees for liquor outlets, it increased Provincial park fees. The Board of Governors increased University fees. The Local Government Board increased its fees for local governments. Probably \$2-3 million in these alone, and this was just preliminary to the main bout of March 1.

Mr. Speaker, we realize the Government needs money for important services. But we had been led to believe that the growth of resource development in this Province was such that the added yield of the present taxes at the present levels would meet those needs. We had been led to believe, the people of Saskatchewan had been led to believe, that the growth of resources was such that taxes at the present levels would give us more than we needed and enough to make taxation cuts possible. Rather interesting to note that the Treasurer in his Budget says that the receipts from mineral resources this year will represent a decline of \$1.4 million over the current year, after all the talk about mineral development and the revenue from that.

Secondly, while realizing that the Government needs additional revenue, we must object to the unfair, the inefficient and the cruel method chosen by this Government to raise revenue. It has put a direct tax on agricultural production, already handicapped by a lot of things plus Liberal Governments. It reverses the ability to pay principal with other taxes. I submit that deterrent fees in particular are not just methods of raising money. These are an attempt to destroy and to discredit important health and educational services.

This Budget provides new taxes, a wider base for old taxes, a higher rate for old taxes and it adds up to some \$35 per person. The cruelest and unfair among these, the deterrent fee on medicare, most cruel and most unfair, the hospitalization deterrent fees.

The end wasn't with the Budget. The next day the Minister of Highways (Mr. Boldt), the Minister in charge of Government Insurance, got into the act and as an encore he added some increases in automobile accident insurance premiums.

And the end is not even yet, Members will have noted that the increase for school grants, according to the Treasurer,

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is limited to some \$2.7 million. This is woefully inadequate to share the increased costs of our school districts. We must look forward to a large and wholesale increase in property taxes as we had last year and the year before. The Government for some time has been trying to claim that they are providing 50 per cent of the cost of education through their grants, never a very reliably established figure. But I feel confident in saying that the percentage this year is going to be closer to 40 per cent than to 50 per cent. We are going backwards in this respect too.

Some Hon. Members: — Hear, hear!

Mr. Lloyd: — All of this, Mr. Speaker, in a year in which we have for the first time \$10 millions and more of dollars to share the cost of Medical Insurance in Saskatchewan. All of this in a year in which the total amount of money from Ottawa is greater than ever before in our history. This Budget shows that there is \$100 million and more in various forms for various purposes which come not out of Provincial levy of taxes but out of Federal sources.

Let me turn to the deterrent fees more specifically. Mr. Speaker, these fees are a tax. They are a tax on the sick. The Treasurer (Mr. Steuart) in the Budget Speech said this: "Our Government believes that the amount people pay for some services should be related to the use they make of these services." And there he nailed the Liberal colors to the masthead. In other words, the sicker you are, the more you pay. That's the Liberal guideline for taxation. The longer you are sick, the more you pay. That's another Liberal guideline. The older you are, the more likely you are to have to pay more. The young people raising a family are more certain to have to pay more.

We need to raise the question: have the people been led to believe that something different would have happened? I refer to you a statement of the Premier quoted in the Leader-Post July 28, 1965. He talked about when we would get Federal assistance for medicare. At that time he said that "it might be possible to include dental care or prepaid drugs." He went on to say at that time "an alternative to expansion would be lowering medical care premiums." This he said "would depend on the wishes of the Saskatchewan people." We haven't got the possible extension of drugs or dental care, or anything else. There is no alternative with regard to lowering premiums. The action is in contradiction, I submit, of the wishes of the people of Saskatchewan. You have another one of these clear pictures of Liberal promise versus Liberal performance.

The Provincial Treasurer (Mr. Steuart) and the Minister of Health (Mr. Grant) yesterday attempted to justify these measures on the basis of curbing costs. I read again, a statement from the Leader-Post of September 5th, 1964 and I quote:

Studies to date show the deterrent fees failed to provide an effective means of curbing costs.

Who said it, Mr. Speaker? The then Minister of Health, the present Provincial Treasurer, the Member for Prince Albert West said that in 1964. Have there been new studies, we ask him. Why have there been different conclusions? The Government refuses to make available to us the public studies they have in respect to Swift Current.

The Provincial Treasurer, the then Minister of Health, went on to say in 1964 that the Swift Current Medical Insurance Plan has indicated that “deterrent fees, if they are to be high enough to be true deterrents, work a hardship on people who should be helped by the plan.” And in his Budget Speech he indicated that the Government was in his own words, prepared to “work a hardship on people who should be helped.” Mr. Speaker, I refer this House to reading sometime the statement of Chief Justice Hall, former Chief Justice, speaking as Chairman of the Royal Commission on Health Services. He is reported in our newspapers on October 16, 1964, as saying this:

There is no greater challenge than to provide health services without hindrance.

We failed in that challenge. He says of deterrent fees, “the administration costs are out of proportion.” He says that “they have a deterring effect only on the poor.” With respect to saving money, he points out that they have deterrent fees on hospitalization in Alberta and I quote:

The length of stay in Alberta is higher than in Saskatchewan.

How are we going to save money that way? He adds that the result of the deterrent fees is “to permit those who have the money to be preferred in hospitals over those who lacked it.” He said that they are “a tax on the poor.” In other words he refutes every argument that the Provincial Treasurer or the Minister of Health had put forth in support of this measure.

Some Hon. Members: — Hear, hear!

Mr. Lloyd: — Mr. Speaker, we have been denied information as to how these are going to apply. I want to appeal to the Government and the Minister of Health (Mr. Grant) in particular, to clear this up for some of these people, and I am thinking particularly of those people in geriatric centres. Surely it is not too much to ask the Government not to delay any longer in saying whether they are going to pay \$2.50 a day and also for their doctor calls or not. Surely it is cruel and callous of the Government not to say specifically, “You are not going to be charged in that way.” As far as doctor services are concerned for these people, in the most cases the doctor is called by a third party, usually the nurse. A patient has no control over that.

The hospital deterrent is one which must be objected to most emphatically among emphatic rejections. The doctor has to open the door before the patient can get into the hospital. The doctor has to open the door before the patient can get out of the hospital. What abuses of which the Minister of Health (Mr. Grant) and the Provincial Treasurer have spoken do they expect to cure by putting a deterrent on the patient under such circumstances?

Some Hon. Members: — Hear, hear!

Mr. Lloyd: — Mr. Speaker, the aim of this plan, I submit, is only partly money. Part of the aim is to make the financial risk high enough that private insurance companies can sell a policy.

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This is part of the New Saskatchewan.

Some Hon. Members: — Hear, hear!

Mr. Lloyd: — Come to Saskatchewan and you can fatten even on the bones of the very sick, says the Provincial Treasurer. The Liberals are now doing by taxation what they were unable to do by kicking at the door of the Legislature.

Mr. Speaker, the Frazier Report showed that the Government was right in removing the previous Minister of Health. The imposition of the deterrent fees shows that the present Minister of Health (Mr. Grant) ought to be removed. The Budget with all the financial difficulties it describes shows that the Government was right in disposing of the previous Provincial Treasurer (Mr. Thatcher). The method chosen to increase taxes in this Budget shows that the present Provincial Treasurer (Mr. Steuart) ought to be discarded also.

Some Hon. Members: — Hear, hear!

Mr. Lloyd: — Mr. Speaker, we have sometimes heard that this province has now become a “have” province. Well there are some “haves” for us. We have a Government which has proven its ability to deceive the people. We have a Government which conceals more information from the public than any other Government in Canada or history. We have the cruelest tax increase in our history this year. We have a Budget which discriminates against the poor and against those most in need of services. We will have, Mr. Speaker, the honor of the highest deterrent fees for hospitalization of any Province or people in the entire Dominion of Canada. The Budget Speech says we now enjoy the greatest prosperity in our history. It could have added, this won't be true tomorrow if you are sick too long or if you are sick too often. It reminds me of “A Tale of Two Cities”, the introductory paragraph. “It was the best of times, it was the worst of times.” That's sort of the story which the Budget completes here. This is the “Tale of Two Parties” — the Liberal party before the election and the Liberal party after the election. And any similarity is purely incidental. Mr. Speaker, in the end of this Government lies the beginning of hope for Saskatchewan people, it can't come too soon. I will support the amendment.

Some Hon. Members: — Hear, hear!

Mr. D.G. MacLennan: (Last Mountain) — Mr. Speaker, as this is the first time that I have participated in debate in this session of the Legislature, let me extend my congratulations to you on your re-election to the high office you occupy.

I welcome, Mr. Speaker, all new Members of this House and congratulate them on their election. The same congratulations, Mr. Speaker, are extended to all the other Members who won re-election in their respective constituencies. The same welcome in some cases, Mr. Speaker, is somewhat less than enthusiastic.

I would like to take a few moments, Mr. Speaker, to thank the people of Last Mountain constituency for once again giving me the opportunity to represent them in this Assembly. The people of the Last Mountain constituency, Mr. Speaker, had the highest voter turn-out on election day in the entire province.

More than 86 per cent of those eligible to vote cast their ballots on October 11. This, Mr. Speaker, shows the keen interest the people of my constituency have in the affairs of our province. It shows also, Mr. Speaker, the enthusiasm the supporters of all three candidates had for their respective parties. I commend my own supporters as well as the supporters of my two opponents for the work they did in obtaining this distinction for the constituency of Last Mountain.

Mr. Speaker, I would now like to comment on some of the speeches that I have heard in this debate. In this Budget debate the Hon. Member for Regina Centre (Mr. Blakeney) was at his rabble-rousing best or worst, I don't know. He got so enamoured of his efforts that at times he cancelled himself out. He attacked the hospital and medicare utilization fees as taxes on the poor. Yet he said it is people with higher than average incomes who make most use of the services of doctors. Such housewives, he said, do not work. They have cars. It is easy for them to take their children to the doctor. If what he says is true, Mr. Speaker, it would seem to me that it is reasonable and just that the richer people should pay a little more of the costs of these services that he says they use so frequently. He said, "No Government has ever increased taxes so recklessly, so deceitfully and so unfairly." I do not believe his memory is so short that he cannot remember the record-breaking tax increases imposed by the Socialist Government. They followed each election held while they were in office with a number of stiff tax increases. They increased the retail sales tax twice, each time soon and shortly after an election. The end result was a rate increase from 2 per cent to 5 per cent and an increase in the tax collected from \$2 1/2 million to \$44 million. The gasoline tax was increased five times, each time just after an election. The rate was increased from 7 cents to 14 cents a gallon and the total collected in a year from \$3 1/4 million to \$29 3/4 million. Motor licence fees were increased after each election and the total per year increased from \$2 1/3 million to nearly \$9 million. Regularly, after each election the hospitalization premium was increased by our friends opposite. What about the deceit, which according to the Hon. Member, is making tax increases without announcing them during an election? The Hon. Member may search the election speeches of himself and of all his colleagues in vain for any indication of the Government's intention to increase taxes when the election was over when they were in power. The most nefarious piece of deception was practised in the 1960 election. Just before that election the hospitalization tax was reduced from \$45 to \$35 for a family. Just as soon as possible after the election, it was raised, and raised, not to \$45, but to \$48. I should remind the Hon. Member again of Sessional Paper No. 2 of the second session of 1961. This set forth the fees, licences, dues, royalties, etc. charged in 1944 and 1961. The return showed that about 600 exactions of one kind and another had been increased and 600 new ones had been imposed by the former Socialist Government.

Last week, Mr. Speaker, the Hon. Member for Redberry (Mr. Michayluk) made one of the most ridiculous speeches ever given in this House. He had next to nothing to say on the Budget itself. He read a lot of old newspaper clippings going back to the 1940s and early 50s and then he did the most amazing thing of all. He then appointed himself as the spokesman of people with Ukrainian ancestry. He tried, Mr. Speaker to insinuate that the Liberal party discriminated against people of his ethnic background. This, Mr. Speaker, is setting a new low in this

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Legislature. In all the years that I have followed the debates of this House I have never heard such a charge or insinuation levelled against any party by any Member. For the most part he based his charges on the fact that not a single Member of this side of the House is of Ukrainian ancestry. This may be true, Mr. Speaker, and I am sure that it is regrettable. In the last election, however, several outstanding men of Ukrainian background won Liberal nominations. They were nominated at contested nominating conventions; they were nominated not because of their heritage but because they happened to be the best men in the eyes of the people who nominated them. The Liberal party, Mr. Speaker, tried to help these men to be elected not because of their nationality but because they were outstanding members of the Liberal party. One of these men came within 12 votes of defeating the Member from Redberry (Mr. Michayluk) and I am sure that that man will be successful in providing this service to the people of Saskatchewan in the next election. Mr. Speaker, many people of Ukrainian background have served the people of Saskatchewan in this Assembly as Liberal MLAs and I may add with great distinction. In recent years on the Liberal side of the House, we have had Mary Batten and Bernard Korchinski, both of whom brought great honor and distinction to the Ukrainian people as MLAs, and who, Mr. Speaker, continue to do so in the high offices they now hold. Mr. Speaker, as you well know, both these people are serving their country as judges and were appointed to their positions by the Federal Liberal Government in Ottawa, another Government that he accused just a few nights ago of discriminating against the Ukrainian people. Mr. Speaker, the Liberal party and this Government took pride in the fact that we were fortunate enough a few years ago to have sitting amongst us a Liberal MLA, the late Sam Asbell. Mr. Asbell, as everyone knew, was the first Member and the only Member of the Jewish faith ever to be elected to this House. We did not then, Mr. Speaker, or do we now because the NDP have never elected a member of that faith, accuse or insinuate that they might be anti-Semitic. Mr. Speaker, the Hon. Member from Redberry in his speech the other night brought no distinction to himself, to the people he represents, or to the Ukrainian people of this province. To his colleagues of Ukrainian descent, he must be a tremendous embarrassment.

Mr. Speaker, all last week we had heard NDP Member after NDP Member attack the Government for increasing taxes. Only one NDP Member, Mr. Speaker, attacked the Provincial Treasurer for balancing the Budget. We must presume, Mr. Speaker, that the Members opposite agree with the Members on this side of the House that as far as Saskatchewan is concerned, the Budget brought down by the Member from Prince Albert West (Mr. Steuart) should be a balanced one. This he did and in this we all seem to agree. Not a single NDP Member, Mr. Speaker, suggested that the total amount to be spent in the 1968-69 Budget should be less than the amount budgeted for by the Provincial Treasurer. In fact, Mr. Speaker, each and every NDP Member criticized the Provincial Treasurer's projected revenues and suggested greater expenditures. In effect, Mr. Speaker, we have heard the NDP say this: (1) Balance the budget; (2) Do not spend less than \$338,400,000; (3) Spend more money on most programs and (4) Do not raise taxes. This, Mr. Speaker, is childish talk, irresponsible talk, and impossible talk, but Mr. Speaker, that is NDP-type talk.

Some Hon. Members: — Hear, hear!

Mr. MacLennan: — An NDP budget; Heaven forbid, such a monstrosity would have many changes I am sure. According to what they have said, the first people that would suffer would be the people that live in rural Saskatchewan. The first items to be slashed by an NDPer would be municipal equalization grants, then they would cut off grants paid for maintenance of grid roads, then the snow removal grants, all programs instituted by the present Liberal Government. This would save an NDP Provincial Treasurer \$3.7 million. This would, of course, Mr. Speaker, send the mill rate in our rural municipalities soaring. Would they care about that, Mr. Speaker? No, of course not, they did not care about the RMs in the 20 years they were on this side of the House, so why should they change. The next item they would slash would be the use of purple gas in farm trucks. They would do this at the suggestion of the Members from Kinistino (Mr. Thibault) and Regina Centre (Mr. Blakeney). This would cost the farmers of Saskatchewan more than \$4 million.

The next item that would be slashed would be the grants to the homeowners, that would save them \$8,600,000. They would realize though that this would hurt the people in the rural areas far more than it would the people who live in the cities. Why do I say that it would hurt the rural people more than those in the cities? I say it for two reasons: One, in the rural areas where there are virtually no apartment blocks, a far greater percentage of people live in their own homes and qualify for the grant and, secondly, there are thousands of people especially elderly retired people living in small, very modest homes in the towns and villages of Saskatchewan that the homeowner grant pays half of their yearly taxes. These people can ill-afford to lose this grant, but the people opposite, Mr. Speaker, would have no hesitation in taking this money away from them.

The next program, Mr. Speaker, they would abolish would be the Indian and Métis Branch. This would save them only \$430,000, but it was a Liberal program so they would get rid of it. I would suggest, Mr. Speaker, that the NDP would be as considerate of these people as they were when the CCF were in power. They did nothing for our Indian and Métis people then, and would do nothing again.

Mr. Speaker, the next item the NDP would slash and eliminate would be the Provincial Youth Agency. They would eliminate it because it was a program again introduced by a Liberal Government. But cutting out this program, 390 schools in 260 communities would close their doors to over 30,000 young people for various out-of-school activities. It would mean the cancellation of 1,350 community junior development projects involving 27,000 young people in 211 communities. An NDP Government would deny thousands of our young people job counselling and career guidance by eliminating and suspending the activities of the Opportunity Caravan sponsored by the Provincial Youth Agency. Yes, Mr. Speaker, by attacking programs set up by this Liberal Government that were designed for our people of Indian ancestry and for our young people an NDP Government would save over \$1 million, \$617,000 On our Youth Agency and over \$400,000 on our Indian and Métis.

Mr. Speaker, as I am sure you are aware these two agencies of our Government were especially designed to help people who,

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by and large, do not enjoy facilities that exist in our cities. Once again, the people of rural Saskatchewan would suffer at the hands of a labor-dominated and city-influenced Government.

Mr. Speaker, the big cut an NDP Government would make on a Liberal program would be on the highway program. As everyone in this House knows the present highway program is to cost \$58.5 million. The Provincial Treasurer (Mr. Steuart) pointed out in his Budget Speech that this amount will exceed the \$24.2 million spent in 1963-64, the last year of the CCF Government by more than 140 per cent. Listening to the Members opposite, Mr. Speaker, I am sure they would cut this program by at least \$15 million. The Member for Melville (Mr. Kowalchuk) suggested \$20 million.

What would this mean if they cut \$15 million off the highway budget? It would mean for 1968-69, instead of paving 365 miles of highway as we propose to do, they would pave only 274 miles. Instead of oiling and grading 785 miles of highway, they would grade only 375 miles. And, Mr. Speaker, a quarter of the amount of money we spend on the upkeep of our highway system would not be spent under an NPP Government, causing our existing highway system to deteriorate. The people of Saskatchewan, Mr. Speaker, have every right to drive on safe dust-free roads and a Liberal Government will do everything in its power to see that their demands are met, not 10 or 20 years in the future, but now.

Some Hon. Members: — Hear, hear!

Mr. MacLennan: — The success of the Liberal highway program during the past four years is evident in the constituency of Last Mountain. During the past four years of Liberal Government, more miles of highway have been oiled and paved in my constituency than in the 20 long years of NDP Government.

Mr. Speaker, Hon. Members opposite are making much of the alleged difference between the general attitude of the Government and the Liberal party before and after the recent election. They say that before the election we depicted a land flowing with milk and honey, and after the election we are plunged into austerity. The word, austerity is, perhaps, too extreme to describe recent Government policies. It suggests conditions similar to those under the Socialist Government in England and nothing could be much further from the facts than here in Saskatchewan. Economizing might have been a term better describing what is taking place in this Province. The Government is concerned to eliminate unnecessary expenditures and to reduce expenditures on less essential things, so that more money may be available for increased expenditures on essential services and at the same time the Budget may be balanced. This is essentially just a continuation of the policies of good business administration this Government has practised since it took office in 1964. The economic conditions in this Province remain substantially the same as existed before the election, and as described by the Liberals during the election. There is a continued high level of industrial expansion. There is virtually full employment, the lowest rate of unemployment of any province in Canada. There is the highest level of private and public capital investment in our history, and again higher than the national level. There is just one significant difference, the smaller crop harvested in the fall of 1967. This will result in reduced farm, net income and is bound to have some effect on our whole economy. Hon. Members opposite will undoubtedly try to blame the Government for this. Admittedly, the tax increases represent a change

in policy for this Government. The taxes are increased to pay increases in Civil Service salaries, increased school grants, pay larger grants to the University and larger expenditures on health and social welfare.

Will Hon. Members opposite, if they criticize, be honest enough to object to any of these increased expenditures? The Socialists should be the very last people to criticize tax increases. During their term of office, they increased the rates of virtually all existing taxes, some of them several times. The new taxes, fees and increases totalled more than 600. Year by year they drove their tax-picking fingers deeper and deeper into the pockets of the people of this Province. When one looks over the list, he is amazed at the ingenuity they displayed in devising newer and more devious means of diverting more of the people's money into their own pockets. It became the business of this Liberal Government to repeal and abolish a large number of the tax exactions devised and imposed by the Socialists.

There will be much Socialist moaning over the utilization fees to be charged for hospital and medical services. The Socialists, as they watched the rapidly mounting costs of hospitalization, would have liked to impose deterrent fees, but they lacked the courage. They permitted costs to mount year by year and increased the general hospital premium tax after each election. Instead of now making an increase in the general level, this Government has decided that a little more of the cost will be paid by the users and the abusers of the services. The change will be welcomed by the people as an overdue effort to correct an evil which seemed to be developing to alarming proportions. Mr. Speaker, I will oppose the amendment and support: the motion.

Some Hon. Members: — Hear, hear!

Hon. C.P. MacDonald: (Minister of Welfare) — Mr. Speaker, first of all as I rise to take part in this debate, I wish to discuss some of the comments that have been made during the debate by Members of the Opposition, second to discuss the Budget and some of the policies announced by that Budget itself.

My reason, Mr. Speaker, is that after listening to the Opposition for one week, one message that requires a reply has permeated every speech, a message that by now must be obvious to every man and woman in Saskatchewan. It states in no uncertain terms that the NDP in Saskatchewan and in Canada have proved beyond a shadow of a doubt that they are unworthy to govern the Province of Saskatchewan. They are a party unworthy to seek the responsibilities of government. The Socialists have one by one stood on their feet and demanded the resignation of the Liberal Government.

First, because we raised taxes and second because we announced the implementation of utilization fees. They have also accused us of deceit and dishonesty by implying that the tax increases refute the Liberal party claim of a booming Saskatchewan and a New Saskatchewan, free from the strangling grip of Socialism. Let me quote, Mr. Speaker, the financial critic, the Member for Regina Centre (Mr. Blakeney):

Many of us knew the picture of a prosperous Saskatchewan

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held out by the Liberal Leader's campaign a few months ago was transparently false. We know the facts were being misrepresented, but we didn't know how gross were those falsehoods.

We also listened, Mr. Speaker, to the Leader of the Opposition on his feet this afternoon attempting to substantiate those same charges.

First, Mr. Speaker, let me tell the Socialists that we have no intention of resigning. We have just been given a mandate by the people of Saskatchewan to govern our Province and we intend to do so. You know, Mr. Speaker, the Member from Redberry (Mr. Michayluk), has no manners but I would remind him of the old adage, "It's better to close his mouth and appear ignorant, than open it and remove all doubt." Mr. Speaker, we have also been given a mandate for a responsible Government, and we also intend to carry out that obligation. But responsible Government, Mr. Speaker, does not mean that the responsibility of Government resides only with the Government, it also implies responsibility on the party of the official Opposition. If ever in the history of Canada a political party has betrayed that trust for cheap political gain, it is the NDP opposite. Never in the history of Saskatchewan, have a group of politicians been as irresponsible, dishonest, misleading, as completely out of step with the needs and demands of our Provincial and national responsibilities. In not one single speech, Mr. Speaker, have that party of political expediency opposite even recognized the financial problems besetting Saskatchewan, Canada and the world at this time.

Mr. Speaker, the problems of Government revenues are not related to the Province of Saskatchewan, but are the problems of every Province, of our national Government and of every country in the world. For two weeks now we have listened to Members of the Opposition trying to insinuate that these problems reside only in the Province of Saskatchewan.

