

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
Second Session — Seventeenth Legislature
17th Day

Friday, March 17, 1972.

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

WELCOME TO STUDENTS

Mr. J.E. Brockelbank (Saskatoon-Mayfair): — Mr. Speaker, I should like to introduce to you and through you to the rest of the Chamber a group of students from Henry Kelsey School in the constituency of Saskatoon-Mayfair.

I believe they are 45 in number and they are accompanied by two of their teachers, Mr. Coad and Mrs. Hart. I believe they are seated in the west gallery.

I am sure that all Members will join with me in wishing them a good day in the Legislature and hope that this will serve them well in their studies and we wish them a safe journey back to Saskatoon-Mayfair.

Hon. Members: Hear, hear!

Mr. A. Thibault (Melfort-Kinistino): — Mr. Speaker, it gives me great pleasure to introduce a find group of students from Kinistino Humphrey High School numbering 40. Part of them are in the gallery to your left and some are in the Speaker's Gallery.

They left home this morning at 7:00 o'clock and it is a long trip. This morning they visited the steel plant and Museum of Natural History and now they are visiting the Legislature. I am sure that this trip will be very educational. They are here with their teacher, Mr. Warren Phillips, accompanied by his wife, and the bus driver, Mr. L. Cox. I am sure that the House will join with me to wish them a very joyous trip and an educational one and also a safe journey home.

Hon. Members: Hear, hear!

Mr. J.G. Lane (Lumsden): — Mr. Speaker, it gives me a great deal of pleasure to introduce to the House through yourself some students from Ranch Ehrlo. I am sure that all Members of the House are familiar with the particular program at the Ranch.

They are seated in the east gallery and are accompanied by their teacher, Bud Stewart. I know we all welcome them to the Chamber and I hope that their day is instructive and I hope they have a safe journey home.

Hon. Members: Hear, hear!

Hon. J.R. Messer (Kelsey): — Mr. Speaker, it gives me great pleasure to introduce to you and through you a group of students from my constituency from the community of Mistatim. 28 I believe, Grade

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Eight, Nine and Ten students, accompanied by a teacher from the school, Mr. Collins, also their bus driver, who I assume, is named Mr. Collins also.

I understand that they have had a long trip to Regina with some misfortune causing them to cancel some of the tours that were laid on for them. Nevertheless I hope you will welcome them to the Legislative Assembly and that they find the proceedings regarding to themselves and instructive in their school work.

Hon. Members: Hear, hear!

Mr. R. Gross (Gravelbourg): — Mr. Speaker, I should like to introduce to this Assembly, in the west gallery some 25 Grade Twelve students from College Mathieu, under the guidance of Father Bouffard. I hope their stay will be a pleasant and educational one and that they have a safe journey home.

Hon. Members: Hear, hear!

Hon. G.T. Snyder (Moose Jaw South): — Mr. Speaker, I should like to join with the Member for Lumsden in welcoming the group of young people from Ranch Ehrlo. I have had the good fortune to have some responsibility for Ranch Ehrlo and have had the opportunity some months ago to view the operation in action. I think everyone who has been there has been impressed with the diligence and the dedication of those people who are in charge of Ranch Ehrlo. I want to take this opportunity to make them very welcome here.

Hon. Members: Hear, hear!

QUEEN CITY KIWANIS CLUB CURLING CHAMPIONS

Mr. K.R. MacLeod (Regina Albert Park): — Mr. Speaker, I should like to have this Assembly note that the Queen City Kiwanis Club of which I am a member, won Division IV curling championships and are now going on to the Western Canada championships in Brandon on March 25th. The members of this club are five Irishmen, Bud McLollon, John Overend, Dale Swanson, John Hornsberger and Jerry Tell. There were five of them because the original skip of the group was so nervous by the activity that he was forced to retire for an ulcer operation, and the four others carried on. I should also like to express my appreciation for the green that appears on our desks — the little pots of green — and I assume that we will hear about that shortly.

Hon. Members: Hear, hear!

Mr. C.P. MacDonald (Milestone): — Mr. Speaker, they say they always leave the best wine to the last and today I take a great deal of pleasure of introducing to you and to other Members of this Assembly a group of students from Yellow Grass and their teachers and instructors, conducted by Mr. Al Wagner and their principal. I know that all of you are aware that Yellow Grass is a community on the Soo Line right in the heart of the Saskatchewan wheat belt. I hope that

they have a very enjoyable stay and that it is an instructive one.

Hon. Members: Hear, hear!

Hon. E.I. Wood (Swift Current): — Mr. Speaker, for once I find myself in entire agreement with the Hon. Member from Milestone.

I would at this time, Mr. Speaker, draw your attention and introduce through you to the Assembly, a group of 51 Grade Seven students from St. Patrick's School in Swift Current. They are in the upper rows of the east gallery. These students are here under the guidance of Miss Migowski their teacher and Mr. Shumay, their principal. I know that they will find this afternoon information and trust that they have a good day and a safe trip home.

Hon. Members: Hear, hear!

ANNOUNCEMENT

ST. PATRICK'S DAY

Mr. D.W. Cody (Watrous): — Mr. Speaker, before the Orders of the Day I should like to draw to Members attention that today, of course, is St. Patrick's Day, March 17th.

Hon. Members: Hear, hear!

Mr. Cody: - And the only word I am going to say is that of all good Irishmen, there are only two kinds of people in the world and that is the Irish and those who wish they were.

Hon. Members: Hear, hear!

QUESTIONS

WITHDRAWAL OF TEACHER SERVICE IN AREA IV

Mr. A.R. Guy (Athabasca): — Mr. Speaker, before the Orders of the Day I should like to direct a question to the Minister of Education (Mr. MacMurchy). As he is well aware there has been some withdrawal of services by teachers in the Area IV bargaining area and as a result students . . .

Mr. Speaker: — Order, order! I am going to have to insist that Members do not preface their questions with statements. They must ask a question, phrase your question so that it is a question because we are getting too many prefaces or comments first which is definitely against the rules of the House. I hope all Members will abide by that.

Mr. Guy: — Well, I will try, Mr. Speaker, but it is certainly most difficult to ask a question without trying to tell the Minister what the question is going to be about.

However, I should like to ask the Minister: in view of

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the fact that many of the students . . .

Mr. Kramer (The Battlefords): — . . .

Mr. Guy: — Do I have the floor, Mr. Speaker, or does the Member for The Battlefords have the floor?

Mr. Speaker: — Go ahead, you have the floor.

Mr. Guy: — I should like to ask the Minister, in view of the fact that many of the students have missed some days, which is contrary to the Department's regulations of attending 200 days a year, will he ensure the students and this House that they will not have to make up this additional time during the Easter or summer vacation?

Hon. G. MacMurchy (Minister of Education): — Mr. Speaker, I can assure the Hon. Member from Athabasca that they will not have to make up additional time during Easter.

I might just make a comment, if I can, Mr. Speaker . . .

Some Hon. Members: Hear, hear!

Mr. Speaker: — Order, order! I think you should keep your answer to the question. We can't give comments because there is too much crossfire.

Mr. MacMurchy: — Thank you, Mr. Speaker.

REPORT ON LIQUOR COMMISSION

Mr. T.M. Weatherald (Cannington): — Mr. Speaker, I would like to direct a question to the Government.

We have received at least one piece of legislation concerning new liquor changes and all of us are receiving letters concerning the report. My understanding is that the Report is printed and I should like to ask the Government when can we expect to receive the Report, which I understand has been printed — the interim Report of the Liquor Committee of the Legislature?

Hon. A.E. Blakeney (Premier): — Mr. Speaker, I suggest that the Hon. Member direct that question to the Chairman of the committee. I think the report has not been submitted to the Government in any formal way so it is not in our power to table it. I think the committee are probably deciding among themselves presumably as to when to table it. I would suggest that might be taken up with the committee.

PREVENTIVE MEDICINE

Mr. J.G. Lane (Lumsden): — Mr. Speaker, before the Orders of the Day I should like to direct a question to Mr. Premier in the absence of the

Minister of Public Health (Mr. Smishek).

In light of the Government's stated intention to place a high priority on preventive medicine, I am wondering if the Premier has developed a program referred to in the Press release in yesterday's paper, that sex is recommended for ailing hearts and that it prevents heart attacks and what the Government's plans are in that program.

Mr. Blakeney: — Mr. Speaker, I can only repeat the words that were earlier addressed to this House on a similar question by the Attorney General (Mr. Romanow) that you have clearly directed the question to the wrong person.

I profess no particular skills in that area. Matters of the heart, however they are approached — if I may put it that way — are, I think not my particular concern. However, we will take the matter under advisement and we will be willing to accept any advice coming from persons who are perhaps particularly adept in that area and I think of our bachelor Members, particularly of Lumsden (Mr. Lane).

Mr. Lane: — Mr. Speaker, before the Orders of the Day I should like to direct a question to the Attorney General . . .

Mr. Speaker: — Order, order! I think we have had three or more questions already. We usually try to restrict them to the three questions on Orders of the Day and we have already had a good three today.

ADJOURNED DEBATES

BUDGET DEBATE

The Assembly resumed the adjourned debate on the proposed motion of the Hon. Mr. Blakeney (Provincial Treasurer) that this Assembly do now resolve itself into the Committee of Finance; and the proposed amendment thereto by Mr. Boldt.

Hon. J.E. Brockelbank (Minister of Public Works): — Mr. Speaker, I am especially pleased to rise and take part in this particular Budget Debate.

My first words of commendation must be to the Premier, the Provincial Treasurer, for the clear, concise and forthright manner in which he presented the Budget.

Some Hon. Members: Hear, hear!

Mr. Brockelbank: — I think all Members would agree with me that this put the financial critic in the Opposition in a very difficult position. Mind you, Mr. Speaker, he did the very best with what little he had to work with, but it was obvious from the beginning, that he was casting about for a secure grip on some issue in the Budget which he could exploit. Unfortunately for him, Mr. Speaker, he found none.

I wish, towards the beginning of my remarks to offer my

congratulations to the new Members of the Legislature, the Member from Morse (Mr. Wiebe) and the Member from Souris-Estevan (Mr. Thorson) and wish them well in this Chamber. I should like to congratulate the Member for Saskatoon City Park (Mr. Dyck) on his elevation to this position of Deputy Speaker of this House. I am sure that he will do a conscientious job and has the support of all Members of this House.

Some Hon. Members: Hear, hear!

Mr. Brockelbank: — In the brief time that I have been on the Treasury Benches, Mr. Speaker, I have concluded that the job of Cabinet Minister is a very busy one. I might add, Mr. Speaker, that I took the responsibility of being a Cabinet Minister, knowing full well that would be the case.

Upon entering the Department of Public Works I was anxious to make an investigation of the actions of the previous Government in dealing with Public Works in a manner which would create employment at a time when employment was being eagerly sought by Saskatchewan workers in the winter of 1970-71. Those few of you who managed to make it back after June 23rd will well remember the Minister of Public Works in your government talking about his Liberal program, the crash Winter Works Program.

During the Estimates of about one year ago, Members of our Party incisively cut through the phoniness of their capital works budget. We showed that more than one third of the \$15.7 million in that Budget was frozen, just to make the Budget look better for their June 23rd election plan. Mr. Speaker, if at any time in this Province a group should have been prosecuted for phoney packaging and fraudulent advertising it should have been the Liberal Party of Saskatchewan.

Some Hon. Members: Hear, hear!

Mr. Brockelbank: — In the 28 days leading up to June 23rd the trial was held, the jury came in, the verdict was guilty on all counts. The sentence was thereby passed, Mr. Speaker. That sentence was that they shall be decreased in numbers and they shall sit for an indefinite period to your left, Mr. Speaker, as the Opposition.

Some Hon. Members: Hear, hear!

Mr. Brockelbank: — When the New Democratic Party took office in June 1971 only \$1.6 million of their \$15.7 million capital works budget had been expended. At the end of the current fiscal year we expect to have expended \$8.9 million.

Let's review that, Mr. Speaker. A total estimate of \$15.7 million in their capital works budget in Public Works, the amount frozen \$5.8 million! In order to make their budget appear as if money were available to be spent on their crash Winter Works Program, they put in some very large items and as I said, they froze them. For example, a provincial office building in Regina, listed at \$2.2 million. That building was in an elementary planning stage, in March 1971 and at a maximum, the amount of money that could have been spent would have been

in the neighborhood of \$300,000 out of \$2.2 million. Another item — the Saskatchewan Institute of Applied Arts and Science in Regina, \$2 million. Due to the delay in the starting date of that project the funds provided in 1971-72 will be \$1.3 million in excess of requirements. In a number of client departments funds were listed for expenditures where there was no hope of expenditures being made to create winter works. For example, in the Department of Education nine out of sixteen projects had insufficient planning to possibly start work this fiscal year. They amounted to \$499,000. In the Department of Highways, six projects were at a stage that little, if any, funds will be expended this year. They amounted to \$974,000. In Natural Resources there were four provincial park projects that could not be proceeded with — Danielson Park, Echo Valley, Etter's Beach and Nisbet campground, for a total of \$157,000.

