

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
Third Session — Sixteenth Legislature
32nd Day

Wednesday, April 1, 1970.

The Assembly met at 2:30 o'clock p.m.
On the Orders of the Day.

WELCOME TO STUDENTS

Mr. Speaker: — I wish to introduce to the Members of the House the following students situated in the galleries: 30 students from the Greystone school in the constituency of Saskatoon City Park-University represented by Mr. Charlebois and they are under the direction of their teacher, Mr. Sherwin; 38 students from St. John school in the constituency of Regina South represented by the Hon. Minister of Health (Mr. Grant), under the direction of their teacher, Mr. Yano; 70 students from Central Collegiate in the constituency of Regina South East represented by their Member, Mr. Baker, under the direction of their teacher, Mr. Lemon; 16 students from the Wascana school in the constituency of Regina Centre represented by Mr. Blakeney and they are under the direction of their teacher, Mr. Legdon; 33 students from the Vincent Massey school in the constituency of Saskatoon Mayfair represented by Mr. Brockelbank under the direction of their teacher, Mr. Wensley; 79 students from the Assiniboia public school in the constituency of Bengough represented by Mr. Mitchell, under the direction of their teacher, Mr. Brown. I am sure all Members of the Legislative Assembly will wish to extend to each and every one of these pupils and to their guides and teachers the warmest of all possible welcomes. The Legislature of the Province of Saskatchewan expresses the very sincere wish that they may enjoy themselves here and the time spent will be educational and to wish all of them a safe trip home.

Hon. Members: — Hear, hear!

QUESTIONS

SETTING UP OF A STUDENT BURSARY PROGRAM

Mr. A. Matsalla (Canora): — Mr. Speaker, before the Orders of the Day I would like to direct a question to the Minister of Education (Mr. McIsaac) — I see he is not here — to the Premier then, in view of concern expressed by many students and their parents respecting lack of finances to cover university costs in the forthcoming year, and in view that plans for the next university year are made by students at about this time, does the Government have any intention of setting up a student bursary program and/or making more money available to students through interest-free student loans?

Hon. W.R. Thatcher (Premier): — I am sure the Hon. Member realizes that we already have a bursary program. The Hon. Member is also aware that tuition fees only cover 20 per cent of the total cost of educating a student; the Province provides 80 per cent. We are considering whether bursaries should be extended, but I would doubt whether it will be possible in this year of wheat crisis.

Mr. Matsalla: — Mr. Speaker, a supplementary question: does the Government intend to continue accepting grain from farmers and converting it to cash for part payment of university costs, and if so, to what extent?

Mr. Thatcher: — That matter will be announced in due course.

ADJOURNED DEBATES

SECOND READINGS

The Assembly resumed the adjourned debate on the proposed motion by the Hon. D.G. Steuart that **Bill No. 40 – An Act to amend The Education and Health Tax Act** be now read a second time.

Mr. W.J. Berezowsky (Prince Albert East-Cumberland): — Mr. Speaker, when I adjourned the debate last night I was really at the point of concluding my arguments. I could have said much more but I don't think any more needs to be said. This Government is bringing in a Bill that is obnoxious, is vicious, and not in the interests, I think, of the ordinary working people.

Some Hon. Members: — Hear, hear!

Mr. Berezowsky: — Certainly it is directed at people who are least able to pay, such people as students, such as we have in our galleries today, such people as old age pensioners who sometimes live on a bowl of soup and a piece of bread...

Hon. D.G. Steuart (Provincial Treasurer): — Hear, hear!

Mr. Berezowsky: — If you don't know, you had better go out into your own city, Mr. Provincial Treasurer, and see the people there that live on \$100. When they pay rent there is very little left and that's all they live on is a bowl of soup once or twice a day. And they have to now pay a tax according to your Bill.

Mr. Steuart: — Hear, hear!

Mr. Berezowsky: — Now let's not get into that or I'll give you a long speech. But I'll tell you what this Bill indicates, Mr. Premier, this vicious bill that you are bringing against the people of Saskatchewan to raise more money for you is only an indication that your Government is failing and faltering and becoming decadent. When you look at the history of the world, when you look at the history of the world – and you should know your history because you went to school, beyond public school, I hope, you'll find whether it is the Greeks or whether it is the Russians or whether it is France, those Governments went down when they started to impose taxes on people who could not afford to pay. This is another tax of that nature and it only indicates to me and to my colleagues and the people of Saskatchewan that you are on the way out.

Some Hon. Members: — Hear, hear!

Mr. Berezowsky: — Mr. Speaker, I am not speaking just for myself; I am speaking for every constituent in my constituency of Prince

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Albert East-Cumberland. If the Premier or Provincial Treasurer had written letters to them they would have told them what I am telling them today: that they are not pleased with this kind of legislation, they are not happy with it. They would want me to oppose it and I have been opposing it with all the vigour that I have. I will not vote for the Bill.

Some Hon. Members: — Hear, hear!