Let me point out some of these problems as they relate to other of our sister Provinces in Canada. Let me start with the Province of Alberta, neighbor to the west, and perhaps the richest Province in Canada. Let me quote from the Calgary Herald of a few days ago. Here is the headline, "Deficit to Kill Cash Reserve." Let me quote a few paragraphs from the story:

Alberta may tax sales. Unveiling record expenditures of \$893 million in its third consecutive deficit budget, the government signed a death warrant Friday night for its liquid cash reserves and opened the door to a sales tax. Higher gasoline taxes and automobile licence fees failed to stave off a gloomy prediction from Provincial Treasurer, Andres Calborg, that Alberta this year will borrow money on the open market for the first time since 1935 and that a sales tax has top priority in consideration of new revenue sources. Mr. Calborg's Budget calls for a 7 per cent increase in revenues and expenditures for the 1968-69 fiscal year, but this will leave an overall deficit of \$70,458,000 predicted for the upcoming months.

This, Mr. Speaker, from the wealthiest Province in Canada, a Province that a few years ago had a cash reserve in the hundreds of millions of dollars.

Let me go now to central Canada and another of our rich sisters, the Province of Ontario and quote from the Toronto Globe and Mail.

Ontario deficit \$61 million forecast. Ontario's fiscal troubles were clearly revealed yesterday in Treasury Department's figures that forecast a \$60 million deficit to March 31st, 1968. Last year there was a surplus of \$53 million. A revenue spending deficit of \$222 million . . .

and I repeat, Mr. Speaker, a revenue spending deficit of \$222 million . . . "is estimated before Federal funds, interest on loans and other non-budgetary items come to the rescue."

The shift from the black to the red, a \$114 million change, is regarded by fiscal experts as a serious omen. There has been a desperate budget-cutting scramble leading up to Provincial Treasurer, Charles MacNaughton's Budget address in the Legislature next Tuesday.

This, Mr. Speaker, from another of the richest Provinces in Canada.

Now let me turn to the Maritimes to the far eastern coast and to the tiny Province of Prince Edward Island. Here I quote from the Leader-Post:

Prince Edward Island's Legislature was warned Friday that the Province is in serious trouble unless it shows financial responsibility.

Provincial Treasurer T. Earle Hickey said Friday during debate on the Speech from the Throne that the Province is in a bad way financially and is encountering difficulties borrowing money. Measures will have to be taken which not everyone will like, but will have to be done, the Treasurer said. The Government's Budget will not be brought down until later in the session.

All of us are also aware, Mr. Speaker, that Quebec has had deficits in the hundreds of millions of dollars, in the last few years, that Manitoba, Ontario and Quebec and New Brunswick have all made huge tax increases in the last few years to try and attempt to solve their problems. We have all witnessed the fiscal problems of our national Government in attempting to raise revenues needed to pay for Government programs. We have also witnessed the actions of the United States, the wealthiest nation in the world, in its attempt to solve its fiscal problems. It has curbed foreign investment and travel in order to put its house in order.

England is the most glaring example of the financial chaos encountered by governments at some levels.

Saskatchewan's problems are infinitely smaller than those of any other Province. Canada today is in the midst of a serious fiscal and economic crisis. Problems of inflation, deflation, tight money and high interest rates have threatened the very future of our nation. The most startling feature of this crisis is that it has occurred not in a period of deflation, not in a period of economic depression, but in a period of unprecedented expansion over the past few years. Economists at every level have warned Canadians that our problem is not growth but continued growth, not expansion but steady expansion.

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One of the major causes of this problem has been Governments at all levels spending beyond their means. Government revenues have increased, but Government expenditures have galloped beyond these revenues, until they are now at the point where they threaten the very existence of many programs. They have forced Governments to borrow on the money markets. They have driven interest rates to the point where ordinary people can no longer borrow money to build houses, expand their businesses or farming operations. But even more important, they have deprived the private sector of the capital needed to expand and develop our resources. Today every responsible Government in Canada is attempting to use restraint. Every Government in Canada is now being forced to examine their spending and assess their programs.

The Liberal Government in Saskatchewan has led the way, Mr. Speaker. We have in our four years of office balanced our Budget on every occasion. We urged restraint and also put into effect the measures that were necessary.

The people of Saskatchewan can well be proud of the fiscal policy of this Government, of our former Provincial Treasurer, and of course of our present one.

Let me make it emphatically clear, Mr. Speaker, that the economy of the Province of Saskatchewan is sound and its future prospects excellent. Let us look at a few of the facts. First, our last year's Budget had a \$3 million surplus despite a very light crop. Expansion and diversification kept Government revenues at an all-time high. Investment was 7.7 per cent higher than 1966, an increase double that made in the rest of Canada. Unemployment during the winter months was the lowest in Canada. Non-agricultural production in Saskatchewan exceeded the increases nationally, and labor income was also higher than the increases nationally. Government revenues over the next fiscal year before tax increases will continue to expand to new record heights. Perhaps, Mr. Speaker, the best indicator of continued prosperity and growth in Saskatchewan are figures released by the Saskatchewan Retail Association. The estimated retail sales in Saskatchewan are to reach \$79,508,000 in the month of February, as compared to \$78,822,000 a year ago, this, Mr. Speaker, despite a light crop.

Perhaps, Mr. Speaker, the Member from Regina Centre's (Mr. Blakeney) comments on hard rock mining are the most humorous of all. In his remarks, he tried to substantiate his claims concerning the New Saskatchewan. What outright deceit, Mr. Speaker! The Member referred to the fall in metal production from hard rock mining. For comparison purposes he used the figures for 1962 to 1967 with 1967. He also used the table of the Annual Report of the Department of Mineral Resources, but this table also gives the figures from the years 1958 to 1967 inclusive. Why did he not use these years? Was it because 1962 sounds a little closer to the period of Liberal Government than 1958? The decline in metal production commenced in the year 1944-45 the first year of a Socialist Government. The decline has continued persistently since then. During the Socialist period from 1944 to 1964, copper production declined 32.7 per cent, zinc 33.7, gold 63.3 and silver 73.9.

During this period the Province of Manitoba was levying a royalty of 8 per cent on net profits for this type of mining. The Socialists levied a tax of 12 1/2 per cent. As should have been expected development in metal mining moved to the Province

of Manitoba. Not one single additional metal mine went into production in the province under the Socialists and there was very little prospecting or exploration activity. In Manitoba there was the exact opposite, spectacular exploration and spectacular development. All of us, Mr. Speaker, are aware of the developments in Thompson and Lynn Lake.

Several times the Hon. Member asserted we should tax the users of our resources more heavily. That is a short-sighted policy. This is a very sensitive type of industry. Huge amounts of capital are required. The risks are very great. Competition is very keen. It is a case where the law of diminishing returns may readily be brought into operation. By raising rates of royalty production may diminish and total revenues may be reduced. The policy of this Government has been designed to recover some of the ground we lost during those 20 sterile years of Socialism.

This, Mr. Speaker, is the way in which the Opposition have made their case for Socialist development. Once again, hypocrisy and deceit. These facts, Mr. Speaker, give a lie to the Socialists' claim against the New Saskatchewan. Parliamentarians from one end of Canada to the other, from the Atlantic provinces to the Pacific, of every political party have joined the voices of the economists, the President of the Bank of Canada, and urged Governments to balance their budgets and trim their expenditures, as have parliamentarians of every political party, Mr. Speaker, except the Socialist. The NDP party have thrown their responsibility to Saskatchewan and to Canada out the window for cheap political gain and expediency. Surely, Mr. Speaker, the Socialists have at least one Member opposite that has the guts to stand on his feet and tell the people of Saskatchewan the truth.

It is too much to expect surely of the fuzzy-headed Socialists in the front benches to assume that responsibility, but is there not even one new Member that has enough courage to break away from the doctrinaire, outdated, antiquated philosophy of the NDP to add his voice to the call for responsibility from our elected representatives? Never before in Saskatchewan has there been a greater need for leadership from our politicians. The public of Saskatchewan and of Canada must be educated to the fact that there are no free programs, no give-aways, no free promises. Mr. Speaker, I believe they are learning the hard way that all Government programs and services cost money and that they must pay for them through taxation. But they are also learning that we have reached a saturation point and that Governments have a responsibility to use restraint.

But what did the Socialists have to offer? Not one single Member, beginning with the financial critic, to the lowest back bencher has mentioned the word restraint or fiscal responsibility. Each speaker has tried to outbid his seatmate in attempting to bribe the voters of Saskatchewan. Their only answer to Saskatchewan's problems has been more Government spending, offers of new free services, demands for expanded programs. Never before have the true colors of the NDP Socialists been more apparent than in the last week. Never before has Socialism proved its inability to solve the problems of the 20th century. Never before has Socialism demonstrated that it can distribute our wealth, but has no way to create that wealth. Never before, Mr. Speaker, has the inherent dishonesty and political expediency of the Socialists been more obvious. Never before has a

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political party in Saskatchewan proved beyond a shadow of a doubt that they are unworthy of the confidence of the people of this province.

Some Hon. Members: — Hear, hear!

Mr. MacDonald: — Mr. Speaker. What are the responsibilities of Governments today? First, Governments must live within their own means. Budgets must be balanced. There are many essential services which people of today ought to have and can afford to have. But at the same time, there has been a disposition on the part of Governments to go too fast and too far in providing them. Individual citizens have to live within their incomes or face dire consequences. Governments should do the same because it is the individual citizens who provide them with their money.

Second, Governments at all levels must attempt to control expenditures. A realistic assessment must be made of all Government programs. Only those that are of a real priority must be expanded. If we fail to do this, we will jeopardize all essential programs and services. Difficult decisions must be made in order to prevent the disintegration of basic services.

Third, more revenues must be spent to encourage development and expansion and less spent on costly welfare services. Canada in the last few years has initiated many new and costly welfare programs. Many of them good programs. We must now shift our emphasis to increase productivity in order to pay for programs that have been initiated.

Fourth, and perhaps the most important, Mr. Speaker, is that we must be selective in new services and programs. We can no longer afford to look after the people in our society who can well afford to look after themselves. If we fail to take this step, we will no longer be able to look after those people who really need our help.

Many problems of poverty remain unsolved. Our native people, emotional disturbance, retardation, urbanization, retraining, are only a few that will not only tax our dollars, but our ingenuity in the future. This, Mr. Speaker, is our responsibility in the years ahead. These are the principles we have adhered to in this Budget, Mr. Speaker, we are proud to accept these responsibilities.

What about our Socialist friends opposite? Have they suggested alternatives? Have they recommended restraint? Have they established priorities? Have they done anything to recognize their responsibilities? They have not, Mr. Speaker. All they have done since they entered this House is demand something for nothing, pie in the sky, bribes for the electorate.

I am sure, Mr. Speaker, that the people of Saskatchewan share my dismay and disgust at their valiant efforts to outbid one another for the right to play Santa Claus with other people's money. Let me start with the financial critic. Last Tuesday he started this parade of give-aways. Here, Mr. Speaker, is the cure the Member of Regina Centre (Mr. Blakeney) recommended for the people of Saskatchewan in this time of financial problems.

(1) Increased grants for arterial streets; (2) increased grants for urban policing; (3) increased Nursing Home facilities; (4) low rental housing to be increased; (5) increased pension benefits; (6) chiropractic care to be included in medicare; (7) free drug program; (8) day centres for children; (9) higher education grants; (10) more money for the base hospital; (11) increased health grants; (12) increased expenditures on mental health; (13) free university education.

And Mr. Speaker, he was only the first speaker. Every single Member opposite had his own little bag of free goodies to hand out. The Mayor of Regina (Mr. Baker) as usual, he won the prize, he promised the most, the best and biggest.

This, Mr. Speaker, is the sense of responsibility demonstrated. And they, Mr. Speaker, have the gall to describe the tax raise as vicious and savage.

Now, Mr. Speaker, let me turn to the other aspects of the Budget and the Opposition remarks concerning them. And the most important is the issue of tax increases. To start with, I want to say like all taxpayers, I object to increased taxes. Taxation in Canada and in Saskatchewan is fast reaching the saturation point. However, Mr. Speaker, I am also a realist and I recognize that if the public demand services from Governments, they must also expect to pay for them. The task of government is to ensure that taxes are related to essential programs and that every reasonable effort is made to reduce expenditures to legitimate needs. We have listened in this debate to some violent criticism from the Socialists opposite on our tax proposals. Of all the political parties, Mr. Speaker, in Canada, to object to tax increases, the Socialists should be the last. Their record is a record that is unparalleled in the history of Canada for high taxes and foolish spending. Here are some of the remarks from the Member from Regina Centre (Mr. Blakeney) He charged that the Liberal party hid the facts before the election and then raised taxes. Let me quote:

The Government kept the true facts hidden. The party practised wholesale deceit on the voters. They pretended things were rosy when they knew they weren't rosy.

What unmitigated hypocrisy, Mr. Speaker. If the Member from Regina Centre wants to talk about the great tax robbery, he should look at his seatmate, the Member from Biggar (Mr. Lloyd) and at himself, when they were Provincial Treasurers. No Government in the history of Canada raised taxes to the height they did after their last election in 1960. Let's review some of those tax increases. In the general election of 1960, the CCF slogan was "Support the CCF for more abundant living." As soon as the election was over, the Socialists commenced to increase taxes as fast as they could pry the taxpayer's wallet. Some of their increases were made by Executive Order, some in the regular session of 1961 and some in the second session of the Legislature in 1961.

Let's look at this hypocrisy that occurred after the election in 1960, this from a party that suggests that political deceit is now being in use. Let me enumerate these facts: (1) Hospital tax. Individual rates from \$17.50 to \$24, family rates from \$35 to \$48, amount of increase \$3.5 million.

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(2) Telephone charges, effective November 6, 1960, urban residents increased 10 to 25 cents a month; business rates 25 cents to \$1; pay stations 5 to 10 cents; long distance rates 10 cents from station to station and 35 cents for person to person, amount of increase \$1.6 million. (3) Liquor prices, effective April 3, 1961, approximately 13 per cent on the price of spirits and wine, amount of increase, \$1 million. (4) Gasoline and diesel fuel, effective April 1, 1961, gasoline tax increased 12 to 14 cents and diesel fuel from 14 to 17 cents, amount of increase \$3.8 million. (5) Education and health tax, effective January 1, 1962, increase from 3 to 5 per cent, amount of increase \$14 million. (6) Individual income tax, effective January 1, 1962, increase 6 per cent, amount of increase \$3.6 million. (7) Corporation tax, effective January 1, 1962, increase 1 per cent, amount of increase \$1 million. (8) Medical insurance tax, effective November 1, 1962, \$12 per person, \$24 per family amount of increase \$6 million.

Mr. Speaker, they taxed the poor, the sick, the old, the lean and the down-trodden. Without including the increase in court fees, the total increase per year was about \$34.5 million. This; Mr. Speaker, was more than the entire Provincial Budget in 1944. And Mr. Speaker, what is the relation of these unbelievable tax increases to the Budget of the time? The total budget was \$147,414,930 in 1961. These tax increases represented approximately 25 per cent of the entire Budget.

Some Hon. Members: — Hear, hear!

Mr. MacDonald: — It was the greatest example of deceit and hypocrisy ever perpetrated on the people of Saskatchewan. More abundant living was the comedy of the year, Mr. Speaker. And now they talk about savage tax increases.

What do the tax increases of 1968 mean in relation to this Budget? The tax increases of \$32.4 million out of a total Budget of \$338,418,360 represent 9.6 per cent of the total expenditures. A far cry from the 25 per cent in 1961. Mr. Speaker, what were the comments of the Member from Regina Centre at the time to justify these astronomical increases. I quote from the Budget Speech of 1962:

The plain truth, Mr. Speaker, is that those who oppose taxes do so for one of two reasons. Either they oppose the public programs which are being financed by such taxes and do not have the courage to say so, or they seek to mislead the public into believing that the services can be provided without being paid for.

Some Hon. Members: — Hear, hear!

Mr. MacDonald: — Who is misleading who now, Mr. Speaker? And who lacks the guts to justify his position? Let me quote another of our respected sources from the Socialists opposite, the old warhorse from Kelsey, old Brock himself, and I quote:

The Liberals didn't have the money that is true, but they didn't try to get it either. You can't give good government unless you have the courage to raise taxes.

Let me now review for all the Members opposite, particularly some of those new Members, the effect of some of this tax theft

immediately following the 1960 election, the effect of the Socialist tax increases on the people of Saskatchewan. Let's start with the sales tax, Mr. Speaker. By raising it from 3 to 5 per cent, it gave the Province of Saskatchewan the highest sales tax in the Dominion of Canada. In one fell swoop, every man, woman and child had to pay more for Socialist inefficiency than anywhere else in Canada.

Mr. Speaker, now we just reduced in 1964 the sales tax from 5 to 4 per cent and with the increase, Mr. Speaker, it's still among the lowest in the Dominion of Canada. Now let's look at the income tax. By raising it to 6 per cent it also gave the Province of Saskatchewan the highest personal income tax of any Province in Canada.

An Hon. Member: — Good old Socialists.

Mr. MacDonald: — By this second blow, our people had to pay more out of their earnings than any other man or woman in Canada. Let's look at the corporation tax. By increasing it 1 per cent we were again paying the highest corporation tax in Canada, with the exception of Ontario. By this third blow, the business community in Saskatchewan was paying more than their counterparts in the rest of Canada. The Member for Regina Centre asked the Provincial Treasurer why he didn't raise taxes on the personal income or corporation taxes. Well, Mr. Speaker, the answer is obvious. The Socialists raised them so darn high that it is impossible for anyone else to tax them any more and still remain competitive in Canada.

Some Hon. Members: — Hear, hear!

Mr. MacDonald: — What is their record in regard to the gasoline tax? This is another sordid tale of persecution and staggering increases. What is their record? In 1945 an increase of 7 to 8 cents per gallon; 1947, 8 to 10 cents per gallon; 1953, 10 to 11 cents per gallon; 1957, increased from 11 to 12 cents per gallon; 1961, from 12 to 14 cents per gallon. A total increase of 7 to 14 cents or 100 per cent. The revenue derived from this tax increased from \$3,272,000 in 1943-44 to \$29,672,000 in 1960-61. This is the party, Mr. Speaker, that stands on its feet and cries shame for tax increases in 1968. The Socialists after the election in 1960 made us look like Sunday School teachers when it came to raising taxes. Their record is a living proof of their own deceit and hypocrisy.

Let me turn to some other of their cheap and inconsistent arguments. They talk about Budget reduction, Mr. Speaker. The Member from Regina Centre (Mr. Blakeney) in typical Socialist fashion attacked several civil servants as a method of cutting costs. Mr. Speaker, he got up in this House where they have not the opportunity to defend themselves and where he has immunity and named some of the most respected members in this province.

An Hon. Member: — Hear, hear!

Mr. MacDonald: — The Socialist system. How ridiculous can it get. And it is especially ridiculous, Mr. Speaker, coming from him. He is a living example of how the Socialists brought in every

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doctrinaire Marxist, from all over the world to take jobs away from Saskatchewan people.

Some Hon. Members: — Hear, hear!

Mr. MacDonald: — He like others was attracted to the red flag and came from Nova Scotia to attempt or to accept a high civil service position.

Mr. A.E. Blakeney: (Regina Centre) — I was here before McIsaac, I'll tell you that.

Some Hon. Members: — Hear, hear!

Mr. MacDonald: — The only difference is he wasn't brought in by the Socialists for a civil service job. Mr. Speaker, my only comment is what was Saskatchewan's loss was Nova Scotia's gain.

Let's talk about the Highway budget. Let me look for a moment at the criticisms of the Socialists when it comes to the Highway budget. First, Mr. Speaker, is it no wonder they have a guilty conscience, when they were the Government they spent less per capita, less per vehicle, less per mile on highways than any other Government in the Dominion of Canada, including tiny Prince Edward Island.

Some Hon. Members: — Hear, hear!

Mr. MacDonald: — Now, Mr. Speaker, when we as a Government have to attempt to catch up on 20 years of Socialist inactivity, they scream and resort to all kinds of cheap and false allegations. The Member for Regina Centre told the people of Saskatchewan that this Government was renting highway equipment to its friends. A falsehood, Mr. Speaker. The Minister of Highways (Mr. Boldt) emphatically pointed out that no highway equipment is being rented. Then, Mr. Speaker, each Member opposite stands on his feet and requests a reduction in the spending estimates on highways. In the next breath, out of the other side of their face, they ask for more roads and more money to be spent on their individual constituencies. Like all Socialists, they promise the moon, deceive the people, and bribe the electorate. But, Mr. Speaker, the greatest hypocrisy comes in their election platform. Here they promised all-weather roads to every farmer, oiled grid roads, more and better highways and now they ask for a reduced budget. How gullible do they think the people of Saskatchewan are? Is it any wonder the voters defeated them on October 11?

Mr. Speaker, I want to say a few words on utilization fees. We listened to the Leader of the Opposition (Mr. Lloyd) stand on his feet today and cry for the sick, the down-trodden and the poor and so forth, the way we have ever since he has come into this House. Mr. Speaker, never in my experience in this House have I witnessed such an emotional barrage from the Socialists opposite. They have called utilization a tax on the sick, they have screamed in agony. I wonder, Mr. Speaker, did they call utilization fees in the Swift Current Health Region a tax on the sick when they were the Government? Do they call utilization fees in Alberta and British Columbia a tax on the sick? Do they call utilization fees in Australia and New Zealand a tax on the sick? Do they call utilization fees in Norway, Sweden

and France a tax on the sick? And the most interesting thing, Mr. Speaker, is that these are the Socialists in those countries. These Governments have been forced to charge utilization fees. These Governments had been forced to charge a utilization fee for one reason and one- reason alone, to protect health plans in their respective countries from becoming completely destroyed by rising costs. What is the situation here in Saskatchewan? Our two health plans next year will cost Saskatchewan \$105 million, but the sobering fact, Mr. Speaker, is that by 1975 they will cost the Saskatchewan taxpayers over \$200 million. We can all say, Mr. Speaker, as the Leader of the Opposition (Mr. Lloyd) did this afternoon that Saskatchewan can afford to look after its sick. Yes, Mr. Speaker, this may well be true, but can we also afford to look after education, the University, our senior citizens, our municipalities, if these costs continue to rise. Look at England. The health plan now is in a state of complete disintegration. Benefits are reduced, programs are eliminated and for one reason, the people of England cannot afford to sustain the ever-increasing rising costs.

What is the problem in Saskatchewan? Here in Saskatchewan, we have the highest number of patient days in our hospitals of any province in Canada. Our patient days in Saskatchewan are 30 per cent above the national average. The Canadian average per 1,000 is 1,526. The Saskatchewan average per 1,000 is 2,067. Our Medical Care Plan will cost \$31.2 million this year. The fact is, Mr. Speaker, that the two plans have an increased cost to the Saskatchewan taxpayer this year of \$16.8 million. The truth is that the people of Saskatchewan cannot afford to pay this increased cost year after year after year or it will strangle every other program we operate. Our responsibility is to maintain the services provided by these two programs. To attempt to do this, we must control the cost to the Saskatchewan taxpayer. Some method must be determined to level the upward spiral of increasing costs. And, Mr. Speaker, if we fail to find a solution to these rising costs, we may strangle every other program in Saskatchewan. We may also strangle progress and development of our resources because we don't have the revenue to direct to them. This, Mr. Speaker, is what the Government is attempting to do in charging utilization fees.

Mr. Speaker, we ask the people of Saskatchewan to go into this with open minds. If it is successful, it may well protect health services in the years ahead. If it fails to do the task, we will look elsewhere. I also ask the people of Saskatchewan to remember that the total cost of these utilization fees is a small portion of the total cost of medicare and hospitalization. It will have cost approximately \$7 per capita average. The daily cost is \$2.50 and after 30 days, a \$1.50 in the hospitals, which is little more than they would have to pay for their own room and board in their own homes. We recognize that this is a difficult decision, and a difficult decision it must be. We are convinced that it will not cause undue hardship to any individual and could well be the salvation in the years ahead of our health programs.