In the Department of Public Health six projects for Public Health had no planning and could not proceed. They amounted to \$598,000. In my own Department of Public Works there were 10 projects which could not proceed. They totalled \$3 million. In the Department of Welfare two projects had little planning and no design on which to proceed. They amounted to \$240,000. These identified projects, Mr. Speaker, totalled \$5.5 million. You added in the excess funds which were provided at the Saskatchewan Institute of Applied Arts and Science, in Regina, of \$1.3 million and this, Mr. Speaker, is the inflated figure of the 1971-72 Estimates prepared by the Liberal Party of \$6.8 million — a truly bogus budget.

Some Hon. Members: Hear, hear!

Mr. Brockelbank: — I believe, Mr. Speaker, the manner in which these phoney projects were fed to the public of Saskatchewan deserves some examination at this time.

The Member for Watrous (Mr. Cody) speaking in this debate clearly showed how the Minister of Welfare in the previous Government played politics with a nursing home in Bruno, Saskatchewan before the election.

Some Hon. Members: Hear, hear!

Mr. Brockelbank: — I might refer to a news item which appeared January 13, 1971 in the Prince Albert Herald. It reported that Mr. Steuart, that is the present Leader of the Opposition, at his nominating convention in Prince Albert West where he was unanimously chosen standard bearer for the Liberal Party in that constituency promised "the biggest, slam bang election campaign you have ever seen". Certainly, Mr. Speaker, the news report to that point was prophetically accurate. Later on the news item reported, "In accepting the nomination made by George Slater and seconded by Rick Chad, Mr. Steuart warned his supporters that they were in for a tough fight. Make no mistake, we can win and we will win." Wrong again, eh, Mr. Speaker? Also, Mr. Speaker, he cautioned them, "The budget is like a birth. I have to deliver it. So I ask you to work on my behalf while I'm down in the Legislature working on your behalf." I thought that was rather touching so I put it in, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Brockelbank: — In this same newspaper, the same issue, the Prince Albert Herald reports another news item. “New highway building announced for city. Construction of new Department of Highways building to cost in excess of \$500,000 was announced Tuesday night by D.G. Steuart, MLA for Prince Albert West.” He goes on to state, “While plans are still on the drawing board, Mr. Steuart said, it was hoped that they would be completed shortly and tenders called so that construction could get underway this spring.” Mr. Speaker, that announcement about plans being on the drawing board for a new Department of Highways building was just as phoney as the boundaries of Prince Albert West constituency.

Some Hon. Members: Hear, hear!

Mr. Brockelbank: — There were no plans on the drawing board, Mr. Speaker. Officials of the Department of Public Works were surprised to read the item in the newspaper a few days later.

It has become painfully obvious, Mr. Speaker, that successive old line parties at Ottawa have failed and failed miserably time and time again to take the sting out of winter works unemployment. Since there seems to be little opportunity to have them plan the economy in such a manner that the people have year around employment, the next step appears to be to do some forward planning and thereby have winter works projects prepared in advance of the end of the year.

I had the opportunity, Mr. Speaker, of going to the Finance Ministers’ Conference in Jasper, Alberta with the Premier, the Provincial Treasurer. At the conference the Premier was very careful to point out the benefits that could be derived from planning a winter works program in the summer preceding the winter rather than beginning planning for winter works programs as was done last fall by the Federal Liberal Government in October. At the same time the Federal Government received representations from other provinces which would support the stand put forward by the Premier of Saskatchewan. I am pleased to report, Mr. Speaker, that a resolution unanimously supported by the city council of Saskatoon on the 21st of February in 1972 also supports the Premier’s stand. The resolution reads:

Be it resolved that the Government of Canada take immediate steps to implement programs which have been too long delayed. Be it further resolved that the Government of Canada make known as soon as possible the programs for work during the summer and next winter in order that provincial and municipal governments can plan now to develop and co-operate in such programs to achieve maximum benefits for the citizens now without employment as well as for a large number of students who will be entering the labor market in the next few months.

I intend to table that resolution, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Brockelbank: — We agree with the resolution of the city council of Saskatoon. We agree with other provinces that the Federal

Government has been negligent in planning its winter works. The Government of Saskatchewan is pledged to plan ahead and is, in fact, planning ahead for the coming winter in order to avoid so much unemployment.

Mr. Speaker, you are no doubt aware that this is the last time that the Department of Public Works will be reporting to the Legislature through a Minister of Public Works. The services which were provided by the Department of Public Works will in the coming fiscal year be continued under the Department of Government Services. The purpose of this reorganization, Mr. Speaker, is to consolidate all those parts of Government that provide service to other departments of the Government. The expanded Department of Government Services will contain the Purchasing Agency, the Queen's Printer and services provided by the Computer Centre presently under the direction of the Minister of Public Health. Members, if they desire, will have an opportunity to discuss changes in legislation when it is brought forward dealing with the new Department of Government Services. They will also have an opportunity to examine the Estimates and hopefully to satisfy any questions that may arise at that time.

In conclusion of my remarks, Mr. Speaker, I want to reiterate my initial remark that the Provincial Treasurer has coming to him commendation for this Budget and I most certainly will vote against the amendment and support the Budget.

Some Hon. Members: Hear, hear!

Mr. D.M. McPherson (Regina Lakeview): — Mr. Speaker, in rising to take part in the Budget Speech, first I should like to say a few words to the new Minister of Industry (Mr. Thorson). I should like to congratulate him for being appointed to the new position and also the winning of the by-election. I know that he is married to a Regina girl and I am sure that they are very proud too. I am not sure that they are of the same political view as he is but I am sure that they are fine. I know they are good citizens. I should also like to congratulate the Member for More (Mr. Wiebe) on his election. He will be a great asset to this side of the House. Mr. Speaker, I should like to also congratulate the Member from Saskatoon-Mayfair (Mr. Brockelbank) the Minister of Public Works. Having worked with him on many committees, I am sure he will do a good job.

Mr. Speaker, I should like to say a few words and thank the people from Regina Lakeview for returning me to the Legislature which such a large majority. I know that the NDP worked very hard to see that I wasn't returned to the House. It looked like red haven over there for a while but we came through with a good organization. It was a good, clean campaign.

Looking over the Budget, Mr. Speaker, I am sure that all of the people in Regina will be alarmed with the small amount of help that they are going to receive. The snow removal is down, many things are down, and we are looking at a five mill increase in the city. This certainly isn't a very happy thought and looking over the Budget, I know that they will be very disappointed, as I am.

Mr. Speaker, in the outset I wish to say to the Minister of Industry (Mr. Thorson) that he has a tough job. To my way of thinking this 1972 Budget does not include enough to do what

this Province requires in regard to industry. I would suggest to the new Minister that every Member in this House should be interested in getting new industry for this Province. The Minister should well know that the only way we will be able to lower the tax base is with an influx of secondary and tertiary industry. To get this industry here is a very difficult task and we must approach industry on the basis that it is not only good for them but that it is also a good deal for this Province.

In looking over the Budget, Mr. Speaker, I can see where there will be only two more people taken on in administration in the Department, two more people in the tourist branch and four in the business assistants. I would say to the Premier and to the Minister of Industry that all of the departments in Industry can use more help. This side of the House would go along with bringing in more good men to beef up the department and get industry moving in Saskatchewan.

I think, Mr. Speaker, we would all have to agree that the late Ross Thatcher is to be commended for the stand he took on getting industry into this Province.

Some Hon. Members: Hear, hear!

Mr. McPherson: — He was a dedicated man who believed in Saskatchewan. He was born here and was one man who wanted to see everyone working within this Province. I am sorry as one Member, Mr. Speaker, to hear the Minister of Industry threaten private investment as this does not make Saskatchewan appear as a good place to set up new industries and more oil exploration. The drilling rigs for oil create a great number of jobs, approximately 16 men per rig plus the service stores that are set up and all the servicing that goes with the rigs. Let us not cut this Province of ours off from the thousands of dollars that the drilling industry can bring to us.

Some Hon. Members: Hear, hear!

Mr. McPherson: — The number of rigs working in February of 1972 was down to 13. One year ago we had 19. Surely the Minister of Industry and Commerce whose constituency is in the centre of the oil industry realizes that the employment is needed and must continue. Any threat to this industry is bad and I caution the Minister for this kind of talk. I say again, let us invite to Saskatchewan all industry so that we can go forward with a great secondary industry expansion that will help our whole province in creating new jobs in all areas of the province. I should also like to point out to the Minister of Industry that the level of exploration activity in Saskatchewan and Manitoba is the lowest since oil was first discovered 20 years ago. There are signs that the levels will go even lower and I hope this does not happen. In Saskatchewan there are areas containing Crown permits southeast of Regina, south of Swift Current and along the Alberta border. In addition there is a minor amount of freehold leasing in between the Mississippian fields in southeast Saskatchewan. As exploration recedes drilling rigs are moved away and since southeast Saskatchewan and southwest Manitoba are 400 miles from the active areas in Alberta cost of rig moving will be involved whenever a well is planned. Mr. Speaker, these two provinces desperately need new exploration but both have done the maximum to discover industry from

even starting. Various governments have tried a multitude of ploys to encourage companies to spend money in exploration but the only one that works all the time is an administration that deals fairly, consistently and honestly with those prepared to take the risks.

Some Hon. Members: Hear, hear!

Mr. McPherson: — The Minister of Industry and Commerce and Mineral Resources in a statement said the exact opposite of what a prudent administrator should do. He threatened that those holding exploration permits would have them taken away if they did not increase the tempo of their exploratory work. In the course of making many other threats, he also suggested that the oil companies could look to higher royalties, much higher taxes so that a Crown corporation could be set up to compete with the same oil companies and explore the land that will be taken back by the Crown. This attitude, Mr. Speaker, advanced by the chief administrator of Mineral Resources in the province reflects what has been hoped was mere publicity at the last fall's Party convention.

Mr. Speaker, I should like to say a few words about the Land Bank. I think this is an important matter. We have not seen the Bill as it hasn't been brought forward yet to this House. The only basis the farmers of this Province have to go on is the pamphlet put out by the Minister and press releases from the many meetings held throughout the province. The proposals as related by the Minister at meetings and as contained in the booklet are presented in such broad general terms that no clear, precise and factual understanding can be deduced from them. I should like to deal with various paragraphs of this proposal in the sequences as they appear in the booklet.

On page 3 the question is asked, "What is a Land Bank?" Some of the promises are over-optimistic and could be called unworkable. For instance, the capital owing on the land is not the major problem affecting the farmer. Interest on capital is a cost item. The Land Bank proposals do eliminate interest. The tenant still has to pay it. The major cause of the farmers' problems are the high cost of production and the high cost of what he has to buy.

On page 4, Mr. Speaker, of the pamphlet, "From whom will the Land Bank buy land?" This certainly reads well. "Farmers between the ages of 55 and 65 who due to financial problems wish to liquidate their investment in land and utilize the capital to improve the standard of living of their family." Farmers in that category, Mr. Speaker, will be given the opportunity to lease the land back from the Land Bank until they reach retirement age. The context, Mr. Speaker, is perhaps too optimistic and misleading. It is hard to follow the reasoning how a farmer can improve his standard of living by selling his land to the Government and leasing it back on the proposed terms of an impractical lease whereby he has to pay interest on the sale price of the subject land and all the land taxes and is compelled to carry full crop insurance. Mr. Speaker, he will be losing, number one, the title to his land and any potential value it may have, he will have no chance of making a living under the lease terms and the earning stream of his capital will have to be paid as rental and there will be no return to him from rent.

On page 4, the Minister goes on, Mr. Speaker, "Farmers who wish to retire and transfer their farms to their sons." What is meant, Mr. Speaker, I presume is to have the farmer transfer the title to the Government and they in turn would lease the land to the son. Mr. Speaker, the son would earn nothing. The farmer would then be well advised to retain the title to his land and lease the land to his son on a more realistic crop share basis. This would provide income for both. The farmer still has the right to transfer to his son and the son would have the assurance that he was going to get the land. Once the title is transferred to the Government the son has no assurance that he is going to get the land. The NDP independent Land Bank Commission I'm sure will see that if you are close to the Party you will get the land.

Page 5, Mr. Speaker, "Farmers who wish to enhance their family living standard by transferring to some alternative occupation." This, Mr. Speaker, is a loose, misleading, sugar-coated proposal for the purpose of obtaining title to the land. If the farmer wishes to seek other employment which the Provincial Government cannot guarantee him, he should retain his farm as a supplementary income, contact the proper employment agency and if he is successful in getting a job he can always lease his land to a neighbor. This, Mr. Speaker, is much more realistic and satisfactory.

Page 5, number 2, Mr. Speaker, "Farm operators who have substantial arrears of debts on land and are unable to continue farming without reorganizing the farm unit." This again, Mr. Speaker, shows lack of understanding the problem, and is another dubious and unrealistic promise. How is he put into a position to reorganize when he won't receive much for his equity if any in his farm? Transferring title to the Government in exchange for a non-operative lease sounds like a debt-consolidating advertisement. If a farmer is so badly in debt that he has no equity left in his farm selling it to the Government is not going to provide him with any money. He would be better off to come to some understanding with his creditors by virtue of a collateral lease whereby he would rent on a share basis and at the same time retain title to the land, or he could take advantage of some debt legislation. Transferring the title to the Government may cost him his land.