Hon. L.P. Coderre (Minister of Labour): —Mr. Speaker, before the Hon. Member sits down I was wondering if I could ask him a question. As Minister of Labour I am particularly interested to know who is earning \$100 per month, the minimum wage in this province is considerably higher than that.

Mr. Berezowsky: — Mr. Speaker, I am sorry that the Hon. Member (Mr. Coderre) wasn't listening to what I said — maybe he never listens — in any event I did not say people were working for \$100 per month. I regret that so many have to work for the minimum. As I said before there are people who have been working for 20 years at the minimum — on a different occasion I said that — but I was talking about old age pensioners who get \$111 per month now with the increase, who by the time they pay their room and other expenses have very little left for food. I know some of these people and on previous occasions I have discussed them with the Minister of Social Welfare (Mr. MacDonald), and he knows as I know there are such people.

Some Hon. Members: — Hear, hear!

Mr. Steuart (Provincial Treasurer): — Mr. Speaker, every time the Members opposite get up and talk about a tax bill, especially the Member from Prince Albert East-Cumberland, he always seems to charge back to the Russian Revolution. I thought they had kept all of the Socialists there but I guess maybe they must have let some loose and now we've got them over there on that side. I want to just mention — I am sorry the financial critic (Mr. Blakeney), the Member for Regina Centre isn't here, he is out nominating somebody or trying to get somebody to nominate him, I don't know which . . .

Some Hon. Members: — Hear, hear!

Mr. Steuart: — Henry is away, fellows, you had better watch this. But he made first the complaint . . . it was no wonder he was Provincial Treasurer for only one year and I have to wonder sometimes when I listen to him if he was ever Provincial Treasurer. Or if he was, did he ever look at the Acts or have the slightest idea of what went on in his own department, because he got up and in his usual manner mounted his little kiddie cart and launched off in it and made a big point of the fact that under the proposed amendments telecommunication people will have to — as he said — get in touch with the Minister if they have this service imported? I went back and looked at the Act, the same Act that was in effect when you people were the Government all those years. When he was the Treasurer and found it was exactly the same way for tangible personal property. It said in there, "Every person residing in Saskatchewan who brings into the province or received delivery in the province of tangible personal property for his own consumption or use shall immediately report the matter to

the Minister or his appointee and forward or produce to him the invoice, if any, in respect to the property. This would include everything. Absolutely everything, including watches, water proof and otherwise, everything that is brought in, a needle, a pencil...

An Hon. Member: — Telephone Calls?

Mr. Steuart: — No, we changed it to cover telephone calls and the reason we did it was a matter of equity. 95 per cent of the people in this province have to pay a tax if they make a telephone call outside of the province. The tax is automatically charged. If they receive a telephone call from outside the province on reverse it is automatically charged. But on the border points, we had people who refused to pay the tax. They get their service from Alberta, some may get it from Manitoba and they also refuse to pay the tax. They like that kind... People pass laws in this Legislature and they say, "Good" if the people can thumb their nose at the law. That is the reason I guess he said what he did, and why he is in the Opposition.

An Hon. Member: — Hear, hear!

Mr. Steuart: — This was your own Act. You had it for 20 years. We only put the changes in to allow us to collect the tax on telephone calls or telecommunications that are imported into this province. Again as a matter of equity.

In regard to used goods again they made a great production about buying some used goods. This situation is now, and always has been, that as far as used goods that are traded within the province are concerned, the Government has always accepted that the tax was paid. But we found a situation has existed for years; it existed when you people were the Government that people were bringing in large pieces of equipment, even cars and airplanes without paying the sales tax. We have evidence of people importing tremendous amounts of used goods from outside of the province for road-building purposes and so on and not paying the tax. We are now going to insist that all taxpayers be treated the same. If they buy property, personal property within the province or outside, the onus will be put on them to report this. If they don't report it, we will have the tools that we need, the teeth in the Act to go and collect the tax and if they haven't paid it, lay a charge against them.

The next complaint he made was about labour. He said that, if people now have a plumber in, or a carpenter in, or a dressmaker, under the new Act they will have to charge labour costs. The regulations to the Act will exempt this sort of thing. If he had waited until we got into Committee where he should discuss the Bill in detail, he would have found out that we will exempt anyone manufacturing anything under \$5,000. If they manufacture anything over \$5,000 a year they should pay the tax, the people that buy the goods should pay the tax. Why should 95 per cent of our citizens go in the normal channels and buy a table, or a chair, or a car, or whatever and pay the tax on it? Part of the cost of that article is the labour that is in it. When you go down and buy a pencil or a car of course the total cost includes the labour. So why should other people not be treated in the same way. We had other people who were taking the labour cost out as a component and just charging tax on the

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material. Again, the reason we are changing this is a matter of equity, a matter of fairness. These can all be explained and we will explain them when we get into Committee of the Whole.