Mr. Speaker, talking about health, I also want to talk a little bit more about this business of raising taxes before and after an election. Mr. Speaker, the Socialists were professionals and particularly when it came to the health and medicare tax. Let's just take a look. As soon as the election in 1952 was over, they raised it from \$15 to \$40, from \$10 to \$30. In 1959, just before the election, Mr. Speaker, they reduced it to \$17.50 and \$35. Immediately after the election, Mr. Speaker,

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they raised it from \$36 and \$72. Then, Mr. Speaker, in 1964 again, just before the election, they reduced it again to \$26 and \$52. This kind of deceit and hypocrisy, Mr. Speaker, will not come from this side of the House.

Some Hon. Members: — Hear, hear!

Mr. MacDonald: — Mr. Speaker, I'd like to carry on and say a few more words, but I know that there are many other speakers who wish to speak. I would presume, Mr. Speaker, from the comments that I have made, I will not support the amendment and I will support the Budget.

Some Hon. Members: — Hear, hear!

Mr. A. Matsalla: (Canora) — Mr. Speaker, last Friday, March 1, known as Black Friday in our records, the Liberal Government, who so convincingly promised a New Saskatchewan, shocked the Legislature and the people of the Province of Saskatchewan when the Provincial Treasurer (Mr. Steuart) presented his Budget. A black curtain was drawn shutting off the so-called New Saskatchewan and revealed a Saskatchewan with an old look of some 30 years ago, portraying a dim future, Mr. Speaker, a Saskatchewan reminding us of the old Liberal days when times were tough. Even the Liberal backbenchers expressed shock. Apparently, they knew very little of what was in the Budget. It was kept a military secret.

The Government Members are finding themselves in a most difficult and uncomfortable position trying to defend the Budget and the tax increases. In listening to their debate, Mr. Speaker, one would think that the House is still replying to the Throne Speech. They are deliberately avoiding the Budget! Instead they continue to repeat the same old line of condemning Socialism and giving themselves credit for what the CCF Government accomplished for Saskatchewan when in office. In their own conscience, if they have one, Mr. Speaker, they are guilty of misrepresentation and shame. Their heads hang low when the Opposition Members speak, reminding the Government of how they betrayed the people of Saskatchewan. This applies to the Minister of Welfare (Mr. MacDonald) who spoke just before me. In his remarks he swam in a lake of half truths. He didn't say that the 1961 increases in the sales tax, income tax and corporation tax were for the purpose of financing the Medical Care Plan . . .

Some Hon. Members: — Hear, hear!

Mr. Matsalla: — . . . a program that the Hon. Members to the right fought tooth and nail with their Leader (Mr. Thatcher) kicking the door of the Legislature. The Minister lacks the decency and the guts to say that these taxes relieve the people of paying some of the money for these services.

I would like to remind this House and the people of Saskatchewan of the financial position, as it was in 1964 when the present Liberal Government took office. The former CCF Government in its 20 years of office, Mr. Speaker, developed Saskatchewan from a have-not province to a have province. Saskatchewan was recognized as a leader in many progressive programs, particularly in the field of health and welfare and insurance.

The former CCF Government brought the Province to a strong financial position leaving a surplus of about \$33 million.

In addition, Mr. Speaker, there were surpluses set up in three special funds. The Medical Insurance Fund had a surplus of \$10 million; the Student Aid Fund had a surplus of \$5 million and the Public Administration Fund had a surplus of \$1 million.

To carry out the purpose of building the image of the Liberal party during the first term of office, the Premier dipped his sticky fingers into these surpluses to transfer funds into the General Treasury for easy use. His first attack was at the Student Aid Fund where he netted \$2 million. The Public Administration Fund was held up for \$1 million. This wasn't enough, so he placed his wicked eye on the attractive Medical Care Insurance Fund. There he got away with \$5.5 million. The Saskatchewan Power Corporation was hit for \$3 million.

This wasn't all, Sir, the Premier and his planners applied the magic tax shift. Some taxes were reduced, others increased, and new ones created, all this in an attempt to confuse and brainwash the Saskatchewan taxpayer.

With the Treasury box now filled with extra funds, the Premier and his Government went into extravagant spending for their political advantage. Concessions were given to industries and large contractors. There is a suspicion that they will in return provide juicy funds for the Liberal political machine.

Things were going along fine just for the first couple of years while the surpluses held out. The financial picture has become shadowed and dark. The Premier saw the writing on the wall. It said, "If an early election is not held, the Liberal party in Saskatchewan will be doomed."

Some Hon. Members: — Hear, hear!

Mr. Matsalla: — What I want to impress, Mr. Speaker, is that the present financial crisis did not come upon Saskatchewan suddenly, it was here about a year or so ago after the Liberals took office.

The situation could have been kept to the minimum if it was handled carefully and with honest administrative practices. There is virtually no reason why there should be austerity at a time of prosperity. This austerity was created by Thatcher and his Liberal Government and no one else. The present Administration is incompetent and irresponsible. Its only objective is political power and not meeting the needs of the people.

The Liberal Government was elected in 1964 on the promise to reduce taxes. It has completely ignored the trust of the people. During the past three and one-half years, Sir, we experienced both, some tax reductions and some tax increases. The result, as many of you know, was a net increase. On October 11, the people of the province re-elected the Thatcher Liberal Government with the hope that there would be further tax reductions. They fell for the belief that all is well in Saskatchewan and there actually was the so-called economic boom through industrial development.

The people of Saskatchewan have been fooled and betrayed. A couple of days after the election the people began seeing that

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New Saskatchewan but not as promised, but as one in a grim financial condition as if a tragedy had occurred. Daddy Thatcher started to cry with guilty tears, pleading to every sector of the economy to hold on and help in the recovery of the victimized Saskatchewan, yes, Mr. Speaker, a victim of an irresponsible Government and the parasitic corporate enterprise.

The people of Saskatchewan will remember this Government when they go to the polls next. They will not forget the deceitfulness and betrayal of the Government.

The Budget brought down, Sir, is documentary evidence that the present Liberal Government is deceitful and dishonest. There was strong belief among our Liberal friends that the revenues of the Province from industrial development were rapidly increasing, and hence would lead to the promised tax reductions and added services. But, after October 11, the Government made an about-turn and almost immediately announced that our Province was in financial trouble, and strongly indicated that there would have to be a curtailment of services and increase in taxes.

Now let us take a look at the Budget, Mr. Speaker, let us take a look at the tax increases that are facing the people of the Province of Saskatchewan.

One of the first and most vicious and cruellest of all the tax increases, Mr. Speaker, is the deterrent fees for hospital and medical services.

Prior to October 11, we in the New Democratic party warned the voting public about this tax. We expressed our concern on the imposition of this tax as a step towards the erosion of the Hospital and Medical Plan to the point of giving it up to the private insurance companies, who are standing by waiting to take over the field and make a good thing out of it for themselves. We expressed concern that the imposition of this tax would be against the principle upon which the plan was originally established, that is, to provide a measure for equality of opportunity to all citizens of Saskatchewan in the field of health. We believe that every citizen in Saskatchewan should be entitled to health and medical services, and such services should be available within easy financial reach.

The introduction of deterrent fees or utilization fees, as the Government calls them, is obviously contrary to the principle of the plan. It is a tax imposed on the sick, and those least able to pay. People, in the minds and hearts of the Liberal Government, are the least concern. It is dollars they are interested in. How fairly they extract the dollars from our resources is of little importance. This tax on the sick is the most degenerating and inhuman tax on the people of Saskatchewan. It will hit the unfortunate who find themselves in a position over which they have no control, the weak and the sick, the young and the old, the unemployed and the poor. In other words, the new tax will affect the greatest number of our population, the population that is least able to pay.

Let us examine this tax on the sick that the Government is imposing on the people of this province. First the hospital services. Now what could deterrent fees mean on the basis of the average length of time a patient spends in the hospital. In 1966 the average days of stay was 9.5 days in accordance with the Annual Report on Public Health. Taking 9.5 days at \$2.50 per day would mean an extra \$23.75 over and above the annual

premium. Secondly, the medical services. In 1966, the average number of visits per beneficiary were 4.3. This at a \$1.50 per visit would amount to \$6.45 over and above the annual premium. Let us now add up the average costs. A sum of \$24 for hospital premium; \$23.75 new tax, the deterrent fee; \$12 for medical premium; \$6.45 new tax, the deterrent fee, a total of \$66.20 per person. Or, in other words, the deterrent fees will increase the hospital and medical tax by an average of \$30.20 to those using the services.

I would like to repeat, Mr. speaker, the \$30.20 per person is an average at 9.5 days in the hospital and 4.3 visits to the doctor's office. But to those who are sick, in many cases the length of stay may be a month or more, and it may mean perhaps about a dozen calls to the doctor's office. It is in these cases that the extra cost for deterrent fees may easily get as high as \$100 and over. And let us not forget, Mr. Speaker, that it is in these cases that the earning power of the unfortunate person stops. In other words, he is hit twice, first, by deterrent fees for visiting the doctor and being admitted into the hospital; secondly, by not being able to work and earn his wages to help pay for the extra health costs.

This tax is truly a tax on the sick. It is a tax that will be paid mainly by people least able to pay. Statistics show that it is people in the lower income bracket that use the medical and hospital services most. These are senior citizens and the young boys and girls.

It is a tax that may keep people from visiting the doctor and from being admitted to the hospital. If it does this, then, Mr. Speaker, the Health Plan of today has been ruined, and it will no longer be in keeping with the principle of health being a right; it will become a privilege. It is very sad that the health of a nation should become a privilege, and as such become available to the few fortunate only.

This tax is discriminatory and unfair; it is vicious and cruel. The people of Saskatchewan, Mr. Speaker, will remember this tax. At the next election they will make their votes count to sweep out the untrusted and dishonest Liberal Government and re-elect a New Democratic Government to again responsibly conduct the affairs of our Province.

The second major tax increase imposed upon the citizens of Saskatchewan is the 1 per cent increase in the education and health tax, from 4 per cent to 5 per cent. I agree that this is a fairer tax with which to obtain revenues for services. Nevertheless, it is a tax by a Government that has promised to reduce taxes.

This tax, Mr. Speaker, will affect all the citizens of Saskatchewan from the youngest to the oldest. Its effect will be greater than ever since the tax base has been extended to cover motel and motel rooms as well as commercial cabins and cottages. It is the first time that Saskatchewan will have a sales tax on meals, telephone calls and telegrams. Calculations indicate, Sir, that the sales tax increase will amount to about \$12.77 for every man, woman and child.

Another major tax increase that will greatly affect the people of the Province of Saskatchewan is the 2 cents per gallon tax. This is already in effect. On April 1, the two cents per gallon tax will be extended to all fuel petroleum products except heating

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fuel. I might say, Sir, that this day was a good choice made by the Provincial Treasurer, April Fool's Day, and didn't he fool the people of Saskatchewan? What a betrayal and what a sham!

The tax will apply to all farm fuels, including purple gas. This tax, Mr. Speaker, will greatly affect the farmer, since the tax applies to all fuels used in the car, truck, tractor, combine and other farm machinery. What does this tax mean in terms of dollars and cents to the farmer? This tax, Sir, will only add to the high cost of farm operations and increase the grip of the cost-price squeeze that the farmer finds himself in today. It is very obvious that the present Liberal Government has failed to adequately deal with the problem of the farmer. It is obvious that agriculture is not receiving priority with the present Government. The Government failed to recognize agriculture as our primary industry. It would rather grant concessions to large corporations. What will the gas tax mean to the citizens of Saskatchewan? This tax will mean a tax increase of \$8.29 for every man, woman and child.

The farmers and the people of Saskatchewan will remember this attitude by the present Government. They will remember that the Liberal Government is not the friend of the farmer nor is it a friend of the people of Saskatchewan. The voters of Saskatchewan will give this Government an unquestionable answer four years from now.

Another tax, Mr. Speaker, that will affect the majority of the people in this province is the increase in fees for operator's licences, vehicle registrations, school buses, and farm trucks. You will note that it covers nearly everything on wheels. The farmers are included here and again under attack. How will this tax affect the people of Saskatchewan? The vehicle registrations for cars and school buses were increased from 30 to 40 per cent. Farm truck registrations, Sir, increased by about 40 per cent.

To those people who enjoy the use of tobacco, cigarettes and cigars, the Thatcher Liberal Government has already invaded this tax field. While you puff your cigarette or cigar you are contributing to the Government an additional 3 cents per package of cigarettes and from 1 cent to 10 cents per cigar, depending on the price of the cigar, and an additional 1 cent for each half ounce of tobacco products. The people of Saskatchewan, Mr. Speaker, will remember that they cannot trust the Liberal Government to run the affairs of this Province.

In addition to the already mentioned taxes, the Government increased two more taxes of lesser importance. However, they will add over \$1 1/2 million to the Treasury. The Government increased the pari-mutuel or horse racing tax by 100 per cent. The 2 per cent insurance premium tax exemptions of the Automobile Accident Insurance Fund will be removed.

The Provincial Treasurer, Mr. Speaker, estimates that the tax increases should yield \$32,360,000. After making a careful examination and calculation of the figures, I am convinced, Sir, that the Estimates have deliberately been kept low in order to show the public that all the-taxes are necessary to balance the Budget.

My revised Estimates indicate the tax increases to yield \$38,060,000, a difference of \$5,700,000 more. Now using the revised tax increase figures, Sir, it would mean that every man,

woman and child will now pay more taxes in the amount of \$39.69. Now if we take a family of five, it would mean five times \$39.69 or \$198.55 more Provincial taxes to be paid in 1968.

The tricky Liberal Government's plan, Mr. Speaker . . .

Mr. Stuart: — Would the non, Member permit a question. I just wonder on what he based his calculation of the tax base, I wonder if he could give me his base . . .

Mr. F.A. Dewhurst: (Wadena) — Mr. Speaker, if the Hon. Member wishes to permit a question he would take his seat and he doesn't indicate . . .

Mr. Matsalla: — The tricky Liberal Government plan, Mr. Speaker, is to tax the people higher than necessary, build a surplus and then just before the next election come up with a bag of goodies as a hand-out to bribe the voters of Saskatchewan. It has used these tactics before and it will try to do it again, but the people of Saskatchewan will not again be tricked by their own money. Mr. Speaker, more and more people of Saskatchewan are losing faith in this Liberal Government.

The Hon. Minister of Municipal Affairs (Mr. Estey), Sir, yesterday spoke very freely and proudly about the success of the grid road program with the hope of garnering credit for the program, I am sorry that he is not in his seat here this afternoon. May I remind the Hon. Minister that the credit for the institution of this program wholly belongs to the former CCF Government.

The Liberals in Opposition at that time cried that the plan will not work, and the municipalities cannot afford it. They opposed it strenuously. And now they are patting themselves on the back looking for credit. Now let's be honest and give credit where it is due.

In keeping with what I have just stated, Mr. Speaker, I would like to commend the Government for the increase of equalization grant and making it unconditional, for initiating the payment of maintenance and snow removal grants. These grants are being well accepted by the municipalities, but might I suggest, Sir, that the Government review the structure of these grants periodically to ensure their effectiveness in view of the rapidly rising costs of operation.

The Hon. Minister stated, Sir, that it is expected there will not be any reduction in grid road and farm access construction mileage. This Mr. Speaker, I cannot comprehend. There must be something wrong with the communication between the Minister and the Municipal Road Assistance Authority. Let me review this with the Hon. Minister. Originally municipalities were allowed annual grid construction mileage based on 10 per cent of the total grid mileage. With the advent of the present Liberal Government this allotment has been reduced to 9 per cent. Now for 1968, I note that the annual construction mileage is again reduced, but this time very drastically by 33 to 40 per cent, and yet the Hon. Minister yesterday wholly stated that he expects n? reduction in mileage.

Now, what does this mean? It means at least two things; (a) it means that there will be a cut-back in the municipal grid road program and of course less grants will be paid; (b) it

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means that the Government's estimates in the Budget have been overestimated, likely for the deliberate purpose of creating a surplus in the account to be used three years hence.

A resolution passed by the 1967 SARM Convention, Mr. Speaker, urged that the Government immediately consider increasing the unit grid road construction price for work done by municipal equipment, and that the price be reviewed annually. This, in my opinion, Sir, was a reasonable request. It certainly was one area that required revision. The present 19 cents per cubic yard has been in effect for about 10 years. The Government, however, refused to make any adjustment here. The argument used, Sir, is that since the average contract price during the past year submitted by private contractors was about 21 cents per cubic yard, the price of 19 cents to the municipality is adequate and sufficient.

Mr. D.W. Michayluk: (Redberry) — What about highways, Dave?

Mr. Matsalla: — In other words, the Government has taken the attitude that it is alright for private contractors to do work at 21 cents per cubic yard and higher and the Government will not object to the payment of the grant, but in the case of the municipality, the basis of 19 cents per cubic yard is the limit, unless they place themselves competitively against the private contractor, and bid on their own job. I ask, Sir, is the Government losing trust and faith in the municipality and the municipal council by asking that they place themselves on an auction bidding block? Or is it that the Government is directing its aim to force municipalities out of construction equipment in order to give the private contractors a free hand in their bidding?

Mr. D.W. Michayluk: — Ah, that's it!

Mr. Matsalla: — There is danger, Mr. Speaker, that with the disposition of municipally owned construction equipment, as it was the case with the Department of Highways, there will be no control of price. You can expect, Sir, that the contract-bid prices for road construction will automatically rise. And this, Mr. Speaker, may I remind the Hon. Members to your right is another reason why our taxes are rising.

Before I conclude, Mr. Speaker, I would like to deal with another area of municipal administration, that of municipal assessment. The Hon. Member of Municipal Affairs. (Mr. Estey) yesterday stated that the Municipal Assessment Branch has had a difficult time coping with the work or re-assessment due to lack of staff. I ask, Sir, when did this shortage come about? Was it created when the present Liberal Government took office? Was it due to the freeze on hiring civil servants, and was it due to the discriminatory practices by the Government to force resignation or dismiss members of the staff? These questions, Sir, if answered honestly may provide the reason for the staff shortage.

The municipality of which I am the secretary-treasurer asked for a re-assessment in 1966 for use in 1967. We were informed that arrangements would be made to fulfil the request. Nothing was done in 1966, nor in 1967, nor will be in 1968 and maybe in 1969 or 1970. It is very obvious, Mr. Speaker, that this Branch of the Department of Municipal Affairs has been lax

in its responsibilities. The Assessment Branch is not adequately performing its function of carrying out reassessment when required. There has been undue delay and carelessness in making re-inspections when requested. Might I suggest, Sir, that the Government spend less time and money creating new and unnecessary jobs for defeated Cabinet Ministers, and put forth more worthwhile effort in filling positions important to the responsible and efficient functions of a Provincial Government. Mr. Speaker, through you, Sir, I urge the Hon. Minister of Municipal Affairs and the Government to take urgent positive steps in employing adequate staff in the Assessment Branch in order that, when requested by municipalities, re-assessments are conducted without unreasonable delay. I am sure, that the Minister is aware that equitable assessment and taxation is very important, if our municipal governments are to remain strong and to maintain the confidence of the local people.

My remarks this afternoon directed towards the Department of Municipal Affairs, Mr. Speaker, are not all thorny; there are some roses too. Through you Sir, I would like to commend the Hon. Minister for taking steps in streamlining the work of handling assessment rolls in municipal offices, through the use of the computer. I firmly believe, Sir, that this is a stride forward in modernizing municipal bookkeeping. I am sure that this will be welcomed by both the secretary-treasurers and the councils. May I take this occasion, Sir, to ask the Minister to include my municipal office in this project.

I tried, Mr. Speaker, in my remarks this afternoon to point out to this House and the people of Saskatchewan the inequities of the current Budget, and the inadequacies of some Government policies related to municipal administration.

The Budget being an outright betrayal of the people of Saskatchewan, I will not support the main motion, but I will support the amendment.

Some Hon. Members: — Hear, hear!

Hon. J.C. McIsaac: (Minister of Education) — Before I deal with the Estimates insofar as they relate to my Department, Mr. Speaker, I'd like to make a few comments about by constituency. Most members I think have a habit of extolling the virtues of their home constituency, which is certainly as it should be because after all I think we all rightfully do feel that each of us has the best constituency in the Province.

Now the Wilkie constituency contains two major towns, the towns of Unity and Wilkie, and there are certainly a number of other good towns as well, Luseland, Macklin, Landis and Scott to mention a few of them. Since this Government has taken office, Mr. Speaker, most of these points are now enjoying services that were not available to them under the former Government. All of these centres for example, except Wilkie, which has Highway 29 going through the main street; have taken advantage of the paving and oiling programs for their main streets and approaches. The towns of Macklin, Luseland, Salvador and Denzil will be receiving natural gas service within a year or so under the new policies of the SPC that were initiated by this Government. Scott and Landis already enjoy natural gas. Tramping Lake, Primate and Salvador are this year enjoying water

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systems under and expanded policies adopted since we have taken office. The town of Scott has a connecting road to Highway 14 under a new policy brought in by the Municipal Road Assistance Authority, policies, Mr. Speaker, which certainly give service to people a top priority.

I am pleased to see the level of spending on the Water Assistance Programs increased in this Budget this year, so that before too long all of the communities in the province desiring water and sewer programs will have the opportunity to have them. I was surprised at the Leader of the Opposition's (Mr. Lloyd) remarks last evening that some of his communities have apparently not yet heard of this program or been able to partake of them. I hope that with time to come and continued funds in this program, that they will be able to do so.

My constituency, Mr. Speaker, is on the whole a mixed farming area, with good quality grain land, mixed in with cattle country and good grazing land. Last year in that general area we were particularly fortunate, I think, with crop yields on the average well above that of the provincial level. My constituents up there have many ethnic backgrounds. I think primarily we could say that, south of Highway 14 which runs through the centre of the seat, they are primarily of German origin and of British origin to the north of that road. In the election of last fall, they again saw fit to support me with a good majority, for which I want to express my very sincere thanks.

I made them only one promise in 1964 and again in 1967, which I intend to carry out, namely to do whatever I could at any time to help any of the people in that constituency.

The local NDP organization, in the course of last fall's election Mr. Speaker, did put on a very strong campaign and I must say generally speaking, a clean campaign as far as that goes. They made the odd mistake, however, and one certainly was bringing in the Member from The Battlefords (Mr. Kramer) to speak at a meeting they held in the town of Wilkie.

Hon. A.R. GUY: (Athabasca) — He's a mistake anytime!

Mr. McIsaac: — Now some of my friends went to hear the auctioneer from The Battlefords, I am sorry he is not here, the saviour of the mentally ill, and the sage of the north-west. Up to that time some of my good supporters in that area were not too deeply concerned about the election. But certainly that was all it took in that particular area. After hearing this auctioneer, garbage salesman from Battleford spout his wares, they really went to work and I had no more problems in that area. Well, I want him to know that I'll be glad to have him back any time, Mr. Speaker.

I was dismayed by some of the remarks made by the Hon. Member from The Battlefords in his debate. He said, or implied at least, that he didn't want the highway work that was carried on by this Government in modernizing the highway network in and around the city of North Battleford and Battleford. I want him to know that I'm proud of the work that this Government has done in and around the city of North Battleford. Many of the people of my constituency travel to North Battleford regularly. As far as we are concerned, North Battleford is the regional centre of that area. We are happy to see Highway 29 being rebuilt to a decent standard, and the contract for this incidentally, Mr. Speaker, as I recall was awarded for something like 18 cents a

yard, one of the lowest last year so that I want to urge the Minister of Highways to complete the construction and the dust-proofing of that road just as rapidly as he can, because certainly I want to see North Battleford and that whole northwest area develop along with the rest of the province, Mr. Speaker, even if their own Member doesn't.

I want to congratulate the Member from Prince Albert West the Provincial Treasurer (Mr. Steuart) on his Budget. It is a responsible Budget, a courageous Budget, and one certainly that reflects and recognizes the economic facts of life in this province. Facts, incidentally which up to now our friends opposite have shown no real sign of recognizing. In this regard, I think the remarks of the Member from Regina South East (Mr. Baker) are fairly typical of what, we've heard from Members opposite. He decried the tax increases in the first case, and he criticized the implementation of co-insurance fees on our Medicare and Hospitalization Plans, a move, which Mr. Speaker, is intended primarily to ensure the future long term financial stability of those two schemes, which Saskatchewan people enjoy. And in the same breath, he asks for free denticare and free grants for roads and streets, to mention only a couple of his eleven-point program.