Page 8, Mr. Speaker, what type of lease will be used? It is proposed that a lease will be granted on a lifetime basis. I presume looking it over, by that is meant, use-holding title, they offer such a lease in exchange for title to the land. Their basic assumption must therefore be that the farmer is not interested in owning a farm as such, his home, but merely its production. This I would interpret is a fallacy and so would most farmers as such a theory to be workable would require total socialization of not only the land but also of the production and marketing.

If this is the long range aim, it would never work on a narrow provincial basis. But let us bypass political theories and philosophies and go into the demerits of the proposed terms of the lifetime lease. The term of the 'lifetime' is being contradicted and voided by the inclusion of a cancellation proviso, which will beyond any doubt favor only the landlord. The Minister and the Premier have made promises to the farmers that they will be given the opportunity to purchase these rented farm. They were unconditional promises, as reported by the

Press. The booklet, however, states, and I quote, "Under certain conditions tenants will have the opportunity to eventually purchase the land," not at the price of the farm's economic worth, nor for the price the Government paid for the farm, but at market price then existing, and not a time basis, but this is for cash, Mr. Speaker. It is even doubtful, Mr. Speaker, whether they even intend to do that. It again appears as an ambiguously screened promise. A father and son arrangement, we'll take for example. The son should if he wishes to purchase, insist on being given an option for the price the land is being sold at on the same day that he enters into a lease arrangement with the Government or Land Bank.

Mr. Speaker, the Government is also going to reserve the right to tell the tenant what use the land shall be put to. This is not a customary proviso in cash rental leases, and many of the farmers should know that over there. The Government is going to charge the maximum rent and at the same time reserve the right to dictate the operations to the tenant. The Government is sure trying to help our young farmers on a deal such as this maximum rent and dictate what the young farmer must grow.

I should like to sum it all up, Mr. Speaker, by saying that the Land Bank as it has been proposed by the Minister of Agriculture (Mr. Messer) will never work on a rental basis. There is no farmer that can come out ahead on what we know of the Bill and the Minister's meetings in the province. The theory that a farmer who has no sons to take over his land and cannot sell to anyone else, then as a last resort he should have a place like a Land Bank to sell to. This is the only good feature that I have read about it and this is the only thing that I can say should go into a Land Bank organization. I would urge the Government to get out of the rental arrangement completely. The Farm Credit Corporation will allow the young farmer to own his land over a period of 25 years if he desires it. He is not dictated to by any local committee who will tell him what to grow and have the heavy hand of the NDP organization held over him and telling him what he should do. Mr. Speaker, every young man who wants to farm should be entitled to own his own land.

Mr. Speaker, the Minister of Agriculture should be very careful on this Bill, the Land Bank Bill. First he knows what happened to him with The Farm Protection Act, with the Implement Dealers' Association at the meeting in Regina. Secondly, he knows that the ARM, at their Convention passed a resolution saying that the Bill had been ineffective and should be withdrawn. Thirdly, for a Minister who is administering a Department of the Government to tell the people of the Province that it is going to require \$650,000 to administer the Land Bank is utter rubbish. Figure it out. There is \$10 million in the Budget, this will buy 1,000 quarters of land, using an average price of \$62 per acre — breaks down into 250 sections. You divide the 250 sections into \$650,000 and you will find this comes out to \$2,500 per section for the administration of this land. That's the way it works out and there is no other way that you can talk about it. Surely, Mr. Speaker, the Government to your right would recognize that this is a lot of money per section for administration. Again, Mr. Speaker, I urge the Government to check this Bill very carefully as the plan will not work under a rental deal and again I say, 'last resort' is the only way to help a farmer who cannot sell in his particular district and must, being that his sons are retiring, and he

wants to get off the land. This is one way the Land Bank could help.

Mr. Speaker, I only have a minute left, I should just like to say that the Member from Arm River (Mr. Faris) in speaking the other day, took full credit for the wonderful job that he had done up at Davidson in getting the new building in the town. I received a telegram from Mayor Edam, which I will lay on the table. To Don McPherson, I quote:

We wish to thank you for your individual efforts regarding our new town hall and your assistance in our receiving the incentive loan grant for the town of Davidson. We humbly appreciate your help.

When he stood in this House, Mr. Speaker, he took full credit for it. To the Members opposite, there were a few friends, we know a lot of people around the Davidson area and they did happen to call me, I was glad to help them, and I am glad to see the grant come through.

Mr. Speaker, I should just like to say in closing, I should like to say that the people of Regina are looking for something from this Budget. We heard from the Government Members when they were in Opposition, saying they would help out the urban areas. We would like to see this happen too. The Member from Saskatoon University (Mr. Richards), he isn't in his seat, wants to take over the Imperial Oil Refinery, I am sure the Premier is listening to him. The Member went on to speak about the profits in the oil refining industry. Knowing a little about it, Mr. Speaker, if he had taken a little time to check he would see that in the last 25 years the prices based on the wholesale price of gas excluding taxes have only increased a total of 25 per cent. In the same period, Mr. Speaker, the wholesale prices generally increased across the province and across Canada about 120 per cent, seven times greater than gasoline. Wages, Mr. Speaker — and this is something the Minister of Labour will get a great kick out of — in the same period of 25 years wages have increased even faster by 296 per cent. I think that if he looked it over and did a little thinking, he shouldn't like to take over the oil industry as such. I know you have this in mind and I don't want to see it happen.

Mr. Speaker, as you can see I am going to support the amendment and not vote for the motion.

Hon. G. MacMurchy (Minister of Education): — On entering this debate I want to congratulate the Premier and Provincial Treasurer on his Budget Speech in this House a week ago today. He presented a landmark Budget, a budget that I can say makes all the work, those two years of work before June 23rd and the work since that time more than worthwhile.

Some Hon. Members: Hear, hear!

Mr. MacMurchy: — Never have I seen so many sickly faces as there were across the aisle last Friday. Mr. Speaker, if the Liberals felt sick last Friday, wait until the New Democrats have had four years. Our Government announced that a new formula for school grants will be put into effect this year, today I should

like to deal with that formula in some detail.

Mr. Speaker, the Saskatchewan school system receives its financial support from two basic sources. One of these is the local levy on property expressed in the mill rate, the other source of support is the Provincial Treasury which raises the school grants in part from the 5 per cent sales tax. Over the past years the portion of school costs covered from the Provincial Treasury has risen steadily. Today roughly from between 50-55 per cent of school funds are provincially raised. In addition to the direct coverage of over half the cost, the Provincial Government will this year begin payment of the Property Improvement Grant. This new grant will rebate on an average of 13 mills of the local levy on property, therefore even raising further the effective share of school costs paid out by the province. I will discuss this grant more extensively later on, Mr. Speaker.

When the Provincial Government went into the business of giving direct support for education it had to figure out a way to distribute the available money fairly. Over the years we have seen a variety of formulas for determining school grants, some of the formulas have been better than others. Of course, each one of them was related to the particular circumstances of its time. In 1969, Mr. Speaker, I want you to remember this date, 1969, the staff of the Department of Education brought forward the basic outline of the grants formula which we will implement this year. It is a simple formula, its intention is to provide a foundation type grant for a certain basic level of education in each school jurisdiction of the province. Its intention is to end the disparities caused by the wealth of some districts over others. Mr. Speaker, in 1969, I want this House to know that the Liberal Government had this formula available to them when they were in office, they had it, Mr. Speaker, but they didn't have the courage to use it. They sat on it, they didn't even use it, even though it could have helped rural education in a very major way. Mr. Speaker, the new grants formula is a cause of Liberal delay and New Democrat action!

Some Hon. Members: Hear, hear!

Mr. MacMurchy: — Now if the Liberal Party was afraid to bring in this formula, Mr. Speaker, how did they determine school grants? I think most people know only too well how the Liberals determined grants when they were in office. They did it with their teacher-pupil ratio. They called up each school board, told them to come down to Regina and bring along the local budget. The Liberals called them in, and then they said, 'you've got so many pupils, that means you can have this number of teachers'. The Liberals, those loud advocates of local autonomy, Mr. Speaker, the Liberals told the school boards, if they hired more teachers even entirely at their own expense they could expect the grants to be cut back. Then they sent the school boards back home. But that isn't the end of the story. Sometimes, just sometimes the grants changed. Sometimes they weren't tied to the pupil-teacher ratio alone, and you ask, why is that? Didn't the Liberals treat all boards alike. The answer to that is no, they certainly did not! If the Liberals saw a mill rate going up, if the Liberals saw they were in hot water somewhere they would change the grant, they would give more money. If you could dig your spurs into the callous hide of the Liberal Government then you could get a better deal. But if you were from the boondocks,

if you were just a little poorer and had a little less power, then you got nothing. With the Liberals it was the squeaking wheel that got the grease. Mr. Speaker, really the only standards for school grants under the Members opposite were expediency and the good fortune of the Liberal Party, and that is a sad and a sorry record, Mr. Speaker, and it will not continue under this Government or under this Minister.

Some Hon. Members: Hear, hear!

Mr. MacMurchy: — Not only did the former administration have no real formula that applied to all alike. What they put into that non-formula the actual dollar value of school grants was simply rarely enough to meet cost increases. The Liberals starved Saskatchewan education, they almost starved it to death. Let's for a moment take a look at the actual figures for school grants. In the last year of CCF Government, Mr. Speaker, a sum of \$33.8 million of dollars was expended on school operating grants. How much were the yearly increases under our friends opposite? I have here the figures on actual operating grant expenditures, Mr. Speaker. Let's take a look at what they show. In 1965 the Liberals raised the grants by \$4.5 million; in 1966 they increased it to \$8.9 million — that was for the 1967 election; in 1967 the increase was only \$4.5 million; in 1968 it was \$4.9 — in 1968 \$4.9 even when you add some \$40 millions in new taxes. Mr. Speaker, in 1969, 1970 and 1971 our friends opposite could manage an average increase of only \$7.1 million and that was the paper figure, not what they actually spent.

Let me illustrate that for this House. It is interesting in 1971, another election year, the grants budget went up \$9.36 million, that was what they put on paper. My colleague from Saskatoon Riversdale called the 1971 Budget a 'Bogus Budget'.

Some Hon. Members: Hear, hear!

Mr. MacMurchy: — And the figures, Mr. Speaker, have proven him right. The Liberals put in some \$9.36 million for school grants, but they spent only, and I just received the final figures today, they spent only \$4.2 million, less than half. Mr. Speaker, their 'Bogus Budget' got the results it deserved on June 23rd.

Some Hon. Members: Hear, hear!

Mr. MacMurchy: — We have seen how the Liberals treated education in their budgets. The average annual increase came to only \$5.51 million. Mr. Speaker, in this first NDP Budget, school grants will not rise by \$12 million, but will rise by a total of \$13.36 million over the expenditures of last year.

Some Hon. Members: Hear, hear!

Mr. MacMurchy: — I say that this is another case of Liberal talk and New Democrat action.

Some Hon. Members: Hear, hear!

Mr. MacMurchy: — Mr. Speaker, the Liberal

record in education was an unmitigated disaster. I have noted the lack of consistent equitable formulas for fixing grants under their administration. I realize of course, that there is no such thing as a perfect system of grants. It is just impossible to take into account all of the differences in a set formula, the real criticism of the Liberal Party however, is not that they failed in that regard, but that they didn't even try.

Some Hon. Members: Hear, hear!

Mr. MacMurchy: — And this, the New Democrat Government is committed to trying. We're going to bring into effect this year a formula which will apply equally to all school jurisdictions in this Province which will provide a provincial foundation grant for basic school costs. The formula will be phased in so that school boards will have time to adjust to it. As I noted, the outline of the formula is not new, it was available to the former Government, it was available to the Member from Wilkie, but it was never used as a basis for grants. My remarks today will expand on the information which was provided to school boards in a letter on the formula which I sent out last December 3rd. Now, Mr. Speaker, we are implementing this new device for a number of reasons. All of those related to policy objectives of our Government.

But before I discuss them let me describe the workings of the new grant formula itself. As I have noted, this is a simple formula. Under it the amount of school grant payable to a school jurisdiction prior to phasing in adjustments will be the difference between local property tax revenue and recognized basic school costs. In other words, to get the grant you figure out recognized costs and subtract recognized tax revenues. This is expressed in the formula:

Grants equals A minus B, where A is the cost and B is the local revenue.

How do we determine a school unit's recognized costs — the A factor?

The Liberals calculated the recognized costs and they did calculate recognized costs of running a school system on the basis of the number of teachers employed. The size of the teaching staff to be recognized for grants was determined in relation to the number of pupils to be taught and the board was allowed a certain sum for each teacher. In simple terms, that is how the pupil-teacher ratio worked.

Under this Government, Mr. Speaker, a school board's recognized costs will not be tied to how many teachers they employ. Instead, recognized expenditure is to be determined in a large part on the basis of a given amount for each student in the system. By moving to this new method we have been able to eliminate the pupil-teacher ratio as a factor in setting provincial grants.

The per-pupil allowances in the formula are intended to cover expenditures for administration, for operation and maintenance of the school plant, for repairs and renovations, for non-capital items of furniture and equipment and for the costs of instruction. All these items are included in the per-pupil lump sum allowance.