But where the Members including the Member from Prince Albert East-Cumberland really took off was on the question of the meal tax. We passed the meal tax a year ago. At that time we decided we would not charge the tax on meals under \$2 in an effort to be reasonable and fair. We found out that many businesses didn't collect the tax. We found again that half of the people were paying the tax and the other half were not paying the tax. Well, if you want to oppose the meal tax that is fine, I have no objection. That's your right, your responsibility. But to get up here and say, "Who are we hurting?" The old people! You know what it sounded like, I don't know if you ever watched that program on television, by Carol Burnett that soap opera called, "As the Stomach Turns." Well I'm telling you my stomach pretty near turned. Here was the picture which was painted last night of an old age pensioner and wife with 14 children, crawling out of the Salvation Army, working their way over to the Regina Inn to the Kon Tiki Room, barely able to order a filet mignon with their 14 starving children and having to put up the 5-cent education and hospitalization tax. What a phoney performance. They probably made the reservation by a long-distance telephone call. What a nauseating bunch of nonsense. If these people are so hard up, believe me, they are not buying their meals in cafes. Then they talk to the galleries. The poor little teenyboppers, the children. They are going to go down and buy a little plate of chips with a bit of gravy on it or just struggle down to the local MacDonald's or the A & W and buy a hamburger. It's the truth, you go and look at them, 90 per cent of them are there in their old man's convertible. You know they are stacking it up. Why shouldn't they pay a little tax? There's enough service given to them and I don't have a bit of worry in the world that they will find this quite fair and reasonable. Let me tell you what the tax will be on a 15-cent hamburger. It will be one cent. Big deal, big deal. Well if you think you are going to get the teenage vote, the young vote, with that nonsense and that kind of performance, believe me you will be just as mistaken as you were last year. But again it is typical Socialist hypocrisy. It is typical Socialist hypocrisy. They try to bleed for the old, for the poor, but what did they do when they were in office? What did they do with the old people? They had the most vicious means test to give them a mere \$2.50 supplementary allowance of any province in the Dominion of Canada.

Some Hon. Members: — Hear, hear!

Mr. Steuart: — The old people in this province were more harshly treated under the Socialists than under any other government in the history of Canada. They didn't have \$100, Mr. Prince Albert East-Cumberland (Mr. Berezowsky), they had less than \$70. And did they get it at 64 years old? They didn't get it until they were 70 years old. We pay it at 65 years old, the supplementary allowance is now well over \$40.

Some Hon. Members: — Hear, hear!

Mr. Steuart: — But I challenge them. Every time they stand up and say they want us to cut these taxes. But do they have the intestinal fortitude to stand up and say what expenditure they would cut?

Do they want us to cut down on schools? Do they want us to cut down on hospitals? Do they want us to cut down on the teachers' salaries?

An Hon. Member: — Hear, hear!

Mr. Steuart: — It would be a good idea in a few cases. I look at the calibre of some of the teachers we have in this Legislative Assembly on the Opposition side and we should cut some teachers' salaries.

Some Hon. Members: — Hear, hear!

Mr. Steuart: — But most of the teachers, 90 per cent of the teachers are excellent teachers and deserve all the pay that they can get. But you don't hear them suggesting that we cut the teachers' salaries or cut the cost to education, or cut what we give to the home owners, or what we give to the old, or to the sick, or to the blind or the millions dollars extra we are going to give to welfare cases. Oh, no. They say, "Spend more!" No wonder you are in Opposition. Spend more, but raise less. You haven't got the decency, the common sense, or you haven't got the intestinal fortitude to stand up here. You will probably end up voting for this Bill anyway; you usually do. As Alec says, "You are on one foot like a chicken, then you are on the other foot like a chicken, you don't know which foot you are on." And I suggest as quick as you can, as quick as you can, you had better make up your minds because of the way you are performing. You don't deserve to be in the Opposition, you'll never be the Government, I don't know where you will be.

Well, Mr. Speaker, what we have done in this Bill is to make the taxes fair and equitable. I just remind you that whenever you travel outside this province you pay a meal tax. You pay a meal tax in nine provinces out of ten; you pay it in about 80 per cent of the states of the union. So when people come here there is no reason that they shouldn't pay a meal tax when they come into our province. People who eat in cafes are not the poor, starving people that you Socialists would like to make out. They were when you were the Government but you haven't looked at the facts lately. Since we became the Government our people can afford to eat in cafes and they can afford to pay the tax.

Motion agreed to and Bill read a second time on the following recorded division:

YEAS — 33

Thatcher	MacDougall	Leith
Howes	Grant	Radloff
McFarlane	Coderre	Weatherald
Boldt	Larochelle	Mitchell
Cameron	MacDonald	Gardner
Steuart	Estey	Coupland
Heald	Hooker	McPherson
McIsaac	Gallagher	Charlebois
Guy	MacLennan	Forsyth
Barrie	Heggie	McIvor
Loken	Breker	Schmeiser

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NAYS — 20

Lloyd
Bowerman
Messer
Wood
Romanow
Meakes
Berezowsky

Smishek
Thibault
Whelan
Snyder
Michayluk
Brockelbank
Pepper

Matsalla
Wooff
Willis
Kwasnica
Kowalchuk
Byers

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