This Budget, Mr. Speaker, calls for a total net expenditure in the field of education of almost \$112 million, \$111.9 to be exact. This figure represents an increase over last year of \$19.1 million and it's also a new high for this Province. Operating grants for schools, thinking here of the general formula grant for units and cities, and the non-formula for the independent system, are increased from \$50.2 million to \$53.4 million which is an increase of something over \$3 million and slightly over 6 per cent. I want to point out also, Mr. Speaker, that our enrolment in the elementary and secondary school systems has levelled off with enrolment next fall expected to be very slightly above the present enrolment in our school system.

The Opposition critic (Mr. Blakeney) in his reply to the Budget Speech pointed out that this year's Budget could well result in higher local mill rates and he said that this was obviously part of this Government's scheme to undermine the public view of education. He went on to another chapter in his speech, as I recall, to point out that he anticipated a poorer and poorer educational system emerging in the future. Now, Mr. Speaker, I don't think that such comments are worthy of any Member of this Legislature, even one of those Members opposite. And surely they will be considered repugnant by all responsible Members on both sides. And I particularly resent the implication that any Members would set out to undermine education or work towards lowering standards.

The total Provincial grant for operating and building this year, exclusive of the comprehensive schools, is \$248 per pupil, estimated. Last year it was \$237 per pupil, again an estimate. In 1963-64 the last year of the Government of my friends opposite, it was \$166 per pupil.

Now, Mr. Speaker, we on this side of the House are satisfied that we are making all possible effort to support and improve education in the light of the many other legitimate demands on the Treasury, and in the light of our total available Provincial resources, and consistent with the economic well-being of this Province. We would like to be able to progress more rapidly in the broad area of education, because there is seemingly no

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limit to the broad general demands in this overall field of education. But this Government, as well as any other, whether it is local or provincial is forced to view education in the framework of economics. Mind you we are just as well aware of the aspects other than economics, the cultural development for the individual and for society as a whole and for learning how to solve our non-economic problems of working and living together. I made reference in the Throne debate to legislative plans which will permit greater use of French language in some of our schools of the province.

The Department is also working with Federal Indian Affairs officials with a view to greater Provincial involvement in the education of Saskatchewan Indians. Legislation to facilitate such a development will be introduced during this session. These are only two illustrations.

There are two angles from which any Government must look at the economics of education: first of all, the actual financial burden imposed on the economy by spending in education; and secondly, the financial and economic return which society will obtain from a more highly educated group of people and a more highly productive work force. And certainly the Economic Council of Canada, and most economists in fact, recognize education as one of the major contributors to the economic growth that has been experienced on this continent. In other words when education spending is viewed from the standpoint of an investment, it is a sound investment. Mind you, there are obvious limits as to how far one can argue in this direction, because it can also be argued that a high level of economic development results in higher levels of education. But this Government this year will be devoting almost one third of every Provincial tax dollar spent to the field of education, 32.8 per cent of our Budget, when one adds in the capital expenditure that's under the Department of Public Works.

In the last year of office of Members opposite their budgeted educational expenditures were only 26.5 per cent of their overall Provincial Budget, 26.5 as compared to 32.8. Their total expenditure in that year was \$49.7 million.

This year, I would remind you again that we are proposing to spend almost \$112 million, more than double the tax dollars available for education under this Budget than was available four years ago.

Is it any wonder when you look at these figures that I have been quoting that we have asked everyone directly involved in education to take a close look at the cost involved? The Provincial Treasurer in his Budget address dealt with some of the obvious reasons for such a scrutiny, basically I suppose the chief reason being the increasing millions of tax dollars that are being invested in education. Yes, we have asked school boards, teachers and the University to do the best they could to hold the line on costs, because, Mr. Speaker, I am sure every Member here is well aware that it does not necessarily follow that the quality of education improves just because more tax dollars are being spent.

I listened to the remarks of my Hon. Friend from Kinistino (Mr. Thibault) a few nights ago on this debate, as he gave what I thought perhaps was one of the better speeches from Members opposite, but I was amazed to hear him criticize this Government for lack of action on driver-training programs. A driver

education program was introduced rather as an integrated part of the high school curriculum in the fall of 1967. A Canadian first, so I am told, Mr. Speaker, which has had nothing short of a tremendous reception. Now the Provincial Government support of this program consists of costs of administration with a supervisor having been hired something over a year ago, underwriting the costs of training the driver instructors necessary, with a \$100 bursary being given to each instructor who successfully completes the course, and a grant of \$25 per pupil to the school board for each student enrolled in a driver education program. As of last month, 131 instructors have been trained. One year ago, it was estimated that this year we would be giving training through this program to about 6,000 students. Recent figures given to me by the Department staff indicate that it will be closer to 9,000 students before this year is over. At this rate, Mr. Speaker, it is obvious next year's cost of this program will exceed a quarter of a million dollars, a program initiated by this Government as one means we hope of achieving greater highway safety. Yet my Hon. Friend from Kinistino criticized us for lack of action in this specific field.

Now in 1966 a band incentive program was initiated by this Government. Funds are provided in this year's Budget for the continuing support of this program. 36 school bands have been formed in the province since the inception of this policy, the value of which certainly far exceeds the dollar costs involved.

Another new program introduced by this Government, Mr. Speaker, will again be extended this year. This is the Liberal policy of free texts to high school students. This Budget we have before us will enable that plan to include grade XI texts in the fall of 1968.

Two years ago the Department of Education implemented a School Work Training Program, in co-operation with the Saskatchewan Association for Retarded Children. This program certainly has served to fill a need to help, particularly, those students who are unable to take full advantage of the regular school program. In the fall of 1967, the Department took over the responsibility of this program and appointed a Supervisor of Special Education to assure its continued development. 27 different schools, with a total of some 160 students have so far been included. The Estimates before us again provide for the continued support and expansion of this worthwhile program.

Another somewhat similar program has been the training for the disabled and handicapped. Two years ago, 79 persons completed courses in a domestic service program and occupational service. This year's Estimates, I am pleased to point out, Mr. Speaker, provide for over \$3/4 million for the training of disabled and handicapped people, some of whom were formerly involved under the old Program Five of Manpower. This is shareable on a 50-50 basis with the Federal Government under an agreement with the Department of Welfare. Tuition fees, living allowances and transportation costs of almost 500 students will be provided-under this vote. I am sure that Members on both sides of the House will be pleased to hear of the continued development and expansion of these various, programs.

This Budget also provides for the completion of the extension to the Saskatchewan Institute of Applied Arts and Sciences at Saskatoon. As well as the new facilities to accommodate a total of 500 diploma nurses this next fall, a number of other courses will be made available along with the expansion

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of a number of existing ones. Now completion of this facility, Mr. Speaker, marks one more step towards picking up the backlog of the lack of such facilities that existed when this Government took office. The Institute of Saskatoon, at Saskatoon, is now functioning on a 12-month basis in order that it may turn out a greater number of skilled technicians and tradesmen to meet today's demands. At present a number of evening school programs are also being offered to better utilize these facilities.

I would like to turn for a few moments, Mr. Speaker, to the question of comprehensive schools. This Budget provides for \$12.5 million for construction grants to various comprehensive schools. While \$7.5 million of this will be recoverable from Ottawa, the fact is that \$5 million will be from Provincial tax sources. In this respect, this represents an increase of \$2 million in the Provincial share over last year.

Schools in Lloydminster, two collegiates in Saskatoon, as well as the vocational agricultural and commercial extensions to schools at Kindersley and Moosomin will be ready for classes in September of this year. Construction at Swift Current, of course, will be carried on. This will be provided for. Schools at North Battleford, Estevan, Prince Albert and an extension at Campbell collegiate in Regina have received full approval from the Department, and all indications point to construction beginning this year.

I should like to make a comment or two, Mr. Speaker, on the costs of these facilities, and the scrutiny which is given to the construction plans by the Department for the various facilities. Plans for these facilities have been and do receive very careful scrutiny by the Department. All of these projects certainly are expensive and costly facilities, and for the areas involved I suggest they would probably represent a one-in-a-lifetime investment. I have not personally seen all of the buildings or all of the plans, however, I do have some comparative cost figures with similar facilities that are built in our neighboring provinces, which I am sure the Members might like to hear. Square-foot costs for such facilities in this province work out to date, Mr. Speaker, to an average of \$16.50 per square foot. The Province of Manitoba, according to my information, is running around \$20 per square foot cost of construction. In the Province of Alberta such facilities I am told have cost in the neighborhood of \$28 per square foot. Another yardstick I suppose would be the capital cost per student enrolled in these various facilities. To date, the cost per student place in these buildings in Saskatchewan runs from \$2,600 to \$3,000. In Manitoba \$4,000 roughly, or so I am informed, and in Alberta \$4,800. Now this does not mean, of course, that adequate facilities could not have been built here in this province for less money per student. Our economies I am told are attributable mainly to better efficiency in making use of the space, but it certainly has not been done at the expense of quality construction or of facilities provided. I suggest to Members that there is no doubt that school facilities being built today are a good deal more expensive, or more elaborate if you will, than those attended by almost anyone of us in this House, no matter where he may have gone to school. Personally, I believe that school boards and the Department and the public at large must ensure that such facilities are utilized to the fullest extent possible. In this way, we can be assured of receiving full value for the tax dollar invested in facilities.

The question of operating costs of these comprehensive schools is also receiving study. Not only, Mr. Speaker, are we investing in more extensive facilities for school buildings, I suggest to you that the same is certainly true of other public facilities, for example, the Department of Highway spending. Now a project such as the freeway being constructed through the city of Swift Current, while a good, sound investment and a move to ensure greater highway traffic safety, is a far-cry I suggest from the type of facility that may have been built by the Highway Department some years ago. I want to suggest that there may be a number of people who would consider such a project at Swift Current perhaps more of a frill than a comprehensive school also being built in that city.

I want to assure all Members and my Hon. Friend from Rosthern (Mr. Boldt) that the school boards and the Department will continue to do everything possible to ensure that public funds are being spent to maximum advantage in the construction of new school facilities. Perhaps I should make it clear that I am also satisfied that we are getting full value for our highway tax dollar in this province.

I mentioned that the cost of operating costs of these schools is one that I feel we have not yet given adequate consideration to. We realize that these schools must be staffed with the qualified specialized teachers required. In this respect, special grants were made available last year to the school boards to provide assistance to persons undertaking specialized teacher training required to teach the classes in those schools, such courses as guidance counselling, vocational, technical, and school librarians. We intend to continue this program of assistance for this year also. At the same time, Mr. Speaker, I have asked the Advisory Committee of Dr. Gathercole and Mr. Nicks to examine other aspects of the comprehensive schools: greater use of this equipment which is being placed in these schools; and as I mentioned, greater use of the specialized staff that are being trained and hired for these schools; and the point raised by the Hon. Member from Biggar (Mr. Lloyd) last night, involving the question of servicing the rural areas within a reasonable proximity of our cities and major points. In brief, Mr. Speaker, we have asked our school boards to take a good hard look at their building programs, at their transportation costs and at their teacher-pupil ratio in an effort to hold the line on instructional costs. I make no apology whatever for the fact we have asked for a closer examination of all educational spending. We suggest that we not only have every right to scrutinize these dollars, but certainly it is our responsibility to do so. Not only are millions of dollars going toward education today, but we know that in years to come we must continue to devote more tax dollars and a greater share of our tax dollar to education. Mr. Speaker, despite the irresponsible lessons in economics we have heard from Members opposite in the course of this debate, this Government realizes that we must first collect those taxes in order to provide these services. Therefore, I will be supporting the motion of the Provincial Treasurer (Mr. Steuart) and not the amendment.

Some Hon. Members: — Hear, hear!

Mr. W.J. Berezowsky: (Prince Albert East-Cumberland) — Mr. Speaker, before I proceed with the discussion of the Budget I should like to say a few words about this and that. I would like to point out to the Hon. Member for Last

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Mountain (Mr. MacLennan), who criticized the Member for Redberry (Mr. Michayluk) concerning a recent appointment to the Senate, actually Senator Sparrow. He was, of course, a prominent Liberal and a good man and I personally have nothing against his appointment. It is certainly up to the Liberal party to decide who they want. But the Member for Redberry certainly was justified in making the presentation he did; in fact he didn't do it on his own, he did it on behalf of a great number of Liberals who are very much upset. So for the benefit of the Hon. Member who criticized the Member for Redberry, may I say that I too must make reference to this appointment from the same point of view. I say so not because I am so much concerned, but only to point out that the behavior of the Premier of Saskatchewan, in making the recommendation for someone who should have replaced Senator Hnatyshyn was bad politics for the Liberal party. The people who are now bitterly complaining, of course, are the old veteran Ukrainian Liberals who had every hope to believe that one of them would replace the late Senator Hnatyshyn. Rumor had it that the Premier was approached by the party stalwarts and that the political patriots were led to believe that one of them would get the appointment, but apparently the Premier spoke with a forked tongue and betrayed all these people's hopes. Now I want to repeat what the Ukrainian Voice, which is a prominent Liberal paper from Winnipeg, a weekly, said, just one paragraph. The title of it was "How to Lose Friends":

To bypass the Ukrainians in this instance where there was a Ukrainian Senator before will not gain the Liberals support among the Ukrainians of Western Canada.

Now the birds are coming home to roost. After all people of ethnic origins here in Canada have the right to be recognized, be they German, Ukrainian, French whoever they may be. Since the Conservatives recognized us I think it is only right the Liberals should have done so also. They betrayed us, the Liberals are saying. We are not saying so, we are just telling you what they have said.

Mr. T.M. Weatherald: (Cannington) — Did you vote Conservative?

Mr. Berezowsky: At least they played fair, they didn't have a forked tongue like your Premier had.

Now, we have heard in this debate that certain countries are back-tracking on these programs because of lack of funds, particularly Great Britain. I would like to answer these critics with a couple of paragraphs from the Western Producer written by A.P. Waldron, February 22nd entitled "Money Squeeze in Canada." I would like the Hon. Members opposite to read the whole article, just find the issue of the 22nd of the month of February and read it for yourself. Now Mr. Waldron is not known to be a supporter of the CCF or NDP, I don't know what his politics are but occasionally he comes out with some very good information. He is a student of political science. Here is what he says in that article:

The provincial government in their own fields left no doubt that they too have heard and heeded the admonition to tighten belts. Everyone has heard of the moves to control costs of education and the outbursts of protests they elicited. There have been similar efforts to cut expenditures all around and there are broad hints of increases of taxation.

He prophesied exactly what this Government is now doing. He goes on to say in another paragraph towards the end of his article and this will edify some of the Hon. Members opposite who always refer to England, Sweden and other countries and try to leave the impression that these are Socialist failings. Listen to this and here is where the real truth is and I challenge anyone to say it is different:

Well anyway if it is any comfort, we don't have devaluation not yet. The money power hasn't stepped in as openly as it has done in Britain. But make no mistake we are ruled by finance and are being slowly and subtly conditioned to an era of inflation and deflation with all that that implies, because that is what the money barons want and so far they have always had their way. Certainly no government — nor any opposition party in parliament — has so far shown any disposition to challenge them.

Now, Mr. Speaker, this explains why this Government has put on a squeeze and has brought in threats of compulsion and high taxes. It has no choice, it has got to dance to the tune that the barons play.

Now I want to point out also, Mr. Speaker, that I consider that this Government has been irresponsible. You hear the Members talk about industry and what great benefits we have had from industry, but they dare not tell us about the little people who are being mistreated all across the province, and how they are being exploited by some of the corporations in this province. For example in my own constituency in 1966, this Government forced the Creighton community to sign an agreement. The Premier said at the time, "If you don't sign we'll sign it for you." And what kind of agreement was it? Well let me just read to you from a letter I received a day or two ago. This is from the mayor of the town of Creighton. I am not going to read it all, just a paragraph or two:

In 1965 under the previous agreement our mill rate for school and municipal was 56. In 1966 under the present agreement our mill rate jumped to 84 for school and municipal and was held at 84 mills in 1967. However, it appears in 1968 our mill rate will jump to 95 mills, and it would appear to me now, as it did when we signed the agreement (under protest), that this trend must continue. What with additional Provincial taxes means that, instead of our town progressing as it did prior to 1965, the reverse will be the case.

In particular I am pointing out this paragraph to the Minister of Mineral Resources (Mr. Cameron) because this is a mining town with all the problems of a mining town. But of course it is not the fault of the people there, but the fault of this Government as to the kind of agreement that it forced upon the people of that town which they had to accept from the company. The letter says further it has reference to studies that are planned by that community. And this is another point I would like to make concerning this Government's failure. Letters are written to the Premier and they are not being answered. I don't know about the other Ministers, I hope that they are doing better and that they do answer their mail. It says:

We have had no word from the Department of Municipal Affairs since Mr. Walter's letter of November 25th, 1966,

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as to the progress of the feasibility study. We would appreciate very much if you could find anything in this regard for us.

That is the purpose of the letter. These people are trying to find how they can pay less taxes because they can't pay the amount that they are forced to pay now. And I could read you more paragraphs from this letter, Mr. Speaker, which indicates the way these people have been treated. It is a disgrace and a shame.

Mr. Speaker: — . . . quoted from.

Mr. Berezowsky: — Mr. Speaker, I need this letter because I have to take up certain matters with the Minister concerned, but I am quite prepared to table it, I will get it copied. But before I do that I will read just one more paragraph for the edification of the Hon. Members opposite, so they will see the kind of Provincial Treasurer (Mr. Steuart) they have got:

The Department of Natural Resources verbally promised to ask for the study, although the Hon. Mr. Steuart took exception to our signing this agreement under protest.

He was just another Minister in collusion with the Premier and he told my people that they had to sign the agreement and when they protested he took exception.

Well, Mr. Speaker, we have heard in this debate someone trying to defend the Premier, when we were discussing Quebec, Canada and the flag. Oh well, they said the Premier never thought or never considered us joining the United States. Maybe he never intimated so, but I see in the Minot Daily News an article about his visit there. You should read it all. Yes, you Members on the Government side, you Liberals, should read this and see whether you agree with what the Premier has said in that particular part of this continent. This is the last paragraph, I quote:

Puffing on his fifth cigar, Premier Thatcher contemplated our next question. If Quebec seceded would the West be the first to peel off and join up with the United States? I doubt it, of course, personally I am very pro-American,

This is what the Premier says.

but due to our geographic position, Canada's trade and commerce runs vertically. It's only natural that we should look to the United States for support. Why should we have to wait 50 years for Canada's growth when we could get it here right now.

You decide for yourself what he was thinking at that time. However I am not interested in that so much. I don't know whether you have the flag decided upon, whether you plan for an emblem of the United States in the top corner. That's up to this House. But I want to read something else about the kind of leader and the kind of Premier you people have in this House. I quote:

Since I was elected and got rid of those darn Communists, oh, I mean, Socialists,

He corrected himself.

American capital has been pouring into my Province. The trouble is that we don't get enough of it. Before that time United States investors were frightened, just as they are about Quebec today.

This is the kind of malarkey we hear from the Premier. All this capital has come in and more would come in but they are still frightened. Of little Saskatchewan he says. What nonsense! I am telling you, Mr. Speaker, that you produce resources in this province and you will have these money barons coming in here killing each other just to get at these resources, and they are doing it right now.

I can only point out that right now when you look at the Budget, at that little bit of pie, you have to think of the small amount we are getting from resources. We could have had much, much more and it wouldn't have hurt some of these American corporations. They are now cutting their throats by 25 per cent reduction in the price of potash, a part of which we could have had in order to keep our taxes down and provide the services for our people here in Saskatchewan. They could still cut their prices down much more and still make a tremendous amount of profit. May I point out that in one hard rock mine in my constituency over the years, and I think I am safe in saying that the company which is an American company, controlled by American interests, took out of this province anywhere from \$15 to \$20 million a year. They took these profits to New York, and then we poor farmers have had to work to produce more wealth, so that we could produce more dollars to get that money back into Canada so as to keep the 92 cent level. And this is the kind of fight that farmers have to put up all the time.

Mr. Steuart: — . . . Walter Gordon.

Mr. R. Romanow: (Saskatoon Riversdale) — Work for deterrent . . .

Mr. Berezowsky: — Well, if you were Walter Gordon I would pat you on the back because he has a lot more common sense that you've got. He's a darn sight better patriot than you are, because he respects the Canadian people and he respects the resources that belong to the Canadian people. At least he has the courage to stand up and resign from a Government that doesn't understand the Canadian people. He's not going to sell the Canadian people; that's for sure but you will.

Mr. Steuart: — He's as confused as you are, Bill!

Mr. Berezowsky: — Oh yah! Mr. Speaker, there have been various studies by different organizations about poverty in Canada, and you wouldn't have studies of poverty, if there was no poverty in Canada. The farmers today, as has been pointed and I have said so before, are in a position where they are not liquid anymore. Yet you people are ready to tax them in order to completely wipe them out. As I said before you will be a very, very sorry bunch indeed when that happens. However, we still have some hopes that there will be good crops, we still have hopes that we may have markets, and we have hopes that some way or other we will get decent prices for our products and be able to carry on. We're not easily pushed off the map, maybe because we love the land too much.

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However, I have a point or two that I would like to bring up at this time and it is in connection with our economy. I think it is time that we in Western Canada took a good and realistic look at the current trends affecting our western economy. We see trouble in Quebec, we talk about it, and we don't know what is going to happen to Quebec. Of course, what happens there we are told is none of our business because it mainly concerns the French in Quebec. Now I concede this partly, because what happens there will also affect the rest of us in Canada, so we must be concerned somewhat. There have been all kinds of alternatives suggested as to what may happen with this Quebec problem. But there is a danger that, with the separatist movement there, we may have a different kind of French Quebec than we have been used to, not the kind that we had or thought we had under the late Governor General Vanier, who was respected in all parts of the country and whom we loved. And so we must now think about where we trade and how we trade and how we transport our goods. So far as Western Canada is concerned where we live, we have an economic and trade problem as well as a constitutional problem. We're now facing declining European markets, but I will say this, there is a growing market in Africa in the new developing countries, and also in the East, in underdeveloped areas. Old nations as well as such as India and China really desire to trade with Canada. They want our primary produce, wheat or whatever it may be. I think this is generally accepted and known and reciprocated by Western Canadians.

Now in view of the Quebec situation and for our own security, I think we should be considering the shifting of trade to the North through the Hudson Bay route and West to Vancouver, which is a western route, through Bella Coola and via Vancouver and other places, in order that we can ship out our primary products. So what I am suggesting is that this Government should do some research and take a good look at what the future trade possibilities may be and the future ways of transportation that we may need. Maybe while doing that we should take a good look at some of the aviation bases that we have in Western Canada such as at Winnipeg, Calgary and Regina. I just heard the other day that France sold some wheat to China. It made me think that after all France may be supplying some countries through the Suez. But we may not be able to use the same transportation route, we may not be able to use Panama, and, so in time to come I think it would be wise for us to consider developing different trade routes and have friendly relations with other countries. In that way we might save western agriculture and the western primary produces. I think there is a danger that the time may come — I hope it doesn't come — when we may not be able to ship through Montreal as easily as we are doing today. So we must consider these matters very seriously now.

Mr. Speaker, we have heard about CCF platforms from Members opposite. I have here Liberal platforms and I could go for two hours and point out to the Hon. Members opposite all the promises that they made which they did not keep. One of them certainly was lower taxes. They promised to reduce hydro power and natural gas rates but they have forgotten about both of these. They promised to work to improve and expand the medical health insurance program. That's been talked about, they haven't kept that one and I think it is very important. They promised a drug insurance program to care for immediate drug costs. They promised to increase school grants, to provide more scholarships for deserving students going to university, and advanced technical courses, to make available authorized textbooks, yet they

haven't made it easier for young people to go to school and get a good education. They promised all kinds of things but didn't keep these promises. Where you have erred in your Budget is that you forgot the areas of taxation that you should have used in obtaining the necessary money. One of those areas is of course the area of resources. When I look at your pie, I see that some \$9 million is coming in from natural resources, for example, and I see that you are spending \$2 or \$3 million more than that. Now you can't keep that kind of thing up. In other words it is out of balance. Resources should be able to pay for themselves, you cannot give concessions to industry, to mines and then ask us to pay taxes to subsidize these industries. I think this is very, very important, and I am going to illustrate to you what is happening in my area.