In setting a figure for the cost of educating pupils, we have taken into account the fact that some types of pupils cost more than others. For instance, special education students require more attention, they require greater use of aids than the normal academic students. To accommodate these differences, we have developed a weighting system, tied to a standard dollar cost. The weight given to the Division I and Division II students is 1, or \$506 for each pupil. For Division III, the weight is slightly in excess of 1.5 or \$760 per pupil and for the comprehensive school students outside the two largest cities, the weight is in excess of 1.65 or \$846 per pupil. Special education students have been given a weight of 2 or \$1,012 for each student. In addition to recognizing certain costs on a per-pupil basis, the new formula provides allowances for other expenses item by item.

The cost to a school board for fees for students who come from that board's jurisdiction, but go to school somewhere else, is included up to a ceiling related to the total recognized expenditure. Recognition is also given to actual costs of capital debt retirement. I will comment on those implications later. Actual board and room, tuition and transportation costs for special education students attending classes outside the board's jurisdiction will be recognized as well. The 10 per cent down payment required by the local government board for capital construction is recognized. For costs of transporting pupils to schools, an amount of \$106 per student is included, plus \$32 for every mile of school bus routes in the unit. I will expand on this later as well. To sum up then, the expenditures to be recognized as item A in calculating a school grant are the total of all those items plus the total of per-pupil allowance. Add them all together and the result is the board's recognized expenditures.

Now the other half of the formula is the local revenue figure. Every school jurisdiction will raise a certain proportion of its funds from a levy on property assessment. School boards will be able to raise or lower this levy — the mill rate — as they wish, according to their local needs. If they want to spend more than the recognized amount, that will be within their power to do. If they want to spend less, that, too, will be up to them. There will no longer be penalties in the form of grant cuts for boards that wish to exceed the norm, as was the case under the Liberals. And by doing away with these penalties we will increase the power of local authorities to decide what they want in their schools.

Some Hon. Members: Hear, hear!

Mr. MacMurchy: — To calculate what is to be the recognized local revenue, a standard mill rate, called the computational mill rate, is applied to the equalized local assessment. Tuition fee payments from other jurisdictions are added to the resulting figures and the total is your recognized revenue. In the new formula, the standard or computational mill rate is to be 40 mills in all jurisdictions except the city systems, where it will be 45 mills. If you live in a city school system, the recognized revenue is 45 mills on the system's equalized assessment. If you are in a non-city system, it is 40 mills on the equalized assessment. Add on tuition fees from other boards and the result is part B of the formula.

To repeat them, the grants to any school board will be part A minus part B or recognized costs minus recognized revenue. The Provincial Treasury makes up the difference, whether it be large or small and thereby provides a measure of equality for all areas, regardless of their relative wealth or poverty. We believe this equality factor is the formula's greatest virtue.

Some Hon. Members: Hear, hear!

Mr. MacMurchy: — I have indicated that this grant structure incorporates in its operation certain policy objectives of our Government. The most obvious of these policy objectives is the elimination of the pupil-teacher ratio. This was a key plank in the New Deal for People Program. And I am pleased to tell this House today that it has now been accomplished.

Some Hon. Members: Hear, hear!

Mr. MacMurchy: — Another important policy objective of our NDP Government is the enhancement of local decision making in education. I have said on many occasions that education is a personal affair. It does not flourish in large, standardized, bureaucratic situations. Therefore we aim to disperse more widely the power to make decisions about the schools and what they do. Earlier I noted how this grants formula will not penalize school boards that wish to spend in excess of the standard. School boards will now receive the Foundation Grant, and they can spend it more or less as they wish, Mr. Speaker. This is a concrete move toward local autonomy.

Some Hon. Members: Hear, hear!

Mr. MacMurchy: Not only will boards be free to spend at locally determined levels, Mr. Speaker, but under this formula they will be able to spend their funds on the things they deem necessary. No longer will the Provincial Government tell school boards how much to spend, and on what. The foundation grants under this formula will be paid unconditionally, to permit school boards to allocate them according to their own priorities. Mr. Speaker, this is another concrete move toward local autonomy.

Some Hon. Members: Hear, hear!

Mr. MacMurchy: Now I wish to advise Members that we have retained one aspect of the old Liberal system, and that is the process of budget reviews. But before the Members opposite begin patting themselves on the back, let me tell them we have changed the nature of the reviews. No longer are budget reviews used to fix arbitrarily a school board's budget. No longer does the Department of Education make those reviews mandatory or regulatory. Instead, the reviews are now done on a consultative basis. No advice given in a budget review need be followed by a school board. We have done away with the strict control measures of the Members opposite.

Some Hon. Members: Hear, hear!

Mr. MacMurchy: — This is in line,

Mr. Speaker, with our policy objectives and it is yet another concrete move toward local authority.

In the last few months, Mr. Speaker, we have heard a great deal of ballyhoo from the mouth-pieces of the Liberal Party, who bewail some alleged erosion of local authority. What are these Liberals talking about, Mr. Speaker? I ask you to look at their record. When they occupied these benches, the local governments of Saskatchewan were locked into an iron-clad straightjacket, restricted not only as to how much money they had but how much they could raise locally and what they could spend it on. The same Members who weep at the bedside of local autonomy are the very same Liberals who brought on this hideous disease.

Some Hon. Members: Hear, hear!

Mr. MacMurchy: — Mr. Speaker, I say this new formula is yet another instance of Liberal talk and NDP action.

Mr. Speaker, we believe this new school grants formula will do much to equalize education opportunities in Saskatchewan. Up to the present, the financial ability of a school system to provide education has been tied closely to its property assessment. Because assessments vary markedly from area to area, the level of school programs and services has been very uneven. Our government believes that education should be a right and not a privilege. A good basic education should be available to all who can benefit, regardless of their individual finances, regardless of the finances of the area in which they live.

Some Hon. Members: Hear, hear!

Mr. MacMurchy: — The new formula recognizes the same basic level of expenditure per pupil enrolled in all schools, urban or rural, north or south, east or west. It applies a consistent computational mill rate to all assessments in the urban category, to all assessments in the non-urban category, with no differential due to high or low property values. By the virtue of this structure we can now begin to compensate for a lack of wealth.

I believe it is important to remember that the grants formula is not intended to reduce mill rates. We promised in the election to reduce the level of effective school taxation to an average of 25 mills across the province. That promise will be kept . . .

Some Hon. Members: Hear, hear!

Mr. MacMurchy: — But not through this particular method. Tax reduction is the job of the Property Improvement Grant. Our grants structure has its own functions to perform and, Mr. Speaker, it performs them well. One aspect of this grant structure is particularly significant. That is the aspect of how it will help to upgrade the quality of rural education. Under previous grant formulas, there has been a tendency for better quality programs and services available in cities and for small town and rural systems to have less resources for good quality programs. In part, this was due to assessment disparities and in part it was due to a tendency for more to be given to those that already had. Because we now have an

operational equalization plan, this contrast will be greatly alleviated. One of the effects of this new formula is to direct a fair share of educational funds to our rural areas, and I believe that is a very significant step forward.

At this point I want to turn to the particulars of the formula. School districts will fall into one of four or five categories, depending on how they are affected. I will deal briefly with the situation in each. As I noted earlier, grants in the last two years have been made on a non-consistent basis. Prior to that another formula had been used since 1956, a formula with some built-in inequities. Under this old formula, grants were made as a percentage of expenditure. The percentage depended on the assessment per teacher. The lower the assessment the higher the percentage of cost covered by the grant. It is easily seen that such a formula tended to encourage the hiring of teachers since that would lower the per teacher assessment, thereby raising the percent of cost paid by grant. A unit which had high land values therefore could benefit greatly by being able to hire a larger teaching staff, receiving a relatively grater grant per pupil and still maintaining a very low mill rate on the highly assessed property. Under the new formula school systems with a low mill rate due to inequities in the old grant structure, such as I have outlined, will have to raise their mill rates. We believe this type of increase can be justified in the context of the overall provincial situation. Increases will be phased in so as to moderate the effect in any one year. The phase-in procedure will allow tax rates to rise either to a level of 37 mills, if they are now below that level, or by a maximum of three mills total if they are now in excess of 37. The phase-in is to be accomplished by making grant increases beyond what would be calculated by the new formula so that a board could balance its budget at the new tax rate with one adjusted grant taken into account. Of the total of 130 school jurisdictions in the province 27 will experience some increase in tax rates due to the ironing out of inequities developed by the old formula. It is important to keep in mind that almost all of the 27 school systems with rate increases are systems where the land or property assessment is high, therefore, taxpayers in these same systems will benefit most from the Property Improvement Grant.

Let's take an extreme example. Let's take a farmer who has four quarters of land assessed at \$5,000 each. Assume that his school mill rate rises by five mills. On this total assessment of \$20,000 which would increase his costs by \$100, but the farmer will also be eligible for the maximum Property Improvement Grant of \$195. This figure is an increase of some \$125 over the old Homeowner Grant. So you deduct this tax increase of \$100 from his net increase of the Property Improvement Grant of \$105 and we see that this farmer still comes out \$25 ahead of the game. Of course there will be some people who end up with a net loss. That is almost inevitable under any tax system since we have yet to develop the perfect formula. However, these cases should be relatively small in number. By far the greater majority will benefit and benefit substantially from this plan.

The second major category into which a given school system might fall is the category where the tax rates have been high but rates of expenditure have been low. Such an area could be one of those low land values, one that was adversely affected by the inequities of the old formula. Because the new formula

compensates for low assessment school jurisdictions such as these will be able to reduce their mill rates and at the same time increase their outlay for better quality education. Mr. Speaker, there are 31 such jurisdictions in this Province and I would invite Members opposite to visit one of them and tell the people this Budget is a welfare Budget.

Some Hon. Members: Hear, hear!

Mr. MacMurchy: — Mr. Speaker, the effect of the foundation grant, the effect of the additional provincial support in many of these 31 areas will be nothing less than staggering. I have stated that the goal of this formula is not to reduce tax rates but to improve and upgrade the standard of education. The objective of this formula is to equalize the financial capacity of school boards to provide good quality basic education regardless of their individual wealth. The additional grant support that will be available under the new formula is to be introduced gradually. The phase-in will also avoid a situation where introduction of the formula brought with it severe distortions in mill rates. Such distortions would be inconsistent with the goal of the plan which is to bring about a reasonable uniformity of mill rates for basic school costs. Therefore, in the first year of operation no grant will increase by an amount that would drop tax rates below 37 mills based on the recognized formula expenditures. I want to emphasize that school boards will be entirely at liberty to set a local mill rate at any level they wish, be it higher or be it lower than the computational level or the floor level. This Government, Mr. Speaker, is not going into the business of dictating its desires to our local school authorities.

Mr. Speaker, I want now to turn to the question of separate school mill rates. It is well known that our separate school systems generally have a smaller assessment per pupil enrolled than do our public schools. This disparity in local tax resources is due to a number of factors which I will not go into now, but whatever the reasons are we now have a situation of wide disparity between school systems with the same physical boundaries. The new formula is designed to compensate for deficiencies such as this one. It will provide a substantial boost to separate school revenues. In the situation where two school systems share the same physical area it is desirable that school rates levied by the two be roughly comparable. If they are not problems can arise. For instance, if the separate school mill rate was to be 10 mills below the public system, it is possible that numbers of Protestants could find reason to become Catholics for a financial rather than a spiritual benefit and vice versa. Therefore, it is best if tax rates between the two systems have a reasonable similarity. To achieve an approximate harmony in rights the grant increases for separate systems operating a complete Grade One to Twelve program will permit a three mill differential based on recognized formula expenditure. For separate systems operating only at a Grade One to Eight school the differential will be two mills.

Mr. Speaker, again I want to emphasize that separate school boards will be entirely free to set a mill rate at any level that they desire. The differentials I have referred to relate only to recognized formula costs for basic school programs with grants paid unconditionally without penalties for deviation that our friends opposite imposed. There will be no compulsion

involved. I am pleased to tell the Members of this House that even with the allowance for moderate differentials our separate schools will receive the benefits of a major infusion of funds, a far cry from the meagre diet that was doled out by the Liberals opposite, Mr. Speaker.

Earlier I stated that there was no such thing as a perfect school grants formula. It is simply not possible, nor is it realistic to take account of any factor in every area. We are human and so the formula is not perfect and it may well have to be adjusted in a few particular instances. One area where there could be legitimate problems involves the allowance for transportation. This is one of the items recognized separately on a per pupil figure. We are recognizing \$106 per pupil transported and \$32 per mile per bus route. These figures are deliberately weighted in favor of the number of pupils and less for the miles driven. The reason for this weighting is to discourage uneconomic routes. However, in some school units the pupils are widely scattered, the length of bus routes may well be in excess of the average. Such circumstances could develop into problem areas for boards concerned. If that proves to be the case we may have to review the individual case to see what can be done to help out.

A second potential problem area arises in the use of an allowance for retirement of capital debts. Many school systems have debts owing as a result of new construction. However, there are some systems, a very few, whose capital costs were met out of revenue or whose costs were incurred some years ago and have now been cleared up. In these case the lack of allowance can be interpreted as a discriminatory figure. Our neighboring Province of Alberta tried to build into its formula structure some recognition of capital debt retirement. We spoke to them about this aspect of their plan. The Alberta people tell us that there are major difficulties in such a built in recognition for old debts now retired. We have been advised to avoid trying to compensate for past decisions in our formula. In the light of the Alberta experience we will not incorporate special provisions for debt-free systems. Instead these cases will be dealt with individually on their merits.