This Government has put up a pulp mill, and we have been told not to talk about the pulp mill, because if we do we're sabotaging it. That's what you hear from Prince Albert West, (Mr. Steuart) all the time. I've tried to co-operate, I have tried to help them out, but apparently we can't come out in the open and discuss the pulp mill. But this pulp mill isn't going to cost, as we have been told, \$50 million; this pulp mill is now going to cost \$125 million. Wait four years from now and you'll find out whether I am not right. You have already bought shares in the pulp mill, some \$10 million, according to the Financial News. You know how much more you have taken I don't, because you won't tell us what you have done. But you have invested millions of dollars. And where are you getting this money from? From the taxpayer that's where you are getting it! You set up Saskatchewan Pulpwood Limited, and you bought machinery. You bought equipment, you put up camps, you are building highways, running into tens of millions. You refuse to answer our questions. How can we explain to the people, if people ask us, why are taxes going up? People see you spending all these millions of dollars. We don't know how much you are spending, but you are spending public tax money and asking the people to pay higher taxes, high interest, waste, other costs and subsidies, as I said last year in this House, I was right, but I should have said more. I said then you would be losing \$4 to \$5 a cord on every cord that you delivered to the pulp mill, and you are going to lose a lot more the way it looks now. And where does it all come from? From the pockets of the taxpayers. This is where your Budget is wrong.

An Hon. Member: — Haven't put a nickel in the pulp mill.

Mr. Berezowsky: — And the Minister of Highways (Mr. Boldt) said the other day, "Any Member that tells me that he doesn't want a highway let him tell me." Well I am telling him now about one highway I don't need and my people don't want and that is the highway from the mill to Spruce Home. Where is it planned? It goes from the mill out into the wilderness, not an access road, but a four-lane highway that is going to cost according to his own figures, \$2 million. Mr. Speaker, This Government is spending at least \$7 million in my constituency . . .

An Hon. Member: — Mr. Speaker . . .

Mr. Berezowsky: — Will you sit down. If you want to ask any questions later I'll answer you.

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Hon. D. Boldt: (Minister of Highways) — On a point of order.

Mr. Speaker: — Order, order! The Minister of Highways on a point of order.

Mr. Boldt: — I did not say that there was going to be a four-lane highway . . .

Mr. Berezowsky: — Mr. Speaker, that is not a point of order.

Mr. Boldt: — . . . from the pulp mill to Spruce Home. I did not say that in my speech.

Mr. Berezowsky: — Mr. Speaker, what I am saying is that this Minister and this Government is taking tax money, building highways for the pulp mill and for the potash companies and for everybody else, and it wants the people of Saskatchewan to subsidize these industries. That is one of the worst kinds of subsidization. That is the big cost. They are taking it from the children and the sick and from the old to do just that. The Minister need not smile or laugh, as he knows that it is true. I would say to the Minister, had he considered the needs of the people of Saskatchewan, he would have borrowed the money for these pulp highways and then waited until he got all the profits that he has been talking about that he is going to get. As a matter of fact he said they have made all kinds of profits and so I have been wondering where the money has all gone to. But he could have taken all these future profits into consideration and he could have paid for these highways, instead of taxing the people of Saskatchewan now to pay for them.

Mr. Speaker, as I just have a few moments, let me call it 5:30.

The Assembly recessed until 7:30 o'clock p.m.

Mr. Berezowsky: — Mr. Speaker; before I sat down, I had answered a number of Members and some of the charges that they had made, and I also had discussed something about the Budget. I think I said that the Budget is a sad one and it came out that way because the Government had been overly optimistic. I said international finance has demanded the public pound of flesh. The money power has stepped in openly as it did in Britain. I also said that the Governments of this country and this Province have been conditioned to an era of deflation. And no doubt, as I said, the Provincial Government has had to heed these demands and has asked us to tighten our belts. This Government has moved also in the direction of trying to control all of education, labor, and eventually of course, it will try to control small business and farmers with high taxes and controls. I also mentioned the tremendous amount of money that is being spent in order to induce industry to get going in the Province of Saskatchewan. I had mentioned some of the Liberal promises that had been made. I notice in looking over some of these promises that four out of five of the promises were for industry. I pointed out that we cannot have this kind of thing. We cannot give tax concessions to industry. We cannot give subsidies to industry, unless we pay it out of our taxes.

Now concerning highways, I would like to point out that I have estimated that in my constituency these highways starting nowhere and only leading to the mill, are of no particular benefit to the people, and will cost the Province about \$7 million this year. I could talk about Highway No.2. They are going to complete a grade from Spruce Home to Christopher Lake, they are going to pave from Spruce Home on to the Waskesiu access road. They are going to complete the grading and gravelling of the Waskesiu access road to the south end of Montreal Lake. They are going to grade and gravel from the south end of Montreal Lake to the north. They are going to clear and grade No. 165 wherever that is, to the southwest, grading at La Ronge. No. 120 will be graded and gravelled from Meath Park to Candle Lake, grading Highway No. 106 to Cut Hill, clearing and draining from Pelican Narrows north; oiling from Denare Beach to Flin Flon; completion of grading and paving of the Waskesiu access road; grading and gravelling from Prince Albert pulp mill to Spruce Home. Hon. Members must have read the press and know that my people are up in arms about this last highway project. The remarkable thing which I would like to point out to this Government is that it can find \$7 million for my constituency yet I am sure that it is denying other constituencies of this Province highways that should be built there. My people don't want all of these highways, because they cut up the land, they butcher up farms and homesteads. Surely the Government can use some care to see that this tax money is wisely spent.

I would like to point out that, when I asked for an access road to a settlement, to people, I got the answer that it hasn't got the money. Last year when I asked about the needs of the people of Montreal Lake along No. 2 highway, the Minister answered me and said, "Oh they have a way out." When I asked him why they were making an extra 18 miles down to La Ronge on the west side of Montreal Lake, the answer was, "There is timber there for the pulp mill." Why doesn't the Government build access roads into the forest and conversely build highways for people where they need highways.

An Hon. Member: — Things before people!

Mr. Berezowsky: — Now I have always considered, Mr. Speaker, and in all seriousness, that the function of a government, of course, is to be an instrument of human welfare and look after the well-being of its people. This Government is retreating from that age-old concept and has now brought in a vicious Budget which is contrary to this concept. It is taking tax money, using it for the pulp roads I mentioned and other such purposes and denying the people of this province the services that they are entitled to and which they are paying for. Now I am sure that we are all Christians here, and maybe we don't read the Bible all the time, but I couldn't help remembering that it says somewhere in the Bible something like this: "Show mercy and compassion, everyone his brother." Mr. Speaker, yet this is not the concern of the Thatcher Government. It is not concerned about people. The Minister, who just walked in, time and time again has said, "Industry comes first, that's our priority." And this Budget exemplifies exactly that. We have said, and I always will say, whether you call us Socialists or whatever else you call us, that people come first and the needs of the people come first, not the needs of industry. Give people the education and the health and the ability to organize themselves in a good community,

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such as we have had in Saskatchewan, and I hope we will have, then we will have industry and we will have a good life, as we should have.

Before I say more, Mr. Speaker, now that the Provincial Treasurer (Mr. Steuart) has sat down, I know that he is a clever and foxy politician and I know that he has challenged us to speak about matters which I think would have been better for him, if we had not, and that is about the pulp mill. I am going to talk a little bit about the pulp mill and his other corporations. But I will vouch that he is attempting to extract all this money out of the people of Saskatchewan at whatever the cost, four years before the next election so that he can set up a nice little fat fund and come back as the Liberals promised in their platform, to give homeowner grants of \$100 and maybe even \$150. Yes, they will come, Mr. Speaker, four years from now and say to the people of Saskatchewan, "Well you know we had to collect high taxes back in 1968, because we needed this tax money to pay for the then services and because we didn't have the money where else could we get it." From you! And they will be setting up this little fund and in four years from now they will come back and say, "Look what fine people we are. We are giving you \$150-homeowner grants." In other words they rob one pocket and put it into another, letting it stay there for a while, later to bribe us with our own money to get elected again, if that would be possible. But I am going to say this, to this Government, that the people will never forget, because as far as I am concerned, I won't let my people forget and I am going to fight right here, I am going to fight in the community halls, I am going to fight in the church, I am going to fight on the streets, and I am going to fight in every place in Saskatchewan, to see that the people of Saskatchewan remember the injustice that this Government has imposed upon them.

Mr. Steuart: — Those guys fought everywhere except in the war.

Mr. Berezowsky: — You try to defeat me! I'll stay here two or three more terms. You will never defeat me because at least I am honest with my people and you are not. Despite the fact that you thought that by establishing the pulp mill and filling the place with your voters, that they could defeat me. In spite of that Government workers supported me, whether you like it or not!

What has this Government done in the last few years? It should be talking about its record, if anything. But what has it done? It ruined a local company by the name of Wisewood in which the people of Saskatchewan had a 100 per cent interest. It gave it away, sold it to a foreign company from British Columbia for 50 cents on a dollar. It robbed our people of \$1 million.

Mr. Steuart: — 60 cents!

Mr. Berezowsky: — 60 cents. Okay 60 cents. Even at that you robbed the people of 40 per cent of the money that they invested.

An Hon. Member: — A give-away!

Mr. Berezowsky: — It closed up a plant that we had, a plywood plant, in Prince Albert because it wouldn't co-operate with the plant in

which the small people had an interest in. It closed it down and 65 people lost their jobs. It had a deal with NorCanAir, who got our SaskAir for nothing. We are paying for it by subsidies, as the Minister knows. NorCanAir closed down the repair shop and the Government didn't have the decency to cancel the existing agreement. It had no right to close this service. Yet this Government allowed them to do so. And on top of that to add insult to injury, we find that the Member for Nipawin (Mr. Radloff) comes out and announces an iron mine at Choiceland. I am waiting to see when the Japanese are going to start this iron mine. Apparently even the Premier was embarrassed at this one. But this is the kind of nonsense that we hear. I would say this, this Government could have obtained the necessary money, either by floating loans or in any other way, to develop industry for the people of Saskatchewan because we have the resources, we've got the sodium, we've got the potash, we've got the siliceous sands and we have other minerals. We could have chemical and fertilizer plants of our own, or co-operatively owned as it doesn't matter, but we could have local industry and the people of Saskatchewan would have co-operated with this Government. But this Government refuses to work with the people of Saskatchewan and refuses to have the people of Saskatchewan work with them and is giving away the resources as the records show. And it is loading us with taxes as the records show, and then it wants us to vote for its Budget.

An Hon. Member: — Give away. Give away to Washington!

Mr. Berezowsky: — Mr. Speaker, surely we all realize that, if industry was using our power and our resources and our manpower, it would bring economic freedom to this Province. Certainly I believe in that. We would have the highest educational institutions that mankind could have, because we have the resources in Saskatchewan. But when you look at the Budget and then look at the amount of wealth that is taken out of our potash mines, it makes me sick inside. Millions and millions of dollars going out of Saskatchewan and yet we get a measly \$2 million in revenue. A disgrace and a shame to the Government of this Province.

Mr. Romanow: — Give them some more truth, Bill!

Mr. Berezowsky: — The Minister of Mineral Resources (Mr. Cameron) the other day talked about or tried to answer the Members in this House, and he talked about the tremendous amounts of money that have come in to the Treasury. You are lucky that the previous Government, the CCF, had encouraged oil companies and set up reasonable royalties, so now you get \$30 million or more in revenue. He was talking about all the money that was turned in. If you have made all this money, then I ask the Minister and I as the Government: what have you done with this money? That's the point, what have you done with it? This is what people ask me back home. Look at all these industries, look at all this money pouring in. \$10 million coming in from Ottawa to help out in Medical Care Insurance and here is a Government imposing a deterrent or utilization fee. Why then do we have to pay such taxes now?

You wonder, Mr. Speaker, that I stand up here in anger, not angry at the individuals, but angry that we have a Government

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that has so little regard for the needs of our people, so little regard for our resources. I don't believe in this kind of a set-up, because I believe that in every just society taxes should be paid according to ability. We have heard of a French writer, I think, who wrote, "Each according to his needs, and from each according to his ability." This Government has not done that. This Government is extracting from the poor and the sick. We can keep on repeating it and we are going to keep on repeating it. Yet it refuses to extract fair taxes from corporations which are making huge profits at our expense, although, Mr. Speaker, it is a simple fact that profits are taxes that corporations extract from the province and from our people. So why shouldn't they pay their fair share? Why should they get away with less while we have to pay more?

Mr. Speaker, I am not alone in some of the things that I have said. We just had a report the other day from a person that we all admire, Judge Batten, concerning all this assistance to industry and listen to what she says on page 408 and I quote:

The practice of subsidizing private enterprise and industry or locations which are not economically attractive generally results mainly in the transfer of the taxpayer's money.

I hope that sinks in.

The taxpayer usually receives no benefit from funds so expended and his living standard may be held below what it could otherwise have been by such practices, because taxation must be higher or the level of public services must be lower than they would have been otherwise.

There you have it all in a nutshell. Why don't you admit it? You spent public money in doubtful industries where you should not have spent it. I don't say you should not have spent some, as we are not against incentives, but you have overdone it. And Judge Batten says very clearly what the final result will be. And she is right: Another thing that you have forgotten and I want to bring it to your attention and again Judge Batten agrees with me. I quote from page 410:

The Commission believes that the people of the Prairie Provinces desire to prepare their sons and daughters to cope with an increasingly complex world by providing them with the best education possible, regardless of where they choose to live. It is, after all, enhancement of the well-being of people, not of places, that must always be the primary objective of public policies.

Why don't you accept what the Judge has said, which is the truth? Why do you place deterrents on education trying to stop young people from going to school? Because when you impose high tuition fees that's exactly what you are doing. As well you are setting up a class system and I could spend an evening discussing just that. Well, I'm sorry, Mr. Minister, I know that you have a tough job, and you can't very well vote against your own Government, but I am sure that you agree with what I have said. We hope that some day it won't be necessary to pay tuition fees. For a Province with all the resources that we have we should be able to say to our children and our grandchildren attending schools in Saskatchewan, we the people are so rich, you don't have to worry about education as long as you are willing to learn. That is the important thing.

I charge this Government with waste. When it comes down to selling agricultural land, it at times puts it up for tender, now I understand, to the highest bidder. It will be like the situation some 30 or 40 years ago as I recall, where one man a Mr. Robins who had the money bought up 22 quarters of land. What is Government policy when Simpson wants land? It gives it to them for \$10 an acre, because this is industry. When a farmer wants land he has to compete against his neighbor. This is the kind of government you have. We have a box factory in Prince Albert. I tried to get an answer, though I know the answer, as to the person who bought it. I could tell you what he paid for it and it is a disgrace. This Government has taken a box factory and sold it to an individual in Prince Albert, without tendering. Let the Minister tell me when he put it up for tender. It was a lease option. And it sold 33 acres of valuable land in the area with the factory without it being tendered. This is what the Government is doing and this I call waste, because this is a public domain and it should have been tendered, the same as land is tendered insofar as agricultural lands are concerned.

I notice that my time is flying and yet there is so much that could be said. One could talk for hours and point a finger at the Government, but their faces can't be any redder than they are now. But I do want to say, Mr. Minister, that your policies are short-sighted policies. They are not only going to affect this generation but future generations, and when they read the history books 50 or 100 years from now, they will be pointing a finger at the out-dated and backward Government that we had in 1968.

The Government has departed, Mr. Speaker, from good conservation of forest, game and water resources. I could talk about it. Clear-cutting has been accepted as a policy. What do they mean by that? They are clear-cutting everything, it doesn't matter whether the trees are 20 or 30 years old, down they go and get piled up. And then it has been suggested in the Natural Resources Report they are going to burn the slash. This is not British Columbia where they have a lot of rainfall. This is a country where the ground is dry and if you start burning slash you burn the leaf mould. And that isn't the end of the story of conservation, because when you burn the leaf mould you will contaminate the lakes with lye. You will kill the wildlife, which can't survive where there aren't any forests. Also, you may have other very difficult conditions because your lakes and rivers may start drying up. We have seen it happen in two or three lakes up in the north, and the Minister knows what I am talking about. You have Whelan Bay which is a very large bay and part of White Swan Lakes, which because of fires has dropped and has never gone back to its original level. It is now 15 to 20 feet below what it used to be. I could give you other lakes. That is why the other day I asked what dams are being put up, though some of these lakes can't be saved because they have no outlets.

I would suggest to the Government that insofar as conservation is concerned, if you are going to cut down our forest, at least use some good common sense and do selective cutting. Take out the trees that you want, even if you wastefully take out the trees suitable for lumber and ship them down for pulp, at maybe, one-third of the royalties. I still won't criticize you as much as I will criticize you for clear-cutting. Time will show that I am right. You must not destroy the resources that belong to the people of Saskatchewan. You have no right to do so.

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Mr. Speaker, I have spoken as I have, because I am concerned with the daily and future needs of the people of the Province and of the people of my constituency whom I represent. I cannot but think of their dignity, their freedom and their rights, and my job is to do everything I can to stop this sell-out and the degradation of human and natural resources. And I am here to speak against the goals of power-hungry and greedy exploiters of humanity and against the philosophy of international establishments and money-changers who have brought about this kind of a situation in which we find ourselves in today. I am afraid, yes, I am afraid, Mr. Provincial Treasurer (Mr. Steuart) that your provincial credit is gone and therefore you cannot borrow the money you need for your Budget, that you should have borrowed money for, so you are taxing the people of Saskatchewan. But I say this, we must go forward to better things or we will revert to die. I plead with this Administration to reconsider the folly of their ways. I plead for social change, for recognition of the voices of the next generation, for understanding of interdependence of human beings who must live together in this planet and our community of Saskatchewan. I plead for new ideas, a truly New Saskatchewan and not the kind that you think of. And finally, I plead for this Government to become Socially conscious of its responsibility and its prerogatives to bring to our province and to our land, peace and joy and happiness and some material benefits as well. I am not certain if the Thatcher Government hears my voice or the voice of the Saskatchewan people, the people who are phoning in, sending in telegrams and writing letters because of the injustice you have done to them. But I will not talk about what you have done to them in the field of medicine. I could but others have spoken. I am not going to talk about other matters now, as I have said enough to show you, Mr. Speaker, that it is impossible for me to support the motion and because I am duty bound to support the amendment.

Some Hon. Members: — Hear, hear!

Mr. M. Kwasnica: (Cutknife) — Mr. Speaker, in examining closely the Budget Speech made by the Hon. Provincial Treasurer (Mr. Steuart) a week ago Friday, I couldn't help but notice the ridiculous paradox in it. On page 4, the second paragraph in his speech, he said:

In bringing down the first Budget of the new Liberal Government in 1965, Premier Thatcher in his capacity as Treasurer stated four principles we would attempt to follow as a Government.

I want to quote the first two principles: 1. Keep our promises to the people. 2. Reduce taxes. The Provincial Treasurer went on to say and I quote:

We have maintained these principles: 1. We kept faith with the people of Saskatchewan. 2. We lowered Provincial taxes.

Mr. F. Meakes: (Touchwood) — Said that without a smile too!

Mr. Kwasnica: — First of all, let me point out again that the Liberals deliberately broke faith with the people of Saskatchewan prior to the October 11th election by painting a completely false picture. They again deceived the people of Saskatchewan by lowering the sales tax from five to four per cent, but then they expanded its base and imposed a host of other taxes, so

that there really was an over-all tax increase in 1967 of some \$22 million, about \$23 for every man, woman and child in Saskatchewan. Now how low can you get? The Provincial Treasurer spoke of promising to reduce taxes. He said that they did and I have just shown that they didn't, and then in his new Budget proceeded to impose the most vicious array of taxes this Province has ever seen.

Some Hon. Members: — Hear, hear!

Mr. Kwasnica: — Now this is not only a paradox, it is a farce. It is as ridiculous as a jackass who has two heads, one at each end and trying to run in different directions at the same time. From what the Provincial Treasurer (Mr. Steuart) has said in his Budget Speech, there can be no doubt that the people of Saskatchewan have learned a very important lesson the hard way. That lesson they must never forget. Never trust a Liberal, but worse still, never, never trust a Thatcherite Liberal.

Some Hon. Members: — Hear, hear!

Mr. Kwasnica: — Mr. Speaker, being a teacher by profession, I want to relate the Budget expenditures to the needs of school boards, teachers, parents and students, who stand to gain or lose the most, depending on how wisely a government allocates its yearly budget. First of all, we must note that the niggardly proposed grants to schools of \$2.7 million is going to have a detrimental effect on the education system of Saskatchewan. Please notice that this amount is some \$1 million less than the increase in operating grants provided last year, and last year the mill rates rose anywhere from 2 to 17 mills across the Province.

Now this \$2.7 million increase will not even take care of teacher salary increases or the added cost of administration or other costs. I predict that mill rates will rise again this year, in order to take up the slack. And don't forget, the new taxes imposed will at the same time reduce the purchasing power of school boards. Every school bus purchased, and every gallon of gas to run those buses, every bit of lab equipment, every desk and chair, film or slide projector, every radio, record player or television set, overhead projector, or tape recorder will cost more because of the added taxes. So, we have a double-barrelled effect here of a reduction by this Government of operating grants and the added effects of extra taxes on equipment and services purchased. How does this Government expect local school boards to survive? What a job school boards will have facing the irate tax payer. I sympathize with them because they are caught in a dilemma which is not of their own making, but the making of this Liberal Government who has so badly misallocated its Budget.

Now, according to a press release, issued by the Minister of Education (Mr. McIsaac) on January 19, 1968 to the Star Phoenix, he announced that school grants paid to school boards will be tied to the teacher-pupil ratio of a school. He stated that his Department will aim at a ratio of 1 to 22 1/2 for the coming year. Now this is higher by two pupils per teacher than last year's ratio. I am very sorry that the Minister does not have the necessary background and insight to know what the implications of such a policy will be or if he does understand, he chooses to ignore them. Now let's look at the implications.

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One of the main objectives of junior and senior high schools, or composite or comprehensive schools — call them what you may — is to provide better facilities and a wider choice of subjects for students. In one of these schools today, a teacher could teach as many as 240 different students in a school year. If this teacher were to use all his available teaching time plus 1 1/2 hours after school for individual help, he would be able to give each student about six hours of individual instruction in a school year. The point here is that this increased teacher-pupil ratio will aggravate an already bad situation in many schools. The increased size of classes will decrease the individual attention given the student and will therefore lower the quality of education. Increasing the number of students in a class is fine, if you want a stereo-typed student educated in mass, unable to think or discover for himself. But this is not the purpose of education. These composite schools provide many vocational subjects such as home economics, woodwork, metal work, drafting, typing, welding, and motor mechanics. The nature of these subjects is such that space and complexity of the machine used limit the size of classes to around 8 to 12 students. Now to achieve the proposed 1 to 22 1/2 ratio, the ordinary classroom teacher must take up the slack and teach larger sized classes. By pressing for this new ratio, and tying it to the grants paid to a school, the Minister of Education (Mr. McIsaac) is putting pressure on school boards and administrators and leaving school boards with four unpleasant and unfortunate alternatives: The first one, they could increase the size of the already too large academic classes, the English, History, Maths and Sciences. This will increase the teacher work-load and create new frictions between teachers and boards. Oh yes, this is the greater use of staff that the Minister of Education was talking about earlier today. The second unpleasant alternative would be to reduce the number of vocational and optional courses offered in schools and revert back to the good old days when students took the same basic eight subjects. What happens to individual differences of students under such a policy, Mr. Speaker? This policy reminds me of the horse doctor who prescribed one cure — castor oil — for all his patients regardless of the nature of the illness. Everybody takes the basic eight subjects. The third alternative might be to reduce the number of staff in schools in order to qualify for that full grant decided by this ratio of 1 to 22 1/2. The effects are already apparent of this. Several high schools across the province will find themselves over-staffed according to this new ratio and teachers are very concerned about this threat of increasing work-load. Well, a fourth unpleasant alternative left to school boards is to hold a tough line on teachers' salaries in order to make ends meet. This is probably why the school trustees are very ready to give up their right to negotiate with their teachers at the local level. If I were a school trustee, Mr. Speaker, I wouldn't want this callous and unfair task either. No wonder this Government is in such a rush to implement compulsory area bargaining, and all of this to improve education as the Hon. Minister of Education stated before supper today.

I am also disappointed, Mr. Speaker, by the \$17,000 odd dollars decrease in the proposed estimates for the Curriculum Branch of the Department of Education. This decrease no doubt implies that the new courses intended for divisions 3 and 4 programs. I want to point out that school curriculum should be revised continually, not just 5, 10 or 15 years, therefore, I urge this Government to keep the Branch working steadily, looking

for and revising new courses and techniques, especially at the junior and senior high school levels.

The most common complaint of the modern student today is, "Why do I have to take such and such a subject? Why aren't there some other practical and more interesting subjects to choose from?" Our technical schools are also offering courses that are too routine and stereotyped; variety is lacking. Our buildings are overcrowded and unable to handle the large numbers of interested students. The youth of today demand new and interesting fields of endeavor. They want courses in electronics, radio, computers, technology, space research, cybernation, personnel management and a host of others. Our technical institutes are far behind Alberta's two famous and thriving technical institutes — one at Edmonton called NAIT, and the one at Calgary called SAIT. (Southern Alberta Institute of Technology.)

Mr. Speaker, in this Budget Speech so far, I have made it clear that the educational system of our province has been short-changed, short-changed because the grants to schools are insufficient to meet the challenges of the day. School boards will find it more difficult to find the necessary money to build the needed additions to schoolrooms and auditoriums. They will find it more difficult to purchase the necessary teaching aids to assist students to learn through discovery, to pay the necessary salaries to teachers comparable to those in other provinces, and they will find it more difficult to raise the necessary local taxes from the already irate property owner.

Some Hon. Members: — Hear, hear!

Mr. Kwasnica: — The Minister of Education (Mr. McIsaac) by aiming at this teacher-pupil ratio of 1 to 22 1/2, has poured more fuel on the fire by giving local boards the unpleasant task of increasing the size of academic classes or as I said before, of reducing the number of meaningful and varied subjects offered to students.

Add to all of this, Mr. Speaker, the hastily drawn up compulsory area bargaining legislation which this Government has insisted on ramming through, and we will be ready for another Frazier Report in a year or so, this time not into the Mental Health Program of Saskatchewan but into the Educational System of our Province . . .

Some Hon. Members: — Hear, hear!

Mr. Kwasnica:— . . . simply because this Government chose to short-change education instead of building a sound and meaningful education policy. Mr. Speaker, casting all political bias aside, I am deeply concerned about this Government's attitude toward education, this Government's lack of respect and consideration for teachers, students, school boards, parents I am concerned with this Government's lack of respect for university staff and students.

I would briefly like to comment on the statement made in the Budget debate by the Hon. Member from Hanley (Mr. Heggie). He said that our Members on this side of the House accused the Government of being old. So, he took it literally, Mr. Speaker, and thought we meant old in years. And to show his shallow

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thinking, he spent hours tallying up the ages of all the MLAs and dividing by 24 or 35 to prove that the New Democrats were 2 years younger than the Liberals. This was true, Mr. Speaker, we did say, and I'll say it again: and again. The Liberal party and the Liberal Government of Saskatchewan is old, hackneyed, it's still-wallowing in 18th century philosophy of dog eat dog and may the devil take the hindmost in the rush for the almighty dollar. I'm sure the Hon. Member will be a much better legislator and MLA to his constituents, because he spent many hours on this futile and ridiculous mathematical mental exercise. I would like to suggest that the Hon. Member would have been better advised to spend his mathematical skill in calculating how to reduce or better still wipe out the tax on the sick and those lying flat on their backs in the hospital.

Some Hon. Members: — Hear, hear!

Mr. Kwasnica: — Finally, Mr. Speaker, I want to draw to your attention the third paragraph on page 25 of the Budget Speech made by the Provincial Treasurer (Mr. Steuart). He said and I quote:

We have been assured by the Board of Governors that the proposed level of grants will enable the University to accommodate any student who meets the required academic qualifications.

These will be hollow, deceitful words, Mr. Speaker, because on page 25 of last year's Budget Speech, the fourth paragraph under the heading "University" and I quote:

So far, entrance of students has not been limited where academic qualifications were met.

I challenge the truth of the above statements by referring you to two news items, both from the Leader-Post The first one, called, "Campus Near Admission Limit", November 23, 1967, and I quote from that article:

Regina Campus may not be able to accept all students who have applied for admission for the January semester. Approximately 40 students have been unable to get into the academic areas for which they had applied. Mr. Blight said he regrets that all students applying for admission cannot be accepted.

The second news article, again from the same paper, entitled "Regina Campus Filled", January 11, 1968, only one month ago, and I quote:

About 25 students were turned away through lack of space including about 15 in education and 10 in administration.

Well, 25 plus 40 makes a total of 65 students, Mr. Speaker, who were denied entry because of lack of space in this academic year at the Regina campus alone.

Some Hon. Members: — Hear, hear!

Mr. Kwasnica: — What about the Saskatoon campus? I ask in all sincerity: Is our Provincial Treasurer completely honest? Can we trust the governing of our Province to such a Premier and

such a Provincial Treasurer? Do they think the people of Saskatchewan are completely ignorant of facts? I ask all Members opposite to search their consciences and consider honesty and integrity in government before voting for this Budget.

Personally, I cannot vote for the motion, but I will support the amendment as moved by the Member for Regina Centre. (Mr. Blakeney).

Some Hon. Members: — Hear, hear!

Mr. J.E. Brockelbank: (Saskatoon Mayfair) — Mr. Speaker, I'll begin my remarks this evening by a statement that you have probably heard before in this House. The statement is that I had not intended taking part in this debate. However, because of the implications of this document which was presented to us on March 1 plus the pleas from my constituents with regard to some parts of that particular document, I feel that I must take part in this second main debate of the Legislature.

I just want first of all, Mr. Speaker, to refer to the pleas from my constituents and not only my constituents, Mr. Speaker, but other constituents in Saskatoon City. I have here, Mr. Speaker, a file of letters with regard to deterrent fees, the imposition of deterrent fees on hospital and medicare services.

I have an excess of 20 letters from people in Saskatoon. I have a petition in addition to that, with 61 names from one of the old folks homes in my constituency.

Mr. Boldt: — All Socialists?

Mr. Blakeney: — All Socialists?

Mr. Brockelbank: — All Socialists? I have another petition with 22 names on it; in addition to that I have another telegram with 23 names on it. In addition to that, Mr. Speaker, I have letters from two organizations. Mr. Speaker, I will divulge more of what is in that file at a later time, if the Government chooses not to change its position on some of the legislation it will bring before us in this House and on this particular Budget. You can rest assured of that.

The other day I listened with interest to the Minister of Labour (Mr. Coderre) and I always get a kick out of listening to the Minister of Labour speak in this Legislature because he is so homey, and he just touches your heart when he speaks. He got himself out on the statistics limb and it happens, Mr. Speaker that he got himself out on the statistics limb about labor last year. Apparently he hasn't learned a thing about that shaky limb that he was on last year that eventually got sawed off and down he went with the limb. And I think if he is prepared in his estimates, we'll give him another run on statistics this year and we'll probably find that he'll get sawed off again.

I think he subscribes to the thesis that it takes fewer muscles for a person to laugh than to frown. And actually this is a good thesis for people to follow. We followed his exercise in the art of keeping 'em laughing. He began, of course, with

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the NDP Convention in Saskatoon this fall. Well, I think, Mr, Speaker, that I detected a subconscious frustration on the part of the Minister about conventions.

Some Hon. Members: — Hear, hear!

Mr. Brockelbank: — Now it happens this fall that Caesar decreed there shall be no Liberal Convention and there was no Liberal Convention. I think he feels that he has been taken. In other words, he has no resolutions of his own, from his own convention to talk about, so he feels he must talk about some and ours are very good resolutions and I commend them to him all the more.

Some Hon. Members: — Hear, hear!

Mr. Brockelbank: — I've listened with interest to the Members across the way, and I listened with interest last year when they brought down the Budget Speech. It's a little different man bringing it down but very close to the man that's there now. Last year everything was related to the Ontario Budget and what terrible taxation the people of Ontario had and how Saskatchewan was really no worse than the Province of Ontario. Well, there is very little relation this year, Mr. Speaker, with the Province of Ontario and what the Legislature in Ontario is doing. I understand that the Ontario Budget will propose some small increases in tobacco tax, gasoline tax, and it will, also implement a homeowner grant program.

Some Hon. Members: — Hear, hear!

Mr. Brockelbank: — Not only that, Mr. Speaker, but the homeowner grants will apply to tenants. Yes, to tenants in the Province of Ontario.

Mr. Steuart: — . . . getting closer to Socialism all the time.

Mr. Brockelbank: — This is something, Mr. Speaker, that we proposed when the Government brought in the legislation on homeowner grants. It was denied at that time, it was a plank in our platform and we will continue to fight for that particular benefit for the people of Saskatchewan.

Some Hon. Members: — Hear, hear!

Mr. Brockelbank: — What happened, Mr. Speaker, was that it couldn't compare itself with the Province of Ontario so it took many trips across the great water to Great Britain. It found Great Britain on her knees. It conjured up Winston Churchill to support their shaky arguments, it reminded us of the dangers of Socialism and how it could spread; and it reminded us that the British Government's Medicare Plan is almost in total collapse. Well, Mr. Speaker, I have only one thing to say about that. If Air Canada could have charged every Member opposite for every trip he took across the ocean they could wind up the year with a healthy surplus in their operations. I'm sure we've all had the experience of seeing a cat on a tin roof. Well, that was the Government benches in this Budget. They are like a cat on a tin

roof, clawing for a foothold. Mr. Speaker, the problems are here, in Saskatchewan, this is what we should be talking about. When it comes to facing up to the problems of Saskatchewan, these Liberals, Mr. Speaker, have a bull-in-a-china-shop mentality. A dangerous pattern has been exposed in this province.

Let's examine the record, Mr. Speaker. They blunder in, the result is irreparable harm done to different organizations in different segments of this province. Let's take for instance the matter of labor and how the Provincial Government has blundered into that particular area in this province. A few years ago, the employees of the Saskatchewan Power Corporation went on strike. Mr. Speaker, that was the first time in 20 years that the Saskatchewan Power Corporation employees had gone on strike. The first time since the inception of that corporation that they had gone on strike. And, Mr. Speaker, that was due to the blundering of the Provincial Government and the Department of Labour's Minister.

Some Hon. Members: — Hear, hear!

Mr. Brockelbank: — Was the matter successfully cleared up? Well I think the Government thought it was successfully cleared up. But the Government used that as an opportunity to put on the statute books of this province unnecessary, oppressive and permanent labor legislation.

How about the treatment of Indians in this province? Mr. Speaker, that's a sad story. This Government has been in power for four years and its treatment is no better than it was after its first year. We have the Prince Albert blunder, where the Hon. Member from Prince Albert at that time and the Member from Athabasca high-handedly, arbitrarily told an organization in Prince Albert that they would elect the officers that these Ministers wanted or else they would have their Provincial grant cut off — blundered in, irreparable harm done, Mr. Speaker.

Mr. Steuart: — Get rid of that Commie . . .

Mr. Brockelbank: — We have the nationally reported remarks of the Premier (Mr. Thatcher) about the Indians of Saskatchewan, another blunder, irreparable harm done, Mr. Speaker.

What about the University of Saskatchewan? Again the Government arbitrarily proposes a whole batch of legislation for the University of Saskatchewan. It blundered in, it had to retreat, but it hasn't given up, Mr. Speaker. It will be back for more at a later date. What about the Saskatchewan teachers? This Government blundered in again, Mr. Speaker, with a whole batch of new legislation for the teachers of Saskatchewan, legislation that would be largely unworkable and would work a hardship on the teachers and the people of Saskatchewan. It was necessary for the Government to withdraw a considerable portion of that legislation. It refers to it gently as a working paper, Mr. Speaker, but believe me, I think it was legislation prepared and ready for implementation, blundering in, retreating, irreparable harm done, Mr. Speaker.

Mr. Speaker, we've seen some Government skulduggery going on in this Province and it is unfortunate. We need only refer to the little matter of the Saskatchewan Economic Review, 5,000

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copies printed in April, 1967, hidden for 10 months to get the Government past the Provincial election. Shameful, Mr. Speaker.

We have another area of, Government failure, the area of mental health. A year and one-half, or two years ago, New Democratic Members of this Chamber called for an investigation of the Mental Health Program of this Province. The Government having blundered on this, eventually set up a Royal Commission to investigate our charges, to investigate the Mental Health Program. This report confirmed that this Government, Mr. Speaker, was ruining the Mental Health Program of this Province. Mr. Speaker, the smidgen of money it has put forward in the Budget for this program doesn't even bail the program out.

What about Government callousness, Mr. Speaker? Well, 18 months ago, in 1966, we called for an investigation of the cost of living in this Province. Pardon me, that was two years ago. Over a period of 18 months, at that time, Mr. Speaker, the cost of living had risen 10 per cent. The Government put us off. Eventually it did establish a Royal Commission and it has just submitted its Report. And this Report has confirmed beyond a doubt, Mr. Speaker, the matter we were prepared to talk about two years ago. Government callousness.

I feel that I must make some remarks directly about the Budget and I think it wouldn't hurt to just review what has gone on and what the new features of this Budget are. There are no new programs, Mr. Speaker, so there's nothing to talk about there.

In the pre-Budget time, the Government took the opportunity after the Provincial election to implement some new fees and charges, and they have been referred to by several speakers at this time. The Feds. were in their collecting some more tax on the liquor and while the Feds. were there, our boys sneaked in a got a couple of million too.

With regard to the Budget which has been delivered in this House, the Education and Hospitalization tax has gone from 4 per cent to 5 per cent, this is an increase that began on March 1. A new tax absolutely new tax, Mr. Speaker, E & H, 5 per cent, on hotel, motor hotel, motel rooms, commercial cabins and cottages, to begin April 1, 1968. E & H, 5 per cent on \$2 meals, absolutely new tax, Mr. Speaker. E & H tax, 5 per cent on telecommunications, telephone, telegrams, telegraph, private wire, absolutely new tax, Mr. Speaker, to begin April 1. A new fee, hospital deterrents, \$2.50 per day, after 30 days, \$1.50 per day, absolutely new tax, Mr. Speaker. A new fee on medicare, physician's office calls, \$1.50 per visit, physician's visits, \$2.00 per visit, absolutely new tax, Mr. Speaker. Gasoline tax, 2 cents per gallon, an increase to begin March 1, 1968. Farm petroleum tax, 2 cents per gallon, absolutely new tax, Mr. Speaker, to begin April 1st. Operator's licence fee, increased registration fee, passenger vehicles, school buses, farm trucks, an increase, Mr. Speaker. This Budget, I think has to be the main jewel in the Liberal Crown of deceit that has been put on the head of the people of this Province, Mr. Speaker.

I think the matter of deterrent, fees deserves considerable investigation. The Member from Prince Albert West (Mr. Steuart) apparently decided to opt out of the human race. And his patron saint of the KOD the one that goes around kicking on doors is right there with him. He mentions abuses that exist in the

Hospital and Medicare Plan. Yet after a number of tries, Mr. Speaker, we have not got one indication of an abuse, not one Member on that side of the House has listed these horrible abuses that are taking place in our Medicare and Hospital Plan. We want to see them, Mr. Speaker, before this debate is concluded.

The Hon. Provincial Treasurer stands up with righteous indignation and says where should we cut the Budget. Well, Mr. Speaker, I think there are some spots where we can do a little chopping. It happens that I received a letter from a friend and he was complaining about deterrent fees. He suggested that some of the highway programs could be cut out of the Budget. He said for instance the road from here to Rosthern, that's from Saskatoon to Rosthern and the bridge east of there could be cut out. Now I'd like to be able to release his name to the Chamber, Mr. Speaker, but I fear for the man's business life. It happens that the Minister in charge of wrecking the Saskatchewan Government Insurance has already taken his insurance business away from him, and he might persecute him further if I were to release his name at this time. However, he has a suggestion worthy of consideration by the Member from Rosthern, the Minister of Highways (Mr. Boldt). I think Mr. Speaker, that it's time that we had an independent investigation of highway construction, contracting, pricing and volume of business.

Some Hon. Members: — Hear, hear!

Mr. Brockelbank: — And I am certain there will be some very interesting surprises if the Government takes it upon itself to call for an independent investigation of highways in this Province. I would suggest the need for an investigation of the need for deterrent fees, but I'm sure the Government has all kinds of information which they will put before the House before the close of this debate.

In addition to the document of Black Friday, yesterday the Minister of Municipal Affairs (Mr. Estey) proved he is just as slippery as his predecessor in the Department of Municipal Affairs. He attempted to bamboozle the public by citing some statistics that have no relation to the matter of new rent schedules, as proposed by the Federal Government in low rental housing in the Province of Saskatchewan. He quotes that 200 people in low rental pay \$50 per month or less and the average rental is \$65 to \$66 per month. I say, Mr. Speaker, so what! In other provinces in Canada, I dare say you could find the same statistics, except in those other provinces in Canada the tenants are paying considerably less because other provinces implemented the new lower rent schedules in low rental housing. Another smoke screen that the Minister of Municipal Affairs spun out when he was speaking the other day, he said in 1964 there were just 234 low rental units in Saskatchewan, at the end of 1967 we have 600. Another 150 on the board. But Mr. Speaker, that was the smoke screen. I haven't investigated the matter thoroughly, but I do realize at this time that there were 200 units in Greer Court in the city of Regina that were opened for occupancy shortly after this Government took office in 1964. And they are taking credit for them, Mr. Speaker. Smoke screens. What about the allotment in the Budget for low rental housing? In 1966 you find there was an allotment of \$21,800. And this was unexpended to the extent of 29 per cent, Mr. Speaker. You move ahead to March 31, 1967, there was an allotment of \$31,380. You find, Mr. Speaker, that this was unexpended to the extent of 11 1/2 per cent. In 1968, we find an allotment of \$40,100 and I dare say

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that it too will be unexpended to a great extent. Something else that the Minister of Municipal Affairs had to say about low rental housing, it just doesn't make sense. I'm referring now to the previous Minister of Municipal Affairs (Mr. McIsaac). I attempted to get him to explain why the Provincial Government was not implementing the new low rent schedules and he wrote a letter back to me on September 7; 1967, and he said,

As you no doubt are well aware the Provincial Government is this year putting major emphasis on expanding this program to other urban areas, as well as increasing the number of units in the city of Saskatoon. It is my contention that we can better direct our efforts to enable more people to utilize this program.

Well, Mr. Speaker, the implementation of these rent schedules has absolutely nothing to do with expanding the program. They are two different things. Now I don't know whether the Minister knows this, the previous Minister, and I am sure the present Minister must know this. If they are attempting to get us to believe the money that they scalped in rent in this Province, can be applied to capital construction program, I am afraid I find that a little far-fetched.

Mr. Speaker, on behalf of the people in my constituency I find that I cannot support this Black Document, I find that I can support the amendment, because it is realistic and it points out the weaknesses in the Budget. I feel that this Budget, Mr. Speaker, is the embodiment of treachery and as such I cannot support it.

Some Hon. Members: — Hear, hear!

Mr. J. Messer: (Kelsey) — Mr. Speaker, I am rising this evening to speak in opposition to the Budget which has many factors I strongly oppose, as do many people in Saskatchewan. Whether they are young or old, healthy or sick, whether these people supported the New Democratic party, the Conservatives, the Social Credit or even the Liberal party in the last election . . .

Some Hon. Members: — Hear, hear!

Mr. Messer: — they are all opposed to. This Budget, either entirely or at least some major aspect of it. They are opposed because the present Government deceived them in the election of October 11. I must also say here that the people who will identify themselves as Liberals are becoming very hard to find since that Black Friday. I have also seen, Mr. Speaker, on numerous occasions in various places in this province, signs both large and small, stating we were Liberals, and I'll emphasize that were. I can only assume from these signs the silence and the type of speeches that we have been hearing from the Liberal Members opposite that there are Liberal Members in this Assembly as there are past Liberal supporters in the Province of Saskatchewan that have misgivings about this Budget. There are, Mr. Speaker, however, a few loyal supporters of the Hon. Premier and the Provincial Treasurer of this Province who support and believe in this Budget and the present Government's actions. One of these, Members is the Hon. Minister of Highways (Mr. Boldt) who on Friday last was doling out threats to Opposition Members in wholesale quantities in regard to his highway program. May I quote, Mr.

Speaker, from his beloved paper, the Saskatoon Star Phoenix, which says:

On his highway program, which he announced Friday, he told Opposition Members he would be ready to make any deletions from their constituencies if they would suggest which roads should be dropped.

No Members made any suggestions, he asked the Member from Cutknife, my colleague Mr. Kwasnica if he would like to have work deleted from Highways 40, 17 or 5. He also asked the Member from Kelsey, myself, if he would suggest some work be deleted from that constituency. These were questions which the Members should ask themselves before they criticize the highway budget, he said. Then he went on to say and I quote, "Don't tempt me."

Now, Mr. Speaker, for your information and the House's I could well criticize him, because the only highway construction I have in the constituency of Kelsey this year is 8 1/2 miles west of Hudson Bay which was started in 1966 and still isn't finished. Mr. Speaker, such intimidations do not bother me personally, but they are threats against the people of the constituency I represent. Mr. Speaker, I say that if the Hon. Minister is tempted to withdraw highway programs and expenditures in constituencies, simply because Members of that constituency may have criticized his highway budget of which, Mr. Speaker, for your further information, and for the House's further information my only criticism was of the Department's refusal to remove hazardous and dangerous ice conditions on highways of the constituency I represent. Nevertheless, Mr. Speaker, criticism or not, this is a democratic Government, criticisms are a matter of course in such a democratic process.

But the Hon. Minister of Highways in regard to Opposition criticism indicates the attitude of the present Government of this Province. I say this, Mr. Speaker, because when we look at the Budget, we find the introduction of utilization fees for doctors and hospitals can only be determined as deterrent charges, which, Mr. Speaker, according to the Random House Dictionary of the English language, means and if I may quote from that dictionary, "to discourage or restrain from passing or proceeding through fear or doubt." Mr. Speaker, I and the people of Saskatchewan can only assume through the Government's actions that this Administration is one that is administering the affairs of this Province through threats, fears and doubt.

Saskatchewan, which was a leader in the introduction of the Hospitalization Plan, Saskatchewan which was a leader in the introduction of Medicare, is now through this Government's actions taking away the very reason for the initiation of these plans. I say, Mr. Speaker, because the primary reason for the introduction of the Hospital and Medicare Plan was to spread the cost of the services on the ability to pay, so that the unbearable burdens do not fall on the sick or their families. Deterrent fees take away the fundamental reasons for this plan, and deterrent fees are an additional tax for the people who are sick. Deterrent fees are an additional tax for the people who are not well-off. Deterrent fees are an additional tax for the unemployed. Deterrent fees are an additional tax for the people who have large families. Deterrent fees are an additional tax for the people who have chronic illnesses and require hospital care frequently. Deterrent fees are further an additional tax and a burden for the old. Mr. Speaker, this tax is a tax that is

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so despicable that I could not contemplate a Government's introduction of such a tax under any circumstances. This tax deters the people from seeking medical service. This tax keeps people from seeking preventive care and early treatment. This tax discourages regular follow-up treatment, this tax is an inconvenience and a nuisance to the patient. This tax is further an inconvenience and nuisance to doctors, and it discriminates against doctors who are trying to keep their patients out of the hospital. In fact, Mr. Speaker, I can see no merit in the introduction of this tax except to further burden those who have the least ability to pay for these services. In fact deterrent fees will not, as the present Government will have us believe, reduce costs of medical care, because those, who happen to be hypochondriacs, will still irregardless of charge seek medical care, those who are wealthy enough will continue to seek adequate medicare care, which they justly should. But, Mr. Speaker, those that I have mentioned previously because of the deterrent charges will put off regular visitations and consequently increase the use of hospital beds, because they did not get preventative medical care early enough.