Now, Mr. Speaker, I could continue at some length on school grant formulas. I believe it represents a major advance for Saskatchewan education. Very definitely it is an advance for a greater majority of Saskatchewan taxpayers. When the equalizing effects of the formula are combined with the tax reduction of our Property Improvement Grant the benefits to our residents are simply outstanding. Mr. Speaker, I must confess that there is one group of Saskatchewan citizens who will not benefit at all from these two programs. However, the Government is not unduly worried about the effects on this group because it is so very small and so very unrepresented. These unfortunate people, Mr. Speaker, are the Saskatchewan Liberal Party, and we all feel truly sorry for them.

I should like to turn now to the Budget as it affects the university. The Budget brought down last Friday provides for an increase of some \$3,750,000 in the operating grant for the university. This amount will increase the total grant for 1972 more than \$2700 per student enrolled. Mr. Speaker, if this figure is calculated in terms of increase per student the rise

for 1972 is seen to be 13.5 per cent, a very substantial increase.

Now the university is now entering an entirely new phase. We have come through a decade, the '60s, of rapid, explosive growths in the numbers of students seeking admission. Expenditures have risen dramatically to keep pace. Now, however, the Second World War baby boom that generated the high demands has largely passed out of the system. Both enrolments and birth rates are falling off. In the last two years the student numbers at the two university campuses have decreased by roughly 600. This year enrolment seems to have levelled off at around 13,000 and there are few indications of any major changes in this trend. One of the results of this levelling off is that our planning and our projections for the next few years have simply been thrown out of kilter.

A few months ago I had the occasion to meet with the Ministers of Advanced Education from both Alberta and Manitoba. These two provinces are having the same experiences as we are. One product of our meeting was an agreement to exchange information on enrolments and how they are projected to maintain a close liaison as we seek to adjust our plans for university development. All three prairie governments will be undertaking reviews of their budgetary commitments. Saskatchewan will begin a complete review of capital construction and future needs. For this year a sum of 8.5 is already allocated, enough to continue with the projects that are now underway. Other projects not yet begun are to be deferred until a new assessment of needs is made. The total picture must be gone over again and a revised plan developed to fulfil requirements without making needless expenditures.

I should like for just a moment to touch on the Student Bursary Plan. Mr. Speaker, when this Government took office last summer we had in our hands an Act passed at the previous session under the Liberal Government. This Act provided for work on a bursary scheme. Mr. Speaker, the New Democratic Government decided to act immediately to develop a bursary plan for the 1971-72 school year. At that time Saskatchewan was the only province without a bursary program. We had come through a year of economic depression and many potential students needed assistance. Mr. Speaker, the interim bursary plan now in operation has provided substantial aid for almost 3,000 needy students. It has distributed about \$750,000 in bursaries. The plan was set up in less than two months, Mr. Speaker. I say it is an example of Liberal delay and New Democratic action.

Some Hon. Members: Hear, hear!

Mr. MacMurchy: — For the upcoming year, the plan has been more fully developed. We anticipate that the new program will be able to assist roughly 2,800 students by providing bursaries ranging from \$50 to \$500, depending on need. The scheme will operate somewhat differently from the present plan. It will be a combination bursary-and-loan operation, with financial needs over a certain basic level being met by a combination of loan and bursary. Under this type of design it will no longer be comes into effect. The Budget contains a figure of \$900,000 for this comprehensive Bursary plan.

Mr. Speaker: — I should very much like to devote some time to other aspects of the Budget relating to education. I should like to discuss the removal of Grade Twelve exam fees, a tax the Members opposite doubled when they were in office, a tax which the New Democrats have abolished.

Some Hon. Members: Hear, hear!

Mr. MacMurchy: — I could talk at length about our technical institutes, where some 850 new spaces are opening. I could review the new community college development, the new department, the kindergarten study.

Mr. Speaker, to discuss any more of our 'New Deal' achievements would be cruel on your patience.

I will not support the amendment, I will be pleased to support the motion.

Some Hon. Members: Hear, hear!

Mr. J.G. Lane (Lumsden): — Mr. Speaker, we were certainly shocked to hear in the remarks of the Minister of Education (Mr. MacMurchy) that people would sell out their religion for money as he commented earlier. I never heard a more shocking statement in this House.

Mr. Speaker, this Budget has been referred to as a 'windfall' Budget, a 'poor cousin' Budget, a 'land mark' Budget and even the Premier went so far as to call it a 'balanced' Budget. Mr. Speaker, the proper name for this Budget is a 'Mohammedan Budget' because every day the people of that Party should get down on their knees, face the east and thank Ottawa for \$155 million.

Some Hon. Members: Hear, hear!

Mr. Lane: — Because 30 per cent of our services, 30 per cent of this Budget and 30 per cent of the Government operations of this Province are paid for by the Liberals in Ottawa. The Liberals in Ottawa have been chastised and attacked by the Government opposite, the same Liberal Government that has been attacked wrongly, in many cases, by the Government opposite. The NDP Government is the only Government that bites the hand that feeds them.

Mr. Speaker, \$155 million out of a total Budget of \$514 million. The old CCF practice of making us a begging province and going to Ottawa and turning to Ottawa for all our resources has started again. We are back to the old practice of do nothing, increase services and let Alberta and Manitoba take all the benefits of western development.

What does this Government do but tax out the province's industries, close out industries, increase the succession duties, or impose succession duties, Mr. Speaker, driving people out and does absolutely nothing to replace the people whom they have driven out and the jobs that they have driven out and the industries that they have driven out. What has the Government done for industry in this Budget, Mr. Speaker?

We have had statements by the Premier about how bad, what bad shape the Department of Industry and Commerce was in. What's he done about it? He's decreased its budget by \$150,000, that's what he did about it.

Mr. Speaker, I'm going to take time to change from the talk about the Budget to a matter of some concern to many Members of the House, I think just on this side unfortunately and that's a statement by one of the MLAs and I'm quoting from the Leader-Post editorial.

I can think of no better example of a group of welfare recipients than the armed forces. There is no other institution in our society which spends a greater portion of the tax dollar than the present day Canadian Armed Forces and who, by comparison, returns less to society.

I submit to this House, Mr. Speaker, that the Armed Forces, our Armed Forces in Cyprus are not welfare recipients, that the members of our Armed Forces in the North are not welfare recipients. The members of our armed forces that fought in Korea and stood peace guard in Suez are not welfare recipients.

Some Hon. Members: Hear, hear!

Mr. Lane: — Mr. Speaker, the members of our Armed Forces who fought in two great wars are not, were not welfare recipients. Mr. Speaker, no Member of this House is in favour of war, but, Mr. Speaker, members of our Armed Forces are not fighting for war they are fighting for the maintenance of peace.

Some Hon. Members: Hear, hear!

Mr. Lane: — Now I'm quite aware of the well known slogan regarding fighting for peace, but I refuse to question the motives of anybody who is prepared to lay down his life for what he believes in. And such are the people in our Armed Forces, Mr. Premier, and they do not consider themselves fighting for welfare payments.

Mr. Speaker, that statement by the Member for Assiniboia-Bengough (Mr. Lange) ignores several other immediate concerns with regard to our Armed Forces. With the Armed Forces and its training programs many people obtain an education that they would not otherwise be able to receive. Without our Armed Forces we would not have a viable aerospace and aircraft industry in this country. Without our Armed Forces in Europe we would have no economic say in the future of that continent.

Mr. Speaker, Mr. Premier, the Government in Ottawa found out very quickly that our Armed Forces in NATO guarantee us an economic say in the development of that continent. Without our Armed Forces in NATO we would have absolutely no say in the European Economic Community. Our Armed Forces do serve the cause of peace in their peace keeping duties and they also service the economic self-interests of this great country of ours and they are not welfare recipients, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Lane: — Mr. Speaker, I would ask this Government opposite to show its concern and show that it does not follow the statements made by the Member from Assiniboia-Bengough (Mr. Lange). I would suggest that the Government opposite follow the British Columbia program . . .

Mr. Speaker: — Order, order!

Mr. Lane: — Mr. Speaker, I understood

Mr. Speaker: — Order! The Member for Bengough did not speak in this debate and we cannot refer to debates . . .

Mr. Lane: — Now I am quoting from the Leader-Post . . .

Mr. Speaker: — Yes, but it's the same thing and I can find the proof in here but I don't . . .

Mr. Lane: — Mr. Speaker, I understand there was a ruling in the House that a quote out of a newspaper could be referred to. However, Mr. Speaker, aside from that . . . Mr. Speaker, the Government opposite could show its concern for the Armed Forces by following the British Columbia program of allowing tax free gas for handicapped members of the armed services and handicapped veterans. That program was started in 1923, Mr. Premier, and has been expanded since to include all handicapped people and I would think that the Government opposite could show its concern for the Armed Forces by bringing in such a program.

Some Hon. Members: Hear, hear!

Mr. Lane: — And I'll gladly supply the Government opposite with all the British Columbia Government regulations if they want them.

Mr. Speaker, the refusal of the Premier to preface his Budget Speech with profuse thanks to the Liberals in Ottawa is just one glaring example of NDP ingratitude. But, Mr. Speaker, there are other examples.

The number of programs that are continued in this Budget for which the Government opposite failed to thank the Liberals. But this is a Budget, Mr. Premier, which increases our dependency on Ottawa. It's a Government's stated intention, of course, to establish a secretariat for begging to insure that we get our moneys from other people, not that we work for them or earn them but they make sure they give them to us. It's a Budget which continues the policy of making us second class citizens.

Mr. Premier, Mr. Attorney General, is British Columbia's reaction to equalization payment doesn't wake you up, nothing will. This is a backlash in Ontario, there is a backlash in British Columbia and there is a backlash in Alberta and they are no longer going to continue to pay for the other seven provinces. It's about time the Government opposite got up and realized this point and proceeded to do something about it.

There are no jobs in this Budget, the only jobs available is if you have an NDP membership card and can be hired by the ever expanding Government.

An Hon. Member: — Well said.

Mr. Lane: — Mr. Premier, you refer in your speech to your orange colored program card that has been shown to this House so often; the program card used in the last election. I think it's about time you had Service Printers prepare a new program card showing all the people you've hired and fired since June 23rd because you can't tell the players without a program now, Mr. Premier. More Government, more expenditures and less people and that's all this Budget offers.

Mr. Speaker, a decrease in the budget of Industry and Commerce, a cancellation of the Choiceland Iron Mine and the cancellation of the Athabasca Pulp Mill augurs very, very poorly for the future of this Province. Mr. Premier, you won't be able to make an issue of unemployment in this Province because you are the cause of unemployment in this Province.

Some Hon. Members: Hear, hear!

Mr. Lane: — You'll never convince, through honest means, a man out of work that he shouldn't work for a company and that he should be out of work because the company happens to be American owned. You'll never convince a man, through honest means, that he shouldn't work because the Canadian company won't have a high enough return. You're the cause of the destruction of the economic future of this Province, you haven't offered a new industry in this Budget and all you promised to do is study the prairie basin.

As I have said before, there are two provinces on either side of us that are competing with us and that will continue to compete with us, Mr. Premier, and yet your only answer to this competition from two neighboring provinces is to increase Government spending, increase services with money from Ottawa.

We're got the stated priorities in the Budget Speech, first of all agriculture, there is an increase in the Budget, not as great an increase as the Attorney General's, but we do have a Land Bank. The plan that's going to save the family farm, the plan that will enable the young farmer to get on the land. That was your campaign theme.

Some Hon. Members: Hear, hear!

Mr. Lane: — Mr. Speaker, the Land Bank is the biggest hoax ever perpetrated on the people of this Province. The program will make a man a serf of the Government for the rest of his life, a sharecropper on Government land. Mr. Premier, the prediction has been made that this province is going to lose you every rural seat in this Province.

Some Hon. Members: Hear, hear!

Mr. Lane: — Oh, they're laughing. The Attorney General is

laughing, Mr. Thibault is laughing, Mr. Bowerman is laughing, Mr. Cody is laughing, even Mr. Faris is laughing . . .

Mr. Speaker: — Order, order!

Mr. Lane: — Let me refer to a . . .

Mr. Speaker: — Order! I would like to ask the Member, as I have been trying to do this past while to refer to Members by their constituency.

Mr. Lane: — I apologize for that, Mr. Speaker. Well let's refer to a little quote in the bible of the party. The Commonwealth, dated January 5. Remember — anybody over there not laughing . . . It's a reply to Bischoff. May be . . . I can quote from that! January 5, 1971:

What are the Waffle 'Ideals'? Their overriding idea — their 'New Deal' — is to nationalize. Nationalize what? You name it — and their new, exciting idea is to nationalize. Some of us fail to see this as new or exciting, then we are 'crass opportunists'.

In regard to the Land Bank their new, exciting idea is to deny the farmer the option to buy. This would in effect mean the nationalization of farm land as it came to be available to the commission. The original Waffle idea of a Land Bank program goes even further than that. In documents, which they circulated province-wide and which Don Mitchell presented at a Moose Jaw policy seminar, they set out 'ideals' as 'begin a program of Crown Land Assembly by (1) providing the Crown with the initial option to purchase retiring land at assessed value . . .'

Presumably the Crown's initial 'option to purchase' would mean, and I'm continuing the quote in The Commonwealth,

would mean that the retiring farmers must sell to the Crown.

If you don't think the farmers would rebel at that, just read on. Not only would the Waffle idealists like to see this compulsory aspect but even more than that they sought to have this land taken from the farmer at assessed value. Alan J. Bischoff states and now we're going to find out which of the Hon. Members of this House from the Government opposite called the Land Bank a nationalization of the farm land.

Alan J. Bischoff states that I said that I was afraid that I would lose Arm River if farmers did not have the option to buy. I did not say that. I said we would lose every rural seat in Saskatchewan. I said we would lose the Government and I believe this to be true.

Some Hon. Members: Hear, hear!

Mr. Lane: — That's the statement from

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the NDP Member from Arm River, Mr. Speaker.

Mr. Faris: — Read on!

Mr. Lane: — . . . that this is the nationalization of farm land . . . I'm going to read on. I'm going to put another little statement that will certainly indicate the intentions of the Hon. Member, especially when it comes to voting time we will certainly find out how much he believes in following the party line and how independent he is. Because he says further, "but I will have no part in shoving farm policy down farmers' throats". That's what the Member from Arm River said. The Member from Arm River (Mr. Faris) calls your Land Bank scheme, Mr. Minister of Agriculture, nationalizing the farm land. He predicts you will lose every rural seat and you will, Mr. Premier.

Mr. Faris: — Mr. Speaker, he's quoting from a letter which granted . . .

Mr. Lane: — Mr. Speaker, I quoted from an article that was in The Commonwealth, January 5th, I quoted from a revised . . . I'm quite prepared . . .

Mr. Faris: — Mr. Speaker, I'd like to state my Point of Order . . . He's quoting from a letter in which I criticized the Land Bank scheme which does not include the option to buy, the Land Bank scheme which is proposed by this Government has the option to buy and therefore is not . . .

Mr. Lane: — It is not a Point of Order.

Some Hon. Members: Hear, hear!

Mr. Speaker: — Order, order! I don't think that is a Point of Order. That's a debating point. It shouldn't be raised as a Point of Order.

Mr. Lane: — And I'm quite prepared to table this copy of The Commonwealth with the declaration of nationalization by the Member from Arm River.

The Premier has laid great emphasis on the Budget Speech on promises kept. In particular, nearly every Member of the Government side has referred to the removal of premiums and deterrent fees for those over 65. Never, Mr. Speaker, has any group of people been told more bluntly that what we promise you and what we give you is what you pay for. Because, Mr. Speaker, it cost about \$2.5 million to remove those premiums and deterrent fees and we note the succession duties which will affect those over 65 will bring in an estimated revenue of \$2.8 million. Who is going to be affected by the estate tax and succession duties? The people over 65, Mr. Speaker. So the Government removes premiums of \$2.5 million, increases the tax \$2.8 million, makes a nice little profit of \$300,000 on those over 65. Nicely done, Mr. Premier, usually it's the young people that are going to have to pay for your programs, but in this case you got the

ones over 65.

But, Mr. Speaker, another glaring aspect of this Budget is its failure to mention specific plans in the field of resource development. We've had, in the past, threats from the Government opposite that it is going to get into the petroleum industry, into the distribution of petroleum. With all the acronyms that are floating around in this Budget — the LIP program, the PEP program, the PIG program, I'm really looking forward to the name of the local garage when you take over this program. Just as I'm really looking forward to the name of the Attorney General's railroad when he gets it built out in British Columbia, the 53 miles that he thought was there. Somehow the name, RRRR doesn't sound as if it's going to stay on the rails. But, Mr. Speaker, the example of the petroleum industry is typical of the Government opposite in the CCF programs of 20 or 7 years ago. They wait until it's too late to act. Our reserves, our petroleum reserves are very nearly depleted and yet now the Government makes threats. Why not get current, Mr. Premier?

There are a couple of industries that I am very much concerned about, that I don't think are contributing to the future of this Province, or are contributing their fair share to the economic development of this Province and I'm referring to life insurance companies and mutual funds.

The Government opposite, Mr. Speaker, should require and I hope the Attorney General makes note of this, as Provincial Secretary, should require every insurance company registered to carry on business in Saskatchewan to state the amount of premiums that they sold in the province in each year. To state the amount of money they invested in this Province in each year; to state the types of investments made to insure that the Province gets its fair share of risk capital and require them to state the amount of profits that they have made from money invested in Saskatchewan. As I say the same requirement should apply to mutual funds. It's about time, Mr. Speaker, Mr. Premier, that we as Saskatchewan citizens are told how much insurance companies are taking out of this Province and how much they are putting back in and into any insurance companies where mutual funds that are contributing their fair share to the province won't hesitate to give you that information. There are three insurance companies that deserve the support of the people of this Province. But we are entitled to know how much they are taking out and how much they are putting in. If they are not contributing their fair share they should be penalized.

Mr. Attorney General, there is no reason why London, Ontario should be the sole bastion of life insurance money in Saskatchewan. There is much to be done in this Province, Mr. Premier, Mr. Speaker. All we get out of this Budget is a hot line. A telephone call that anybody can make toll free. But what happens when somebody calls up for a job? Who will answer from the Government side? No one. What happens when somebody calls up to locate an industry? Who will answer from the Government side? No one. When someone calls up and wants to buy land, who will answer from the Government side? No one. What happens when somebody calls up to find out why industries have moved to Alberta and Manitoba? Who will answer? No one. What happens if someone phones up to ask why individuals have moved to Alberta? Who will answer? No one on the Government side. The Liberals will answer it four years from now because

we will have jobs for them.

Some Hon. Members: Hear, hear!

Mr. Lane: — What happens when someone phones up to find out why his tax mill rate is above 25 mills? Who is going to answer from the Government side? No one. What happens when someone phones up to find out why he has to pay gift tax on his family home? Who is going to answer from the Government side? Again, no one. What happens when someone calls up about what future he has in the Province of Saskatchewan? There is an answer. The answer should be in the Budget. He doesn't have one under this Budget.

Mr. Speaker, I have mentioned before that the Government opposite insists on ignoring the fact that we are competing with two neighboring provinces and there is nothing in the Budget that enables us to compete with those provinces. Just the opposite. There are succession duties to make sure people will move to Alberta and that investment money will move to Alberta. There is talk in Alberta of a basic steel industry spurred on by the cancellation of the Choiceland Iron Mine. The Budget is an indication of Waffle power in this Province. The Waffle movement that joins with eastern industries under the guise of economic nationalism to forever prohibit the development of Western Canada. It's a plan to protect eastern industries and a dangerous plan for Western Canada. It's a plan that is proposed both by the Waffle and by eastern industries.

The Land Bank program, another example of Waffle power with its nationalization of farm lands as stated by the NDP Member from Arm River (Mr. Faris). More Government, more services, fewer people, no industrial development, no jobs, who can support a Budget like that?

Some Hon. Members: Hear, hear!

Mr. C.P. MacDonald (Milestone): — Mr. Speaker, the shadow of equalization payments has certainly over-shadowed this entire Budget. As has been indicated, this Budget has been called a windfall budget, a welfare budget, a poor cousin budget. Now, Mr. Speaker, I don't think any of them really describe it in complete context. I should like to say I think it is a deceitful Budget. And I should like to tell you why.

Usually a budget is indication of the economic wealth or wellbeing of a province. This Budget is the exact opposite. It tells us that we are on the verge of bankruptcy, that we are going backwards, that we are depending on the Federal Government for everything we have. Mr. Speaker, it tells us another thing, that we are going to be the highest taxed province in the Dominion of Canada within the next two or three years. I predict massive increases in taxes, in income tax, corporation tax, sales tax and every other tax. Why, Mr. Speaker? Because this Budget completely ignores the fundamental problems facing Saskatchewan. Unemployment, industrial development and net farm income. Its only solution to these problems is more welfare, more bureaucracy, more propaganda and more services. There is no attempt, Mr. Speaker, to expand the economy to pay for them. Mr. Speaker, the only answer is increased welfare services, increased civil servants, increased services. Not because there are more jobs, not because of increased production, not because

of increased population, not because of industrial growth, but because of increased handouts by the Federal Government.

Mr. Speaker, the Provincial Treasurer has attempted to hide these facts. And do you know what he has done, Mr. Speaker? He has driven up and down this Province, pretending he is a knight in shining white armour. He has said he has taken his sword and his spear and he has gone to Ottawa and at the first Provincial Conference he pointed that spear and do you know what he said to those Federal boys? "You give me more money or else we are going to be in trouble." And I hope you get the Premier because I'm going to say a few things about negotiations.

The first thing, Mr. Speaker, let's examine the Budget. It goes from \$451 million to \$514 million, up \$63 million or 14 per cent. The big question is where does this \$63 million come from? The majority of it, \$44 million, from equalization payments. Mr. Speaker, equalization payments are one thing. They are an indication of the economic wellbeing of your province in comparison to other provinces. Mr. Speaker, the more you get the worse off you are. But, Mr. Speaker, the Premier says, "Oh no. I went down to Ottawa and negotiated and I came up with a great deal on behalf of the people of Saskatchewan." Mr. Speaker, I say this is a falsehood. I say this is a myth to hide the facts. What is the truth? Mr. Blakeney got absolutely nothing at the Federal-Provincial agreements. He sat on his tail and listened to the Prime Minister announce changes that had been negotiated one year before he was elected. He came back to Saskatchewan claiming victory. He said, "Oh, I took those terrible Federal Liberals and I wrung additional millions of dollars." And then he came back with a cheque of \$10 million. Well I'm going to tell you in a few minutes what's going to happen to those \$10 million. Mr. Speaker, he tried to hide the economic situation in Canada and what is even more important, he tried to hide the future of equalization payments in this Province.

Mr. Speaker, I decided I would call Ottawa. So I called the Minister of Finance. I called officials from the Federal Treasury. And here, Mr. Speaker, is what they said. First of all, Mr. Speaker, there was an intensive review of the 1967 equalization arrangements and it was undertaken by a joint committee of the Federal Government and the Provincial Government. It was a committee of officials. It was made up of officials from every Government in Canada including the Government in Saskatchewan. Their purpose was to review the technical arrangements and the policy. This review began in mid 1970, one year before the NDP took office in the Province of Saskatchewan. Dave Steuart was the Minister at that time. An official from the Government of Saskatchewan was on that committee. The changes recommended were two or three. First of all, changes related to means of measuring the capacity of a province to raise revenues from taxation. These changes relative to classification of revenues have a major effect on Saskatchewan. These changes raise the cost for equalization by approximately 2 per cent according to Federal officials. The Federal Government also guaranteed against a drastic drop in revenue and this guarantee would be increased from 95 to 100 per cent over the previous year's income. This doesn't have any effect on Saskatchewan this year because of grain sales. Saskatchewan was one of the few governments in Canada to benefit. Prime Minister Trudeau announces these changes at the first Ministers' meeting

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last November. These changes affect all provinces and relate to their economy and their ability to raise revenues. They are now before the Parliament of Canada in Bill C-8. They are public knowledge. They affect every province. The real increase in revenues in equalization payments comes from the fact that they have increased from \$548 million to \$1 billion this year in the last five years.

Mr. Speaker, I have here a telegram from the Federal Government and let me read what that telegram has to say.

The equalization arrangements for the 1972-76 period are contained in Bill C-8 now before Parliament. The proposals contained in the Bill are as announced at the November meeting of first Ministers. Following a joint review of the 1967 equalization system undertaken over a period starting in mid 1970.

But the interesting part of this telegram is the last part.

Final settlements of equalization for the 1967-71 period have not yet been made and will depend in part upon the outcome of the June 1971 census of population. The amount of those adjustments is not yet known.

This comes from the Minister of Finance's office. Mr. Blakeney got nothing according to Federal officials.

Mr. Blakeney: — Rubbish!

Mr. MacDonald: — Absolutely nothing. These changes came about a year before he even came to office. Tell us, Mr. Blakeney, exactly what changes did you negotiate. Because I have another file here of all kinds of information about the formula, about the amendments, about statements, about changes. Tell the Federal Government what changes you made. Because the Federal Government said you made no changes. They say you have done absolutely nothing.

Now what does the second part of the telegram mean? It says that additional adjustments are required in the coming years' equalization payments following the June 1971 census of population. These adjustments are not yet calculated but should be in the hands of the Provincial Treasurer by statute by March 31. If they are not in there by March 31 then they will be there shortly after. Saskatchewan will have received a major over-payment according to preliminary estimates. It is also apparent that the Premier has been informed that they will have a major over-payment. The over-payment could be many millions of dollars. The over-payment has absolutely nothing to do with the new arrangements but will be offset against payments under the new arrangements. This over-payment can be repaid in several options. It can be paid immediately, Mr. Speaker, or it can be spread over a period of years. I am led to believe, Mr. Speaker, that the Premier has determined, at least initially, that these repayments will be made over a period of years. In fact, Mr. Speaker, I also understand that correspondence regarding this is now in his hands. And there will be a question on the Order Paper requesting all copies of that correspondence.

Mr. Speaker, I am afraid that he has mortgaged the future equalization payments for the spending in 1972 in order to balance the Budget.

Some Hon. Members: Hear, hear!