Some Hon. Members: — Hear, hear!

Mr. Messer: — An example of such a situation, Mr. Speaker, is that of the Swift Current Health Region where deterrent charges have been in effect for a number of years. Well, there are far fewer repeat office visits meaning less follow-up on chronic illnesses and follow-through on acute illnesses. Deterrent fees have played a part in sharply increasing the use of hospital beds. In that Health Region there are the highest surgical rates in Saskatchewan, and by far the highest use of hospital beds for medical reasons of anywhere else in Canada. Inpatient costs in the hospital Health Region for non-surgical reasons have reached \$52.00 per person in 1966, compared to about \$32.00 per person for the rest of Saskatchewan. The Hospital Plan could well have cost us \$10 million more in 1966, if hospital services had been used the way they are in Swift Current where there are already deterrent fees. The net effect of deterrent fees will be a great increase in pressure for inpatient hospital services. Such deterrent charges as I stated before will tax the people with the least ability to pay. Consequently because of unpaid hospital deterrent fees, there will be an increase of municipal taxes to underwrite these debts.

However, Mr. Speaker, these utilization fees, deterrent fees, charges or tax increases or whatever you may call them were only a beginning. The Hon. Provincial Treasurer (Mr. Steuart) increased taxes in nine or ten other fields. The Provincial sales tax was increased from 4 to 5 percent. Mr. Speaker, I am sure that not all the people of this province will forget that this was a promise in 1964 to reduce this tax to 4 per cent and further to 3. Instead of this happening, we find that the Provincial Treasurer somehow got turned around 180 degrees, and it went back up to 5 per cent instead of down to 3.

Now, Mr. Speaker, the Hon. Member from Milestone (Mr. MacDonald) was this afternoon stating increases under the former CCF Administration. Mr. Speaker, I don't want to be repetitious, but I do want to list some of the major tax increases under the Liberal Government since 1964, a Government that went into power in this province on a platform of a reduction of taxes. Some

of these major tax increases were an increase in the hospital and medicare premiums, a tobacco tax, auto insurance premiums were increased, the removal of the education and health tax on soaps and so on, the gasoline tax, property tax soared. — This was another plank in their platform in 1964, a promise to find a way to reduce the property taxes, instead they went up over 24 per cent within a matter of years, — increased telephone toll rates, increased liquor prices. Mr. Speaker, the tax increases that the present Government has introduced since 1964, indeed make the CCF look like pikers in comparison. Mr. Speaker, this Government started with juggling and shuffling and confusing taxes to taxing detergents and now has graduated to deterrents. Starting April 1 they are taxing hotel-motel accommodations, commercial cabins and cottages extending to cover meals costing \$2 or more. All forms of telecommunications including telephones, telegrams, teletype and private wires. A further tax increase on gasoline and on diesel fuels, increased by two cents a gallon. And then of course, Mr. Speaker, supposedly the present Government dearly loves the farmer, and it made available purple gas for him. But what do we find in this Budget? We find that all tax-exempt fuels, petroleum products, except heating fuel will be taxed two cents a gallon effective April 1. This includes purple gas and diesel fuel for agricultural industry and also aircraft fuel. In this tax increase we find the Liberal Government resorting to their 1964 practice of shuffling and juggling, but nevertheless increased taxation.

There are a host of other tax increases, Mr. Speaker, fee increases of over 100 per cent for operator's licence, registration fees for private passenger vehicles, commercial trucks and farm trucks, an increase in the tobacco tax and the pari-mutuel tax increase.

If taxes have to be increased, Mr. Speaker, some of the areas that the present Government has chosen are indeed justifiable. But in most instances, taxes such as the deterrent fees on health and hospitalization are areas which tax the people that have the least ability to pay. Because these tax increases are going to further burden the wrong people, and further because of the present Government's neglect to tell the residents of Saskatchewan prior to and during the election campaign of 1967, what the true situation of the economy was in this Province of Saskatchewan, I cannot on behalf of myself or the constituency I represent support the motion. However, I will support the amendment.

Some Hon. Members: — Hear, hear!

Mr. E.I. Wood: (Swift Current) — Mr. Speaker, it would appear that the time has come that I should rise and say a few words in this debate. I have heard a good deal being said back and forth for the last few days and I would like to add my small contribution to the remarks that have been made.

There is one point that I would like to make tonight, Mr. Speaker, I believe it was the Hon. Member from Last Mountain (Mr. MacLennan) in speaking this afternoon that said that the former CCF Government had done nothing for the Indians and Métis in this Province. I am quick to admit that we did not do enough, I maintain that the shame of the white man's treatment of these people was there when we took office in 1944, it was still there when we left office and it is still there now. I maintain that

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none of us are doing enough for the Indian and Métis people of this Province. It is a very difficult problem I realize and it is not one where we can rush in, and just by simply making hand-outs achieve the desired effect, but it is a problem that we are faced with, and we have been faced with it for a good deal of time, and we are still faced with it.

But I would like to point out, Mr. Speaker, that the former CCF Government did a good deal about the problems of the Indian and Métis people. We did something about employment. We stopped the indiscriminate waste of our resources by the big operators and insisted on a sustained cut of the timber of the north country, thus ensuring the continued climate of people in the north.

The Timber Board was set up to standardize the quality of the lumber marketed. This couldn't help but increase the output and keep up the markets for this lumber which would help out and increase a good deal the employment opportunities in the north. We set up lumber operations for the Indian and Métis themselves in such places as Green Lake and Canoe Lake. Through our fish marketing and fur marketing we assured a fair return for the Indian people in these occupations. We encouraged handicraft at LaRonge and other points. We weren't successful in getting a pulp mill started. The one initiated by the Liberals has not yet proved itself to be an unqualified success, but I am prepared to give them full marks for what they have done. I'm not prepared to endeavor to detract from what they have done whatsoever, but I do feel that they cannot say that we did nothing in regard to assist the Indians in employment opportunities.

I think also the record shows that we did a great deal for them by way of education. Now I looked back in the reports of the Department of Education, I looked back through the Annual Report of 1943-44 and I could find practically nothing about the education for the Indians in the northern part of the Province. There is a picture here of a small school; it says it is a reserve Government-aided school for children of employees of The Pas Lumber Company Mill. That's about the only thing I can find in the Report regarding them.

I turn over to page 52 of the Annual Report of 1944-45. This was shortly after the Hon. Member from Biggar, the present Leader of the Opposition, and at that time the Minister of Education had come to the helm of the Department of Education. With your consent, Mr. Speaker, I'd like to read a few paragraphs from this Report. The Social Report for the Administrative Area of Northern Saskatchewan.

The appointment of an administrator of education for remote northern Saskatchewan was approved on April 15, 1945. An office was immediately set up and office space secured in the Natural Resources Building at Prince Albert.

With the information available and contained in a survey made in the autumn of 1944, plans were laid to provide education for all children in the area, not including the children of Treaty Indians.

Many factors mitigated against achieving much during the year 1945.

The late spring restricted visits to the settlement as

the lakes were not open for navigation or for landing by plane until late in June.

Transportation along Trade Route No. 1 from Ft. McMurray to Stony Rapids is restricted to sailings in June and September, while transportation of heavy materials along the other trade routes is restricted during winter months. It was impossible, therefore, in some cases to take in materials and equipment to some settlements and in some cases the late arrival of the materials necessitated postponement of construction until the spring of 1946.

Another delay was caused by difficulty in securing titles for school sites. Most of the settlements in the north have not been surveyed and definite descriptions of the property required are difficult to obtain.

Schools are now in operation at Stony Rapids, Camsell Portage, Lac la Loche (two rooms), Buffalo Narrows (two rooms), Beauval, Green Lake (three rooms), Chitek Lake, Candle Lake, Lac La Ronge (two rooms), Sandy Beach, Island Falls, Denare Beach, Cumberland House (two rooms), Pemmican Portage. In addition three teachers are engaged at the Mission School at Ile a la Crosse with pupils from the hamlet in attendance as day pupils. A school at Montreal Lake North will be in operation as soon as the teacher is released by the Navy. This makes a total of 24 rooms in operation.

And it goes on next paragraph, if I may continue, Mr. Speaker, I won't read too much of this, because I know that reading is not too good a thing in the House, but it does show a picture of what was going forward in the year 1945 when this new plan was erected for the administration of schools in the Administrative Area of Northern Saskatchewan.

Appropriations made for the erection of one-room schools at Stony Rapids, Candle Lake, Denare Beach, Garson Lake; two-room schools at Beauval, Buffalo Narrows, La Loche and an additional room at Cumberland House; for remodelling existing buildings at Chitek Lake, Pemmican Portage, Camsell Portage, Sandy Beach; for the erection of teacherages at Pemmican Portage, Denare Beach and Stony Rapids and securing and remodelling a residence at Camsell Portage.

The schools at Candle Lake and Denare Beach have been completed, while the materials for Stony Rapids is on the ground and construction has started. Additional rooms are opened and temporary quarters at La Loche, Buffalo Narrows and Lac La Ronge. The schools at Chitek Lake, Pemmican Portage, Camsell Portage and Sandy Beach have been remodelled. Temporary quarters for the school and teacherage have been secured and remodelled at Camsell Portage. The log teacherage at Buffalo Narrows has been opened. Combined teacherage-outpost hospitals continue in operation at La Loche and Green Lake.

You can just get the spirit of the energy and the work that went forward in bringing education to the children of the north. You read over on the next page, skipping a good deal, in regard to noon lunch.

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An appropriation of \$100 was made for each school and instruction given to these teachers in the preparation of food to be provided.

With the payment of family allowances, the appointment of local attendance officers and opening of additional rooms in the schools, coupled with the offer of attendance of 60 cents per child per teaching day where no school is provided, the attendance has shown a marked increase. Many settlements are showing 100 per cent in both enrolment and attendance. Practically all children (excluding Treaty Indians) on Lake Athabasca are at school and through moccasin telegraph one family of six is expected in from the Barrens, a distance of 240 air miles, to attend at Stony Rapids. Several larger schools show an enrolment in grade one of over 25 of all ages who cannot speak English.

I think this, Mr. Speaker, is a wonderful record in this regard of showing what was done in 1945 by the Department of Education under the leadership of the present Leader of the Opposition (Mr. Lloyd). Mr. Speaker, this sort of energy applied to the problem had definite results. In September of 1945 this Annual Report shows that there was some 829 pupils enrolled in the northern administration area. A year later there were some 989, with 27 teachers on the staff. In the 1963-64 report, Mr. Speaker, which is the last report that we would have of a full year while the CCF were in office, there were 128 teachers and an enrolment of 3,551. The record of the CCF in regard to education in the north for Indian and Métis children was that the enrolment rose from 829 pupils in 1945 to 3,551 in 1963-64. Now we have evidence, on the basis of some reports that have emanated from the other side, that the Indian population does increase very rapidly, but they don't increase this rapidly, Mr. Speaker. This shows that the CCF Government brought education to the children of the north, and I think it is a record of which they do not need to be ashamed. I think that we can be proud of the record of the CCF in bringing education to the northern people.

As someone has said that education and employment are the key to the problem, I think that the CCFs record in this regard is not bad. As I said earlier, there is a great deal more that can be done, and I don't want to intimate in any way that we have done all that we should, but I do mean to say that we have done a good deal in that regard and we are not ashamed of what we have done.

A little further in this regard I'd like to say, Mr. Speaker, that in 1962 we set up a Community Development Branch to endeavor to correlate the work of the various Departments as they affected the Métis and Indian people. We made some progress in this, especially in the Meadow Lake area, before we left office. I notice that the present Administration has done little in this regard, for the reports that we get are that both the provincial and Federal civil servants are following one another around the reserves and bewildering both themselves and the people they are supposed to serve. I think a good deal more could be done about amalgamating and correlating the work of the different branches of Government that are working to serve the Indian people on which we made a start back in 1962, but little appears to have been done in this line since that time.

Mr. Speaker, I would like to go on to say a few words about

some other underprivileged people in this province, namely the farmers. The Government opposite likes to applaud itself for what it has done or what it is doing in this present Budget for the farmers. I think the record shows that it has done very little and that there is need of a good deal more being done. I would like to read, if I may, a couple of short paragraphs from the February 21st issue of the "Co-op Commentary", an article regarding the cost of producing a bushel of wheat. This study was made by Jim Clarke who is a vocational educational instructor in the Kindersley school unit and set up the first course in vocational agricultural education at that point. This is what he has to say in the Co-op Commentary of February 21st:

A recent research study on the wheat farmer's position in the economy contains much interesting information. The study, commissioned by the county council of Vulcan, Alberta and paid for by 1000 farmers in the county, reveals that in 1965 the average cost of producing a bushel of wheat in that county was \$1.57. The net price paid that year was about \$1.60 a bushel.

The Vulcan study arrived at an average cost of producing a bushel of wheat for a specific group of farmers for just one year. It also highlighted the variable nature of farm costs. Aggregate costs of producing a bushel of wheat varied widely within the county. Farms of more than 1,280 acres averaged \$1.47 a bushel; farms of 640 to 1,280 acres averaged a cost of \$1.63 bushel, and farms of less than 640 acres averaged \$1.90 a bushel. Although the figure of \$1.57 is not applicable elsewhere or even for another year in Vulcan County, the study indicates very clearly the unfavorable position in which the wheat farmer finds himself.

When you have farmers receiving \$1.60 a bushel and an accurate study in one part of the country, which I might say could probably be an average or possibly a better average than in most of the country, shows the cost was from \$1.47 to \$1.90 a bushel, it shows what a lean margin that the farmers are operating upon. And I would like to say, Mr. Speaker, in this regard that I do not think that the farmers of this province can well afford to pay the extra two cents per gallon that is being imposed upon them in payment of farm fuel, that is being imposed by this Budget. I think, Mr. Speaker, that the Government opposite while it claims to be a farmer's Government, would be well advised to pay a little more attention to the problem in this regard.

While I am on the subject of farm matters, I would like to say something about the swine program. Mr. Speaker, the Minister of Agriculture (Mr. McFarlane) in addressing the House the other day, if I recall his words correctly, as I didn't take them down exactly, I believe he said something to the effect that when the ARDA program was set up, that it was set up before the results of the 1961 crop failure had been taken into full account. Thereby it would appear to me, and I think that the Hon. Minister would agree with me in this, that it does not truly reflect the vagaries of the returns of the wheat-growing areas in the Province. I think that the data that were obtained and through which the ARDA was arrived at, possibly do not take into full consideration some of the crop failures of the southwest and other parts of the province. I believe that the swine facilities program is set up in such a way that grants are made to those young farmers and others setting up swine facilities in the ARDA area. These grants are available to them in building facilities for producing hogs.

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I have nothing to say against this program and I believe that it is one that is under-written to a large degree by the Federal Government and I think that it is a good program. But, along with some other Members, and I am sad to say that most sit on the other side of the House, from the great southwest, I have to point out that this program is not available down in our country. I have had young farmers come to me and tell me of the expense that they were under in setting up proper facilities for producing swine and hogs. It runs into many thousands of dollars, from \$20,000, to \$50,000 for a good set-up. On this they get no help from the Provincial Government except possibly in regard to plans. The young man that was speaking to me said that the cost shown in these plans hadn't proved very accurate in his case. He had to pay a good many thousand dollars more for the completed structure than what he was led to believe he would, and he was unable to get any help under this Swine Facility Program.

Now I realize that the Federal payments on this are only available in the ARDA area, as it is an ARDA program, and therefore, not available in our part of the country. But I would like to point out, Mr. Speaker, that the farmers in the southwest are just not that rich that they should be cut off from help of this kind. I do think that possibly, if all the factors have been taken into consideration, when the ARDA area was drawn up, it might have extended a little further than it does at the present time. I do think that the Government should give some attention to the fact that these young farmers getting started in the southwest have just as much need for this sort of thing as others in other parts of the country. I do think that they should be given some consideration and assistance from the Government opposite. I want to point this out especially to the Hon. Members from Maple Creek (Mr. Cameron), Shaunavon (Mr. Larochelle), Morse (Mr. Thatcher) and Kerrobert-Kindersley (Mr. Howes) and some of the others in that area, and maybe our Hon. Friend from Wilkie (Mr. McIsaac), I think that I should get a little help on this from some of the Members from the other side of the House, because I think that our young people do need this kind of help over there as well as in the eastern part of the province. It would mean possibly 100 per cent payment by the Provincial Government if they aren't able to get this help from the Federal Government. I see that the Hon. Minister of Agriculture (Mr. McFarlane) is in his seat now and I would like to ask him to give consideration to extending this Swine Facility Program in some way to all the young farmers in the province, because this help is needed just as badly in my area and in the southwest as it is in the rest of the province.

There is another matter that I would like to speak of and I believe that it has been mentioned earlier in this debate, but I would also like to say something on it. And this is the matter of the handling of Crown land. In the last few months some of my neighbors and people that I have met have approached me and said they were afraid that they were going to have to buy their leases. They had received some literature from the Department that tended to make them think that. I obtained some of the information, some of the literature and some letters that they had received and so far as I could see it didn't tend this way. I just couldn't take that interpretation from it, that they were going to be obliged to purchase their land, that they could still continue to keep it at least as long as their lease held out. I wrote to the Hon. Minister in this regard a few weeks ago and he answered to the effect that I was right in

this, that they did have nothing to fear from this so long as their leases held and that there was no intention of the Government making them purchase their leases. From what has been said by the Premier during this session, there have been some remarks made that a program is considered of tendering the Crown lands. I am worried again of this, Mr. Speaker. I would ask the Hon. Minister of Agriculture (Mr. McFarlane) to continue to give this consideration, especially in regard to some of our older people. I had a couple of my neighbors approach me in this that some of them are getting on in years and that they have a lease that is good for 10 or 20 years yet, but they don't want to spend the money that is necessary for them to purchase this. They don't have it in the first place. It would completely wreck their organization. It would completely wreck their setup if they had to go to work and buy this lease. On the other hand, if they don't keep this lease, they have lost a good share of their livelihood. The people that have approached me in this regard earlier, which I mentioned to the Hon. Minister earlier, were greatly worried that they might have to do this and that it was going to be a real hardship to them. I sincerely hope that he is able to maintain the policy whereby these people are not forced to step out and bid against other concerns in order to hold the leases that they now have. In cases that I know of, it would really mean a severe hardship to them.

Hon. D.T. McFarlane: (Minister of Agriculture) — No changes!

Mr. Wood: — Very good! I am glad to hear that because I have been worried. This matter of tendering Crown leases doesn't sound very good to some of us who have run into this sort of thing.

There is another matter that I would like to mention, Mr. Speaker, and that is in regard to chiropractors. This matter has been mentioned to us from time to time and there have been different statements made concerning the possibility of bringing the chiropractors under the Medical Care Plan. The Members opposite, when they were elected back in 1964, were elected, I believe, on the basis that they were going to improve the Medical Care Plan. This is one of the things that we thought they might be able to bring in along with the promised drug plan. But we have heard nothing about it in this Budget. I can't see that it would cost a great deal, because there are many people who would make use of these chiropractic treatments which are comparatively reasonable in price, instead of having more costly medical treatments. There are a good many people who place a good deal of faith and trust in the chiropractor's treatments. I have to admit myself, Mr. Speaker, that I have never had one of these treatments, but I know a good many people who do place a good deal of confidence in them. I think that these people have just as much right to have their treatment paid for by the Medical Care Plan as those who patronize the medical doctors. I would urge that this Government gives some consideration to this. I know that it is adding charges in regard to the utilization of the services which will bring several millions of dollars into the funds of the Province in this regard, and possibly it could be able to give some consideration to extending the benefits of the Plan in this way, at this time.

Now Mr. Speaker, I would like to say a few words about the taxation features that are in this Budget before us. I have to admit, Sir, that I found out tonight that I was going to speak

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in this debate with rather short notice, I wasn't able to compile all the data that I would like to have. I believe that the Hon. Members opposite when they were elected in 1964, were elected on a program that they would reduce taxes, both Provincial and property taxes. This was the program under which it was elected in 1964. I have a few figures that I got together rather hurriedly but I took a look in an old Financial Report and found that in 1963-64, the last complete year under the former CCF Government, the revenue from taxes shown in the Financial Statement was \$102,320,830. The revenue from motor vehicles was \$8,954,595. The total property tax in that 1963-64 year shown by the report was \$96,432,268, for a total revenue of taxes as shown by the Financial Report and motor vehicle taxes, (There were many other forms of taxation that I didn't have time to work into this, I just picked out two or three of the main ones.) a total at this time of some \$207,707,000 of taxation on the people of the province in the last year that the CCF were in office. Now I take this Budget that we have before us at the present time; the estimated revenue from taxes in 1968-69 is \$193,021,000. The motor vehicle licences are not \$9 million but \$13,787,000. The property tax, we don't have for this year, but the last figure that we have is in regard to 1966-67, and at that time it is not \$96 million, but \$123,708,802. In the last year, Mr. Speaker, as I noted in a former debate, I pointed out to the House that they had increased in this last year, for which we have the records by some \$10.5 million. The property tax in 1966-67 is \$123 million and I think that you will have to add to that, to bring it up to what we may anticipate to pay in the present year. You will have to add another \$10 million, for last year and another \$10 million for the coming year, or a total of \$20 million. You add these figures together, Mr. Speaker, and you come up with a total which the people of this Province will be paying in taxes this year of \$350,516,000. You have to give the credit where it is due. The Government is paying out \$8 million a year in homeowner grants, so you will have to subtract this from this figure and you will come up with \$342 million more being paid this year by the people of Saskatchewan than what was paid back in the last year in which the CCF were in office.

Now, back in 1963-64, the population of Saskatchewan, I believe, was in the neighbourhood of 942,000 people. You divide this into the figure of \$207,700,000 and you come up with approximately a tax of \$220.00 per capita. The people Saskatchewan back in the last year in which the CCF were in office, were taxed \$220 for every man, woman and child in the Province. But look at the picture now, Mr. Speaker, the population has increased, not too much, I'll have to, admit, but it has increased to approximately 960,000 (actually 959,000) as of January 1st of this year. You divide this into the figure of \$342.5 million and you come up with approximately \$356. The people of the Province are now paying approximately \$356 for every man, woman and child in the Province. This is the record of four years of Liberal Government, which was elected in 1964 on the promise, heralded far and wide throughout the province, that it was going to reduce taxes, not only Provincial but also property taxes. You take the per capita taxation of \$356 per capita now and the per capita taxation of \$220 per capita back in 1963-64, and you have an increase of \$137 per capita, that will be paid by the people of the province this coming year, more than what they paid back in 1963-64.

This is a result of a policy of tax reduction by the Members opposite. I think that you can check these figures as I threw them together I'll have to admit rather hurriedly, but I think you can check these out, and I think that you will find that this is very close to the truth in this regard, that a family of five will be paying \$685 more this year than what the same family would have paid back in 1963-64.

Mr. Speaker, that covers most of what I have to say tonight. I think that you will have gathered from what I have said, that it is really not my intention to support the motion that we have before us, but I will certainly support the amendment.

But before I sit down, I just have to admit, Sir, that I did think of something else and possibly I should say something about it. There has a good deal been said in this House, on both sides of the House, in this debate, concerning the Swift Current Health Region, and the deterrent fees that we have there. We have had these deterrent fees for a good many years. They weren't for the complete life of the Health Region that was established back in 1946 and has been an outstanding example of what the Medical Care can do for the people of this Province or any other place in the world. We are proud of our Swift Current Health Region and what it has shown that can be done. We have had deterrent fees there, as has been proclaimed, for some years. These fees, Mr. Speaker, are not \$1.50 per visit, they are \$1 per visit. And I might say, Mr. Speaker, that the policy that is practised by most of the doctors in the area, that this \$1 per visit applies only to the first call in regard to any specific complaint. If I go in there with a sore toe, well it's \$1, and if I come back again in regard to that same sore toe, I am not charged anything and this is standard policy, although I do understand that doctors do have the authority and are able to charge \$1 for each visit, regardless of what the reason might be. If I come, in, however, in regard to some other ailment the charge is \$1 for each new ailment that I may come to the doctor with. There are also charges of \$2 for house visits and \$3 for night or emergency calls. I think that on the whole these charges are a good deal less than what is proposed by the Government in this Budget.