Mr. MacDonald: — Now, Mr. Speaker, why did the Provincial Treasurer not tell us about the possible over-payment? Has he calculated the over-payment in his Estimates in this year's Budget? What is his intention relating to the repayment of those over-payments? Will he mortgage the future of Saskatchewan citizens with this year's Budget? I say Mr. Blakeney has not told the whole story about equalization. I say also, Mr. Speaker, the myth of Allan Blakeney, the Premier of this Province going to Ottawa and negotiating major changes on behalf of the Province of Saskatchewan is rubbish. It was done by a technical committee of officials of every government in Canada. It was started in mid 1970. There have only been minor technical changes in the last two conferences and the Premier knows and the Federal Government knows. Mr. Speaker, in introducing Bill C-8 the Federal Minister of Finance has indicated the way in which those arrangements were undertaken. Mr. Speaker, I say that these statements of the Premier are a farce and a hoax and most of all they are a smoke screen. They are a smoke screen, Mr. Speaker, and we've had a little more of that smoke screen in this House. First of all, we had the licence fees increased that wasn't an increase, Mr. Speaker, by the Attorney General. Then, Mr. Speaker, we had a coal mine by the Minister of Industry. Then we had an oil sale. Well, Mr. Speaker, I picked up the phone and called the Petroleum Association. What the Minister of Industry didn't tell us was that the \$900,000 sale was a result of an oil discovery six miles below the American border. Those terrible, dirty Americans found oil six miles from Saskatchewan and if it had been any Government but the NDP that sale would have been worth hundreds of thousands of dollars more.

Some Hon. Members: Hear, hear!

Mr. MacDonald: — Now, Mr. Speaker, the Provincial Treasurer gets up and says that he is responsible for millions of dollars in the future. Millions of dollars and changes, Mr. Speaker, that have been negotiated by every government in Canada over the last year and a half. The credibility of this Government, Mr. Speaker, is beyond me.

Why, what is the Premier trying to hide, what is he trying to put a smoke screen over? First of all, Mr. Speaker, let me tell you. What is he hiding in the Budget? Firstly, I think he's hiding unemployment. I think, Mr. Speaker, that the one reason the Premier hasn't said a word in this Budget and hasn't done a single thing about unemployment is because he's afraid to tell the people of Saskatchewan what it is. You know, in June when he became the Government, unemployment was 2.5. In September it was 2.8, 10,000 people. In December it was 5.4. The only province in Western Canada in the prairie basin that had an increase. You know, Mr. Speaker, right now it is 6.1, that there are 20,000 people in Saskatchewan walking the streets unemployed. Do you know, Mr. Speaker, that the number has doubled since September? Mr. Speaker, we had the lowest unemployment of any province in Canada and today when

Alberta and Manitoba are going down, Saskatchewan is going up. Mr. Speaker, he has said nothing about it and this Budget is going completely bankrupt.

What has been done? First of all, Mr. Speaker, he said, "We're going to get into the public sector, we're going to get the public sector to do it." I did a little figuring. I find, Mr. Speaker, for example, in Agriculture, capital expenditures are down \$65,000. I find in Government Services, Public Works, are down \$4 million. And yet he established a task force nine months ago to turn around and determine what was going to happen. Surely that task force defined a way to increase spending in Public Works. Mr. Speaker, Natural Resources is up \$867,000. Grid Roads are down \$1 million. Maintenance down \$186,000. On top of that SEDCO is down. On top of that Municipal Finance Corporation is down. But the real tragedy is in the Department of Industry. You know, Mr. Speaker, look what's happened. My colleague reviewed that. Athabasca, Choiceland, Imperial Oil, Federal Grain, Burns. The only industry the NDP has established or talked about since they became the Government is an industry that we negotiated and we signed the agreement six months ago.

Some Hon. Members: Hear, hear!

Mr. MacDonald: — In fact, Mr. Speaker, the Minister of Industry said the only problem the NDPO would have would be to hold industry. And now, Mr. Speaker, surely this is a department where major emphasis should be given. That department is down \$145,000, but in reality it is down over \$500,000 because they put that new tax, the \$1 on the licence fees, that \$465,000 tax into the Department of Industry to remove cars. Mr. Speaker, the \$100,000 grant for business and industry wouldn't be enough to buy one farm in the Province of Saskatchewan, not enough to build one storage shed on the edge of Regina. And that's the Premier's way of developing jobs and developing industry.

What other smoke screen? Mr. Speaker, welfare expenditures up \$16 million but it isn't only the \$16 million, Mr. Speaker. It's the most astronomical increase in the history of Saskatchewan. There are no new programs, Mr. Speaker, no new ideas, no way in which to get people off welfare, only \$16 million more in Government handouts. The only change that that Government is bringing about in welfare is a change in the name with \$16 million more in Government handouts.

You know, Mr. Speaker, the Premier in his Budget Address called ours a bogus budget. He said the reason is we underestimated welfare expenditures. Well, I'm going to tell you, Mr. Speaker, we certainly did. The reason that we underestimated them, we didn't plan on a socialist Government in Saskatchewan in 1972.

Mr. Speaker, if the Province of Saskatchewan's unemployment had gone down like the Province of Alberta and the Province of Manitoba, or had they remained the same as ours last year, we had not even spent the \$35 million budgeted for.

Some Hon. Members: Hear, hear!

Mr. MacDonald: — Mr. Speaker, I want to also tell you that the \$16 million in welfare should in reality be \$20 million, because if it

hadn't been for the unemployment insurance raising the unemployment insurance benefits to over \$100 a week, and welfare doesn't have to supplement hundreds and thousands of unemployed, believe me that welfare expenditure would be \$20 million not \$16 million.

Mr. Speaker, you know we said when they cancelled Athabasca and Choiceland, just take the welfare budget. Just take some of the increase of that \$20 million or \$16 million and build that shaft in Choiceland and you will turn around and find that you will save millions of dollars. You will pay for that Athabasca Pulp Mill a hundred times over in welfare costs in the Meadow Lake Region alone.

Some Hon. Members: Hear, hear!

Mr. MacDonald: — What else did he want to hide, Mr. Speaker? Well the one thing that really shocks me, when 20,000 people are walking the streets of Saskatchewan unemployed, we are witnessing the greatest increase in bureaucratic spending of any government in the history of the Dominion of Canada. This time, Mr. Speaker, I took the liberty of doing a calculation. My colleagues have added up the number of new employed or the number of new positions. They came out to, Mr. Speaker, 783 increase. But on top of that I did a calculation — oh, the Premier is going to say some of them are temporary positions. We have no knowledge of temporary positions. I mean of your temporary positions. Do you know something, Mr. Speaker, the Budget isn't even passed and already the executive assistants are getting — some of them — a second and third increase. Orders-in-Council just passed, Mr. Speaker, the last two days, give all these executive assistants a new rate. Do you know why, Mr. Speaker? Because they had a little meeting in protest two days ago and the Premier jumped and he raised all their salaries. Do you know what, Mr. Speaker, the increase in administration costs just for new positions and personnel services, no other expenses.

Well for example, in Agriculture from \$4,300,000 to \$5,400,000 for 22 positions; Consumer Affairs, \$99,000; Attorney General, \$2,800,000 to \$5,400,000. Mr. Speaker, this comes to a total just for increased salaries and bureaucrats of \$13,607,000. This doesn't include the Land Bank, hospitalization scheme, medical care insurance. It doesn't include other expenses related to those positions, that bureaucrats in this Government cost \$18 million to the taxpayers in 1972.

Now, Mr. Speaker, look at what else he wants to hide. He gave the Department of Industry \$100,000 and do you know what he did for Information Services? He gave them an increase from \$103,000 to \$216,000; a staff from seven to fourteen. He increased more the propaganda of this Government than he did for the entire business community in the Province of Saskatchewan. Mr. Speaker, what else is he trying to hide?

Well, urban government, this has to be the greatest problem of the '70s and '80s, in Saskatchewan and in Canada. Mr. Speaker, he promised to lower the mill rate.

The Liberals recognized the need of providing operating grants as well as capital grants. They gave snow removal, police service and this year they are down \$18,000 and \$15,000

respectively. The whole idea of sharing and assistance to urban municipalities is down. They gave them what they call the Improvement and Property Grant, but they consider them two and a half times less than the guy in the rural part of Saskatchewan. He gets exactly \$8 increase. I heard the Member from Regina saying on the radio the other day, "The mill rate in Regina is going to go up five mills." Do you know what that is approximately at \$6 per mill? \$30! He is going to get \$8 more. And do you know, Mr. Speaker, all it is is the Homeowner Grant, the Homeowner Grant plus \$8.

And then, Mr. Speaker, do you remember the great promise about the renter? The poor renter, the poor man that was paying the taxes indirectly, what is he getting? He is getting absolutely nothing. Now let's have a look at another aspect. The Indian and Metis. Of all of the Departments that previously received criticism from that Government over there, it was the Department of Indian and Metis. Of all the people in Saskatchewan that received more public acclaim was the Indian and Metis. Then they said they were going to change and bring in a new Department of Human Resources. Do you know, Mr. Speaker, that Human Resources Department is down. They didn't even spend as much, with supposed expanded services, expanded responsibilities. Why, Mr. Speaker, even last June or July when they wanted to see the Premier they had to go on strike outside here before they could even get in to talk to him.

Mr. Speaker, let's look at the university. We heard the Minister of Education (Mr. MacMurchy) stand up and defend the university. I want to tell you that the university is squeezed beyond belief. University professors are saying that the standard of education in the University of Saskatchewan will have dropped in relation to other universities in Canada from seventh to fifteenth of sixteenth. Mr. Speaker, even in the Estimates they have eliminated 35 permanent positions. They have turned around and sent dismissal notices to 175 tenure teachers. Mr. Speaker, this is a major catastrophe for the people of Saskatchewan. Not only that, after nine months of a task force they said they couldn't decide one single capital project on the University of Saskatchewan and the only thing they are going to build is they are going to finish those Liberal projects. The next time the NDP want to talk about capital projects driver down Parkway Boulevard and see a university that the Liberals built. Go and see a hospital that the Liberals built and then talk about capital programs. Do you know what has happened? The Premier has finally realized when you build a capital project in the Province of Saskatchewan you have to pay operating costs. And you just don't build a building for a building you would save. You have to recognize if there is a need and a priority and a responsibility. Mr. Speaker, the biggest tragedy about this Budget is that it is window-dressing.

Do you remember that part of the Premier's speech when he said, promised, accomplished; promised, accomplished. Mr. Speaker, you should look at the Budget. The biggest thing that he had to hide it was nothing but window-dressing, just like the Department of Human Resources.

Let's look at the Department of Northern Development. Do you know what it is, Mr. Speaker? The Department of Northern Development hasn't got a single dollar for a program, all it has is money for the Minister to fly around and campaign in Athabasca. It has nothing but secretaries, not planners, not a

single dollar. Now if that isn't window-dressing I should like to know what it is.

Let's look at the Department of Environment, Mr. Speaker. Remember all that terrible pollution in Prince Albert in the North Saskatchewan River? Do you remember the bottle of pollution they brought down here? Do you know what they did for the grants for water pollution control? They reduced them from \$745,000 to \$60,000. The Department of Environment is up \$77,000. That's all in increased bureaucracy. Mr. Speaker, if there ever was window-dressing look at Consumer Affairs - \$92,000 entirely window-dressing. Do you know what he did with the Culture and Youth Department? He brought in those grants to the Arts Board and then he called it Culture and Youth. He didn't add anything to the program. He has turned around and has window-dressing for every one of those things. Mr. Speaker, that Budget is nothing but an attempt to hide a hoax and a farce by claiming supposed great negotiations with the Federal Government which is an indication that this Province is going down and backwards in relation to every other province in Canada, and instead of that they are going bankrupt. The future generations in this Province are going to pay for it. And then he turns around and hides this fact and he puts in window-dressing.

I want to talk, Mr. Speaker, for a few moments about the estate tax. There are two major taxes, one in mineral production of \$6 million. Mr. Speaker, if that Government had ever picked a more disastrous time to raise the taxes on industry and mineral development than in 1972 and I should like to know when, Mr. Speaker, with employment rising and, it is not subsidizing it is rising, with jobs and industry fleeing this Province, with oil revenues going down, with mineral revenues going down, with every single thing that indicates growth and development going down, he turns around and raises the tax to \$6 million.

Nobody is against resource development contributing to the Province of Saskatchewan. The potash industry is just getting back on its feet. Now is the time to give it the opportunity. They just found potash in Eastern Canada. Mr. Speaker, I begin to wonder. Oil revenues are down, and now, Mr. Speaker, they raise the tax.

The second disaster is the Estate Tax. Mr. Speaker, I haven't got very much time to say much on it but I do want to say a word. Never could a Bill be introduced of this kind and type at a worse time in Saskatchewan's history. Never!

Some Hon. Members: Hear, hear!

Mr. MacDonald: — First of all, Mr. Speaker, it betrays the principle of tax reform instituted in the Federal House of Commons. Do you remember the White Paper, that special tax on depreciated assets tax on 100 per cent of accumulated, but unrealized, capital gain, then a death tax. Then the Senate committee in the House of Commons committee decided that they would reduce that. In the end Mr. Benson agreed to reform, but the Saskatchewan NDP decided that they would fill that vacuum. Mr. Speaker, the Premier gets up and says, "You know we are going to replace the Federal Government."