Some Hon. Members: — Hear, hear!

Mr. Wood: — I think that the difference is going to be such that the people of the Swift Current area are not going to be happy with them. Because it is my understanding, and I think that the Hon. Minister will back me up in this, the Minister of Health (Mr. Grant), that when these new deterrent fees in regard to medical care come into operation they will to a good extent, to the extent at least that these things apply, cut the amount of money that is made available by the Department to the Swift Current Health Region in regard to their Plan. I think that the Swift Current Health Region Board is considering that this is going to cut the amount that they receive from the Provincial Plan some \$100,000 to \$120,000.

Now we have for years had a dental program which has been carried on and paid for, largely by the savings through the plan by these deterrent charges. This has been an added cost which the people of Swift Current area have paid and they have turned around and put this money into a dental program. It has been much appreciated and has done a good deal for the younger people of that area. Now with this added charge being put on the

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medicare care program, it is apparent that there is going to be great difficulty for the people of Swift Current to retain this dental program.

As I say, much has been said here about the Swift Current program and it has been bandied back and forth a good deal, but let me make this statement, that I am very assured that the people of the Swift Current area aren't going to be any happier about the imposition of this \$1.50 charge and the \$2 charge for house calls than any other people of the Province, because it is going to hit them just as hard, as it is going to be added on to the fee that they already are paying, not that they will have to make this fee, the charge of \$1.50, added on to the \$1 they now pay, \$2.50 per visit, but this amount is going to be subtracted from the gross payment that is made to them in regard to their program, because they are paid on the per capita basis of what the plan costs the MC1C Program per capita for the people of the province. This amount is paid over to the Swift Current Plan on a per capita basis and any reduction in the cost of MC1C in regard to this plan is going to result in a reduction of the amount of money that is paid over to the Swift Current Plan. This reduction that we have before us is not going to be accepted very happily in the Swift Current area anymore than it is anywhere else.

As has been said before, this matter of, if I may repeat, Sir, this matter of the deterrent charge which is a very poor name indeed for the charge for the use of hospital facilities, is something that is going to be new in the Swift Current area as well as it is in other parts of the Province and to call such a charge a deterrent fee is entirely wrong. Any effect that it can have upon the plan in regard to reducing the number of calls, I fail entirely to see how it could work out. The doctors are responsible for putting the patients in the hospital, they are responsible for releasing them from the hospital and any responsibility by the patient in this regard is nil, except that in the future he is going to have to pay this extra \$2.50 per day that he is in there. I do like to speak very strongly against the imposition of these figures, I think that if we have to have money we should be able to get it from other sources.

I think the Members opposite have raised the objection that we have said we want to cut taxes. We have said a lot about the taxes we felt are unjust, that this is a terribly backward Budget, a tremendous amount of taxes are being charged and yet at the same time we are not prepared to say what should be done and take a position on this. I do maintain, Mr. Speaker, that the Government, faced with the possibility of borrowing money or cutting needed services, possibly has done the right thing in raising some taxes, but I maintain that there are services that could have been cut. I think if you look, at the Budget in many ways there are a lot of frills that could be cut off. I think that even some of our Highway programs could have been deducted. This matter of four-lane highways may be carried a little too far. Reference has been made to the traffic exchange at Swift Current, in the city of Swift Current. I am sure this is appreciated by the people of the area, it was needed for something had to be done there, but if the Hon. Members opposite had been following me around the last year, trying to explain to some of the property owners there that this was a good thing, I think they would have found that they have quite a chore on their hands. I know I found it very difficult. I think that possibly there are some things along this line that could have been saved. I don't hardly think that this large expenditure was entirely

justified, I think that some other way could have been arrived at that would have been just as acceptable to the people of the area without spending quite so much money.~

Now again, Mr. Speaker, I must say that I will not support the motion but I will support the amendment.

Some Hon. Members: — Hear, hear!

Hon. A.R. Guy: (Minister of Public Works) — Mr. Speaker, I am certainly glad that the gentleman that just sat down (Mr. Wood) remembered to say the last few remarks that he had. They proved to be probably the most sensible that have come from the other side of the House this evening. The House would have been a loser if we hadn't heard those last ones.

In rising to participate in this debate I want first of all to say that I am a little under the weather tonight. I thought first of all that it was the flu, but after listening to the speeches from across the way, I am not so sure whether that's what made me sick or not.

I intend to deal primarily tonight with the programs of my Department for the coming year. However, before I do I wish to refer to some of the remarks that have been made by Members opposite this evening, some of the remarks that were made the other day by the Member from The Battlefords (Mr. Kramer). I am sorry that he isn't in his seat, but I don't know why we would expect him to be here this evening when there are other things more important I suppose than representing the city of North Battleford in the Legislature. No, he doesn't care, he made his one speech for the session so I suppose he probably won't be back. He's a hit and run speaker.

I would like to refer to the Member for Cutknife (Mr. Kwasnica) for just a minute or two. You know I was really touched by the crocodile tears that the Member for Cutknife showed in regard to the teaching situation in this province. He was crying about the student-teacher ratio being set or suggested at 1 to 22.5, and its effect on individual instruction. Well now of course, Mr. Speaker, the desirable figure would be a teacher for every student. However, I am afraid that in this day and age we can't reach that Socialist Utopia which they are always referring to, but I would like to say that certainly a ratio of 1 to 22.5 is a darned sight better than it was when I started teaching under the Socialists some 16 years ago. Teachers during that day and age if they had less than 35 in their classroom and teaching anywhere from 4 to 8 grades, that was an exception. So a ratio of 1 to 22.5 isn't that bad when you consider that today we are more specialized, we have fewer classes and the situation has improved considerably, particularly in the last few years. However, his concern for education is just one more hollow statement which Members opposite believe that if they repeat often enough is bound to come true. One only needs to look at one thing, Mr. Speaker, and that is the dollars spent by the Liberals for education and the dollars spent by the Socialists when they were in office. I am not going to go over the record again tonight; my colleagues have placed this on the records several times. When you add it all up there is no comparison of the money that was provided by the Liberals since they came into office and the money that was spent by the Socialists during their 20 years of dictatorship.

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Now, Mr. Speaker, I wanted to say just one or two words about the speech of the Member from Prince Albert East-Cumberland (Mr. Berezowsky). He said so little tonight it is difficult to find anything to comment on. He started out his speech "that rumor has it" and then he went on to read a letter. Well he ended it in the same way, with a rumor. I tell you, Mr. Speaker, that that gentleman has listened to rumors so often and he has spread rumors so often, that he wouldn't know the truth if he tripped over it.

Now, I appreciated the-remarks of the Member for Swift Current (Mr. Wood), regarding the school situation in Northern Saskatchewan, He spent some time putting on the records of the House the work done by the CCF Government back in 1944-45. He referred to many of the temporary classrooms and teacherages that were provided during those few years. It brought back old memories, Mr. Speaker, because when I went North in 1954, ten years later, these temporary classrooms and teacherages were still in use. In fact in 1964 there were a good number of temporary classrooms and teacherages in use, and I am proud to say today that in my constituency under a Liberal Government there is not one temporary classroom. Every one-room school has been replaced by the Liberal Government and each and every one of these schools has modern facilities. There is no one running out in the cold weather to the back with an Eaton's Catalogue under their arm. In fact the increase in La Ronge itself is a good example of what has happened under a Liberal Government. In 1954 when I had the pleasure of going to La Ronge, there were five classrooms; in 1963, there were ten. However, from 1964 until 1967 these ten classrooms have mushroomed until today there are a total of 26. Now, of course, this isn't all due to the population explosion that the gentleman from Swift Current (Mr. Wood) referred to. A good part of it is due to the industrial development that the Liberals have brought to Northern Saskatchewan. In fact I would invite the prairie chicken from Swift Current, in fact all the prairie chickens from across the way there, to visit Northern Saskatchewan and see Liberal development at its best. I know that for someone who is unaware of the area it is very difficult to understand the development that has taken place during the last four years, so I would invite you to come up there and see for yourself what a good-free enterprise approach to the development of resources will do.

Now, Mr. Speaker, the other day we listened I suppose for an hour and a half to the Member for The Battlefords (Mr. Kramer) while he fumbled through another speech that someone had written for him. I would like to suggest — and I' hope it doesn't hurt his tender feelings — that before he delivers his speeches in this House that he at least read them over once. Then at least it would be less embarrassing for him and certainly would be less painful for us who have to listen to him. I would suggest also that his ghost writer, whether it is Mr. Burton or Mr. de Jong, limit his speech to three or four-lettered words so that he can pronounce them correctly and not stumble over them the way he did the other day. A student in grade four would have done a better job of reading his speech intelligently than he was able to do.

Some Hon. Members: — Hear, hear!

Mr. Guy: — However, Members on this side were not disappointed that the content at least was the same as it has been in the

past. He proved again how uncouth and boorish he can be. His speech consisted of maligning individuals, smutty expressions and pitiful attempts to be funny which fell flat. As in the past, it was noticeable that he tends to attack personally anyone with an education, but again I suppose it is only natural from one who recognizes his own weaknesses in this regard. He particularly delighted in maligning the Premier, the Minister of Education (Mr. McIsaac), and the former Minister of Health (Mr. Steuart) because of their business and professional background. I would ask; who is the Member for The Battlefords to question the Premier's choice of a man with a teaching background and a doctor's degree as Minister of Education? One would well ask; what were the qualifications of an auctioneer who became the Minister of the Department of Natural Resources? It was obvious to those who sat in this House during that period that the only qualification he brought to the job was a big mouth and an empty head.

Some Hon. Members: — Hear, hear!

Mr. Guy: — It doesn't say much for Members opposite when one considers that this trio he thinks so little of removed them quite satisfactorily from the Government benches and in three and a half years cleaned up the mess left by the loud-mouthed auctioneer and his friends. Again as in the past his favourite targets were the new Cabinet Ministers that had been appointed since the last election. You know, Mr. Speaker, I have often wondered why he had the vindictiveness towards new Ministers when he was one himself, but on checking back I think I found the answer. It is again simply a question of envy as he tries to take out his own frustration on us. For those Members who are new to this House, I should like to remind you that he has the distinction of being a Minister of the Crown for the shortest length of time. He was appointed in November 1962 and discharged from his duties in April of 1964. But what proved to be particularly frustrating to him was the fact that he was a Member for ten long years before he was even considered for the post of Cabinet Minister and then it was as a last resort. The Member for The Battlefords was elected in 1952 along with the Member for Melfort-Tisdale (Mr. Willis), Russ Brown from Last Mountain, the Member from Milestone (Walter Erb), who subsequently all entered the Cabinet. The Member for The Battlefords was left behind. In the 1956 election, the Members from Moose Jaw, Swift Current and Touchwood entered the House. Eventually they too were promoted to the Cabinet, but again the Member from The Battlefords was forgotten. In 1960, Sandy Nicholson, Ollie Turnbull and the Member for Regina Centre (Mr. Blakeney) joined the Government and in their first term of office became Members of the Executive Council, but again the Member for The Battlefords was bypassed. So no wonder he was miffed and frustrated to see nine Members that were elected after he came to Government move along to the Cabinet benches while he remained in the back. This, of course, explains his sensitivity and envy of Cabinet appointments whether by his Government or any other. His frustration I suppose will never be forgotten.

I was somewhat surprised at his changed attitude toward Dr. Frazier and the Frazier Report. For a man who claimed that he wanted nothing to do with Dr. Frazier and his report he certainly spent a lot of time reading from the recommendations. We are pleased at the thoroughness and the forthright manner in which Dr. Frazier carried out the job entrusted to him. No

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doubt his job was made easier by the number of submissions from individuals and organizations who were concerned with the Mental Health Program in our Province. However, the Member for The Battlefords (Mr. Kramer), was not one of these individuals. No, he chose to ignore the Commission's request for assistance in the drawing-up and the writing of the Report. In fact he told the CCF-NDP Convention last fall that he would have nothing to do with this kangaroo court appointed by Mr. Thatcher. Anything he would have to say would be said in the Legislature. This Member then had the audacity to stand up the other day and claim that he did not want to make a political issue out of this Report. It was clear from the very beginning that his refusal to assist the Commission in getting at the facts is clearly a case of wanting to further his political position at the expense of the patients at the Saskatchewan Hospital. The only concern that the Member for The Battlefords has for the people of his constituency and the city that he represents is that they continue to elect him to the Legislature. If he can do this through creating fear and distorting the facts, he is perfectly willing to do so. This, Mr. Speaker, becomes a sad state of affairs, however, when you embarrass your own city council to the point that the mayor has to make a public statement to correct a deliberate erroneous statement their Member has made. As the mayor said, Mr. Kramer is trying to make political capital out of a serious problem.

I was also surprised at the attitude of the Member from The Battlefords toward social functions which he attends. I have happened to attend the same functions on many occasions as have other Members from this side of the House, and I think they will agree with me that the Member from The Battlefords is the first up to the trough and the last to stagger away, particularly if the refreshments are free.

Some Hon. Members: — Hear, hear!

Mr. Guy: — Now, Mr. Speaker, I would like to spend a few moments outlining some of the programs that were carried out by my Department during the past year and our plans for the coming fiscal year.

For many years prior to the Liberal Government coming into office in 1964, the Department of Public Works was ill-financed and inadequately staffed. For these reasons the Department failed, or was unable to keep abreast with the expanding requirements of program departments. Space requirements and maintenance of existing physical plant had to be dealt with on a crisis basis with the insufficient staff. No long-term planning had been done by the former Government, with the result that construction and acquiring of space had to be done with insufficient economic research. My Government has recognized this inadequate incapability and has done something about it in the past three and one-half years.

In 1966, following an extensive management organization study, the Department was reorganized and additional professional staff obtained. A new Planning Branch was added to the Department to carry out studies on Governmental space requirements as well as carrying out all requirement studies associated with the capital construction program of the Department. The activities of this Branch will allow much more advanced planning of building requirements, provide for better construction

scheduling and allow the Government to get more for its money in building construction.

A further objective of the reorganization was to provide for a decentralization of management in the interests of the public. The province was divided into six districts with headquarters at Prince Albert, North Battleford, Saskatoon, Weyburn, Moose Jaw and Regina, with a supervisor in each. I would like to take this time to pay tribute to the hard work and the efficiency of the members of my Department.

Now during the past year the need for additional services to the agricultural livestock industry was recognized and was reflected in the decision to construct a veterinary diagnostic laboratory to service the southern Saskatchewan farmers. Construction on this \$700,000 project is well underway and should be completed by the fall of 1968.

The provision of educational facilities continues to receive top priority from my Department and several major projects are under way. During the past year at the Institute of Applied Arts and Sciences in Saskatoon, work was underway to provide approximately 300,000 square feet of extensions to the existing facility. These extensions were required to extend and improve its existing programs, to provide facilities for additional trade and technical courses, to provide space for the newly established nursing education program and to improve administrative and general organization of the program of courses. Work will be continued on this project during the coming year and the completion date is set for February 1969, although, major portions will be completed and put in use by September of this year. Also during the past year, extensive renovations were carried out to the Saskatchewan Technical Institute at Moose Jaw.

During the past year the construction of schools in the Northern Education District was transferred from the Department of Education to the Department of Public Works, in the interests of providing a higher level of engineering and architecture to the rationalization of school facilities in the north. During the coming fiscal year 18 new class rooms will be provided at Ile a la Crosse, La Loche and La Ronge. This work will also involve home economic laboratories, shops and assembly areas as required.

For the Department of Highways during the past year a storage building was constructed at Stony Rapids and a warehouse building at North Battleford was completed during the year. Equipment storage buildings were provided at St. Walburg, Moose Jaw, Shellbrook and Fort Qu'Appelle. A building site at Sutherland was completed and an additional weight scale was provided on No. 1 Highway west of Regina. During the coming fiscal year we propose to continue the program of providing facilities which allow the protection of valuable equipment during the winter months and also keep the equipment in readiness to provide prompt winter maintenance service. Facilities will be provided at Esterhazy, Kindersley, Lloydminster, Mile 97 on the Hanson Lake Road and at Whitewood. A new weight scale will be installed on the new highway between Yorkton and Melville and preliminary studies and plans will be carried out for the construction of a warehouse in Saskatoon, which should start in the late fall.

During the past summer a feasibility study to determine the sewer and water requirements for several northern communities

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was carried out. I am happy to announce tonight that it is proposed during the coming year to provide sewer and water development programs beginning in the communities of Buffalo Narrows and Ile a la Crosse.

During the past year also a storage and maintenance building was provided at Emma Lake. A store, cafe and laundry building was started at Greenwater Lake and construction will be completed and equipment installed by June of this year.

Also during the past year washroom facilities, and a camp ground service centre were provided for the Moose Mountain Provincial Park. A tree packing and cold storage building was provided for the Prince Albert Forest Nursery Station. A new radio station at Hudson Bay and storage building on the main dam and the Qu'Appelle Arm Dam of Lake Diefenbaker were completed. Modern sewage disposal was provided for the Fisheries Laboratory in La Ronge, and modern type washroom facilities provided for the new camp grounds in the Cypress Hills Provincial Park.

During the coming year, programs for the Department of Natural Resources will include a storage building, lunchroom and office building at the Big River Nursery Station to provide for storage and packing facilities, a modern change house, complete with showers and toilets at Loon Lake, a new maintenance and storage building at Moose Mountain Provincial Park, a park entry and administration office at Greenwater Lake Provincial Park and the updating and provision of a modern washroom complex at the same park. A staff quarters and storage building will be provided at St. Walburg, a change house at Good Spirit Lake Provincial Park and modern washrooms and shower facilities will be provided at Echo Lake.

The Department of Public Health requires a large segment of our budget for upgrading and new construction for their facilities. As was reported last year during the 1966-67 fiscal year a program was commenced to repair the foundations of many of the Saskatchewan Training School buildings. Deterioration of the foundations had resulted in structural problems arising in the interior and exterior walls of the various buildings. During the past fiscal year these repairs to the foundations were completed to the remaining buildings where acute problems existed. During the coming fiscal year we propose to complete the foundation repairs to the cottages.

For the same reasons as mentioned earlier, roofing repairs were needed on these buildings and a program of work was undertaken last year, and this too will be completed during the coming fiscal year.

Mr. Speaker, the fact that we have had to spend nearly \$750,000 to repair these buildings bears out what I said earlier about the lack of planning and construction supervision by the former Government and by the former Minister of Public Works, who is the MLA for Moose Jaw South (Mr. Davies). He suggested that the Minister of Highways (Mr. Boldt) leave architectural style to those who know something about it. Well it wouldn't be the former Minister of Public Works that would be called in because his lack of knowledge in this regard has already cost the people of this province \$750,000. He asked us last night why there were no buildings at this particular area in Moose Jaw. The answer is evident, if we didn't have to spend \$750,000 fixing up his effort which fell apart, we would have had some money

for new buildings for that facility. That institution was built in 1953 at a cost of approximately \$4 million. Within two years after construction, roof failures occurred, foundations have failed on nearly all of the buildings at the institution which was a result of poor design and inadequate construction supervision. In some instances the structure shown on plans available is different from the actual construction. These items are absolute proof of the poor level of construction supervision provided by the Department of Public Works under the former Minister from Moose Jaw. We will continue to pay excessively high maintenance and rebuilding costs as a result of his inefficiency.

During the past year, the general renovation program at the Saskatchewan Hospital at North Battleford was continued. Wards 3A and 3B were upgraded to meet the desired standard of accommodation. This renovation program will continue during the coming fiscal year with two more wards scheduled to be done. During the past year also studies have been carried out in regard to the provision of adequate dietary facilities at the Saskatchewan Hospital and during the coming year, we propose to completely renovate the centre block basement portion of the hospital and add 3,000 square feet additional space to the dietary area. A feasibility study was conducted during the past year to deal with the problems of the North Saskatchewan River bank to the south portion of the sewage lagoon. We propose to construct a new sewage lagoon with a necessary connecting pipe.

During the past year, several projects were carried out at the Saskatchewan Training School, Prince Albert. Summer space has been converted into year-round space, complete re-wiring of the institution and provision of new light fixtures were completed and new gas-fired boilers were placed in the power house to provide a more up-to-date, efficient and less costly operation. During the coming year, several minor projects will be carried out.

Finally, last year for the Department of Health extensive renovations were undertaken in the Wascana Hospital.

During the past fiscal year, the landscaping, roadways and paving projects were completed for the Correctional Centre, the Saskatchewan Boys' School and for Dales House in Regina, and the Pinegrove Correctional Institute for Women in Prince Albert. In the coming year, work is scheduled to be completed for the renovation of the kitchen, dining, storing areas in the Prince Albert Correctional Centre and further work in parking areas, roadways and access roads to the Pinegrove Correction Centre also in that city. The continuation of site work will be done at the Correctional Centre and Dales House in the city of Regina.

Now I would like to turn to a few projects which come directly under own Department of Public Works. Last summer, two unused pavilions were renovated and put into use to accommodate the Arts Board's summer program at Fort San. Studies were undertaken during the year to determine means of utilizing several other surplus buildings in order to accommodate the summer school of Fine Arts. At the Sanatorium in Saskatoon, work continued in the renovation of the third and fourth floors of the institution. During the coming fiscal year, we propose to carry out a major renovation program to meet the required changes in patient treatment and the increase in patient population associated with the eventual patient transfer from Fort

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Qu'Appelle. Renovations to the Legislative Buildings will continue. I will not go into any further details here since they were well outlined during the Throne Speech debate.

Last year several employee houses were constructed for ferry operators and other departments. A similar policy will be followed this year.

For many years the city of Melville had requested the former Government to provide a Provincial Government building in that centre. This fell on deaf ears, therefore our Government was pleased, last fall, to let the tenders to construct a building in Melville to accommodate several Government departments, agencies and Crown corporations. This will realize the desired goal to consolidate all Government and Crown corporation offices at one location in the city of Melville. The project will commence this spring and will be completed by the end of the year.

During the past year, lengthy studies were carried out and plans were prepared for the renovation of space in the SEDCO building to be used by Government agencies. Renovation and construction in this building is expected to start shortly and be completed by the end of the year.

During the present year, renovations will continue in many buildings throughout the province. This is part of the program to upgrade existing space to an acceptable standard and to get away from the substandard space that was characterized by the former Government. Work will also continue during the current year to establish an underground irrigation distribution system in the Legislative grounds.

The final program that will be carried out by my Department in the coming year will be the construction of Phase III of Saskatchewan's Centennial Auditorium. I would like to take this opportunity, Mr. Speaker, to congratulate the city of Saskatoon on the successful completion of their auditorium.

Some Hon. Members: — Hear, hear!

Mr. Guy: — They are to be commended on their efforts, and I am looking forward with great pleasure to their official opening on April 1. The other day, the Mayor of Regina (Mr. Baker) started to comment on the auditorium in this city, but I guess he thought better of it because he said very little before he changed to another subject. He tried to place the blame on our Government for his own miserable failure, but it was his Government that determined how the Federal Government grant would be distributed in Saskatchewan, and it was his Government that decided that Regina should not get the full grant. After almost two years of difficulty and floundering around, the Department of Public Works took over the project on behalf of the Government of Saskatchewan to ensure that the people in southern Saskatchewan would receive the same facilities that Saskatoon has provided for the northern part of the province. Even though the design of this building was committed, our Department after many hundreds of hours of study was able to save the taxpayers of the province some \$2 million. We were also pleased that when bids for Phase III came in they were some one-half million dollars lower than we had estimated, proving that the construction firms had more faith in the Premier of this Province than they had in the Mayor of Regina to see that the

project would be completed.

Some Hon. Members: — Hear, hear!

Mr. Guy: — Construction for this phase of the auditorium is expected to commence this spring, with scheduled completion date of March, 1970.

Mr. Speaker, I see that it is almost 10:00 o'clock. I have some comments here on the Municipal Airstrip Improvement Program and the Assisted Passage Program as well as some of the work of the Water Resources Commission and Water Supply Board, as well as a few comments about the speeches made by the financial critic (Mr. Blakeney) and the Leader of the Opposition (Mr. Lloyd), therefore I would ask leave to adjourn the debate.

Debate adjourned.

The Assembly adjourned at 10:00 o'clock p.m.