If he calls this a replacement, Mr. Speaker, I certainly don't. Let me give you a comparison of what a man would pay in estate tax before January 1st of this year and what he is going to pay today.

First of all, here is a stranger on an estate of \$500,000. Before January 1st he would pay \$46,000, today he would pay \$191,000. Let me take for an example a son and heir. Before he would pay on an estate of \$350,000 - \$27,300, today \$66,000. Mr. Speaker, surely to heaven he will at least follow the example of the rest of the six provinces and raise the personal exemptions.

Then, Mr. Speaker, he says "that's a tax on the rich." Well that is if there is any falsehood it isn't a tax on wealth. It is a tax on the recipients. It doesn't make any difference if it is the poorest hired man on the farm or the person who is living in the smallest house, or the poorest house in Saskatchewan or Regina, if they get \$5,000 they have to pay 20 per cent of it in Estate or Succession Duties. It is a tax on the person that receives the tax not on the estate. And it doesn't make any difference what it is, it is taxed on the amount.

Mr. Speaker, I should like to go on but it appears that I don't have any more time and you can certainly see that I will not support the motion.

Some Hon. Members: Hear, hear!

Hon. A.E. Blakeney (Premier): — Mr. Speaker, in this debate the Opposition has taken or has tried to take three or four positions. Some of them are mutually inconsistent — this never bothers the Opposition, but I am going to try to deal with three or four of those positions, and some of those dealt with by the Hon. Member for Milestone (Mr. MacDonald).

First I want to deal with his Federal-Provincial relations comments and his saying that nothing has happened since this Government came in — just minor technical changes. I want to tell him — and I don't think he was telling the House anything else — that when this Government took office these so-called minor technical changes were by no means agreed to.

Some Hon. Members: Hear, hear!

Mr. Blakeney: — I agree that there had been discussions . . .

Mr. MacDonald: — And negotiations.

Mr. Blakeney: — . . . and negotiations but far from any agreement. I concede the work done by my officials but let's talk about some of those minor technical changes.

Sure they apply to all provinces, but let's take one of the minor ones — whether farm income is going to be calculated as net farm income or net realized farm income. Now that applies to Newfoundland just the same as it does to Saskatchewan. And the change ought to be worth perhaps \$100 per year to Newfoundland. But I will tell you what that change is worth to Saskatchewan - \$10 million a year, every year.

Some Hon. Members: Hear, hear!

Mr. Blakeney: — And that was made at the Federal-Provincial Conferences in July and November before being announced at the Prime Ministers' Conference in the middle of November.

The Member from Milestone says, "Oh, if we just build a pulp mill there wouldn't be any welfare in Meadow Lake." We have a pulp mill in Prince Albert and have welfare costs gone down? You, as the former Minister of Welfare, know that welfare costs went up, and up and up even with the mill at Prince Alberta.

Some Hon. Members: Hear, hear!

Mr. Blakeney: — The Member says that we are putting a lot of money into the Information budget. That is true! We are going to provide a hot line and we are going to provide an information service for citizens. Members opposite can say that they oppose that. Let them stand again opposed to what we think is a worthwhile improvement. But I say that in five years time that will be considered a worthwhile improvement, not only for the citizens of Saskatchewan, but I predict it will be generally adopted across Canada.

Some Hon. Members: Hear, hear!

Mr. Blakeney: — The Member of Milestone says about the Department of Youth and Culture — all they have done is pour in some of the old programs and put a new name on it. I take it he doesn't like our new programs. We are glad to know that the Member from Milestone, the former Minister-in-charge of the Youth Agency, doesn't like the idea of Saskatchewan Summer Games.

Mr. MacDonald: — We put them on two years ago.

Mr. Blakeney: — We want him to be firmly on the record as voting against the \$100,000 for Saskatchewan Summer Games.

Some Hon. Members: Hear, hear!

Mr. Blakeney: — And when we come to the so-called Estate Tax, he was very, very careful to select his figures - \$500,000, \$350,000, he never got down to an estate of \$180,000 or \$150,000. All his friends leave estates of \$500,000 after deductions, that's the net value. I could tell you that there are some people in this Province who don't leave estates of \$500,000.

Some Hon. Members: Hear, hear!

Mr. Blakeney: — And I can tell you for any estate of \$190,000 or less the succession duties which we are bringing in, where the estate is left to children are going to be substantially less than when he sat on the Treasury Benches.

Some Hon. Members: Hear, hear!

Mr. Blakeney: — He calls upon us to adopt the policies adopted by other provinces. Does he want an exemption of \$50,000 and not \$1560,000 when an estate is left to children? Does he want that as has been done in Liberal Nova Scotia and has been done in Liberal Prince Edward Island, \$500,000 for the widow only. If you would read the whole news story you would find that where a farm in Nova Scotia passes from father to son the first \$50,000 is exempt in Liberal Nova Scotia, we say it isn't enough, we've made it \$150,000.

Some Hon. Members: Hear, hear!

Mr. Blakeney: — These people have been talking about job creating projects. Well I say this Budget provides massive sums for job creating projects. It provides big sums of money. In SEDCO, since we came to office, more money was lent last year than the year before when they were on the Treasury Benches.

Now it is true it doesn't provide massive sums for subsidies for foreign corporations. We in Saskatchewan have tried that route. We've been down that road and it has proved to be a spectacular failure. No government could ever be more sympathetic to foreign private enterprise than the previous Government. Few governments could ever be more willing to give subsidies open, and subsidies hidden, to private developers. We have tried that for seven years — seven of the most prosperous years that other parts of Canada ever had. Now seven years is a long trial period, seven years when the Government opposite was willing to pay subsidies to private developers, was willing to give subsidies hidden, subsidies open. Seven years of subsidy, seven years of sellout and it hasn't produced jobs in large numbers.

Surely we must now admit that that policy is a failure. During that same Liberal period tens and tens of thousands of people left this Province and they can't deny it. Mr. Speaker, this wasn't due only to rural depopulation. I concede that there was rural depopulation during that period, but there was rural depopulation during the 1950s, rural depopulation during the early 1960s, and I tell you that from 1950 until 1964 the population of this Province did not decline, but went up an average of 9,000 people year in and year out. It increased because other ways of creating employment were found, much of it in Crown corporations, scorned by the Liberal Party.

Take the Government Insurance Office for example. The party opposite was trying its best to sell out that corporation, evidence is on the records and on the files. That corporation has 500 employees and provides very substantial income for 600 agents. The people of Saskatchewan insuring themselves, working for themselves, keeping Saskatchewan dollars right here in Saskatchewan.

Some Hon. Members: Hear, hear!

Mr. Blakeney: — We intend to pursue this development strategy. We intend to develop Saskatchewan resources for Saskatchewan people.

Mr. Guy: — What about the box factory and the shoe factory?

Mr. Blakeney: — All I can say is this. The Woollen Mill or the Shoe Factory provided more jobs for less public funds than the Prince Albert Pulp Mill and certainly far more than the Saskatchewan Water Supply Board when you were Minister, Mr. Member for Athabasca.

Some Hon. Members: Hear, hear!

Mr. Blakeney: — The Water Supply Board when the then Minister of Public Works — the Member for Athabasca — was chairman, was the greatest fiasco in public enterprise that this Province has seen.

Some Hon. Members: Hear, hear!

Mr. Blakeney: — I admit, Mr. Speaker, and I concede out of hand that it is not going to be easy to create jobs by secondary industry. All I can say is that the methods used by the Party opposite have proved to be a spectacular failure.

We believe we'll have some success, we are confident that the people of Saskatchewan will be given more opportunities than they had during those seven lean, gaunt Liberal years.

Some Hon. Members: Hear, hear!

Mr. Blakeney: — Liberal policies mean failure, Liberal policies mean lost people. We offer a new hope to the people of Saskatchewan and we believe they are responding. We believe they are responding to this new hope and new opportunities.

Some Hon. Members: Hear, hear!

Mr. Blakeney: — Members opposite have been saying, and the Member for Milestone (Mr. MacDonald) was saying it again, that we are spending too much money on health and too much money on welfare. I want to ask, how far can double talk be pushed? The Liberal Party is surely probing the limits of how far it can be pushed. They have opened credibility gaps, they've opened credibility canyons and still they rush on. Last spring in this House they opposed the removal of deterrent fees and they asked the people of Saskatchewan to accept that. Last June in the election campaign they still opposed the removal of deterrent fees, and they asked the people of Saskatchewan to accept that. Last July in this House they approved the removal of deterrent fees.

Some Hon. Members: Shame, shame.

Mr. Blakeney: — And they asked the people of Saskatchewan to accept that. This March, in the House, they're saying we are spending too much money for removing deterrent fees. They are asking the people of Saskatchewan to accept that.

Last spring in the House they opposed more money for nursing homes. They opposed more money for nursing homes and they opposed more money for the Department of Welfare. They asked the people of Saskatchewan to accept that. During the

election campaign they heaped scorn on our four-year program for nursing home care. They asked the people of Saskatchewan to accept that. In February of 1972, they stated the position of the Liberal Party, and it is right here in the 'blues' on page 14, that we should proceed with our four-year welfare program in one year. They asked the people of Saskatchewan to accept that. That's the GRANT Liberal program. Now in March of 1972, in the amendment to the motion which we are now debating, Mr. Speaker, they deplore all this expenditure on welfare. That, Mr. Speaker, is the BOLDT Liberal policy.

Mr. Speaker, I could go on listing example after example. Programs which they rejected out of hand a month or two ago, programs which they scorned as coming from wild-eyed, impractical, long-haired kooks which they are now embracing as their own.

Some Hon. Members: Hear, hear!

Mr. Blakeney: — It's all part of the new and fresh look brought by their new Leader and the Member for Milestone and the Member for Rosthern.

Mr. Speaker, in Government, they were tired, ailing and failing and in Opposition they are even more tired, they are even more ailing, they are failing in an even more spectacular way.

Some Hon. Members: Hear, hear!

Mr. Blakeney: — Mr. Speaker, they said that the budget provided for the hiring of too many public servants and they have been saying that again today. Based only on the Estimates, there have been increases and at the same time there has been a substantial decrease in the number of temporary employees. We have expressed our view on the particular technique of the previous Government in hiring large numbers of temporary employees who were hired without following regular public service procedures, without the safeguards against political patronage, without giving these employees any security of tenure, any pension rights. These are the friends of the working man. They hired people without giving them any of their rights which any good employer would give to its employees.

Some Hon. Members: Hear, hear!

Mr. Blakeney: — Let me give you a few examples about the number of temporary employees. In the period 1964 to 1971, the number in the Attorney General's Department doubled; in the Education Department, doubled; Executive Council, doubled; Industry and Commerce, more than doubled; Natural Resources, nearly tripled; Public Works, more than tripled; Welfare more than doubled . . .

Mr. Guy: — 1 to 2 . . .

Mr. Blakeney: — 1 to 2 he says, 1 to 4 he says. The number, in fact, is from 698 to 1,045 . . .

Some Hon. Members: Hear, hear!

Mr. Blakeney: — More than 450 new temporary employees. These, Mr. Speaker, are the people who lived in fear, these are the people who had no appeal, these are the people who were at the mercy of the political hacks of the previous Government.

Some Hon. Members: Hear, hear!

Mr. Blakeney: — Mr. Speaker, we make no apology for cutting down that practice. We make no apology for putting these people on the regular payroll, for rooting out this nepotism, this favouritism, this fear in the Civil Service.

Some Hon. Members: Hear, hear!

Mr. Blakeney: — We make no apology for rooting out this source of discrimination against hundreds of public servants. We believe that to be a public servant and employee of the people of Saskatchewan is an honored occupation. We believe that the civil servants deserve to be paid fair wages, given fair working conditions, fair fringe benefits. We intend to reduce sharply the number of people who do not have these conditions of employment. We believe the people of Saskatchewan are fair. We believe they will agree with us when we say that fair play should be available to all employees, public and private alike.

Some Hon. Members: Hear, hear!

Mr. Blakeney: — When I hear them talking about political appointments on the payroll, I find that pretty amusing. I find that pretty amusing because I ran in the city of Regina. I could tell you some of my opponents. You can take the 1967 list, if you like. The Member for Lakeview (Mr. McPherson) will be familiar with them. One was the current Member for Lakeview. He wasn't given a job, he was elected. One was the Member for Whitmore Park (Mr. Grant). He wasn't given a job, he was elected. Another in my area was a Mrs. Sear and a Mr. Cochrane. Mr. Cochrane is beyond retirement age; Mrs. Sear is an employee of the Government — I am sorry this is 1964, it works for any year in Regina - . . .

Some Hon. Members: Hear, hear!

Mr. Blakeney: — . . . In 1967 my opponent was Mr. McKerral and he landed up in the Attorney General's Department. In Regina North West it was Mr. Kleefeld and he landed up with the Liquor Board. In Regina North East it was Mr. Gerein and he was appointed a prosecutor. In Regina East — I can't remember — it was Mr. Dojack and he's with Social Welfare. That's the range, that's all of them.

Mr. Romanow: — What about Mr. Erb?

Mr. Blakeney: — Oh no, in 1964 it was Dojack and Erb, one went to the Compensation Board and one went to Welfare and in Regina North it was Atchison and it was the SGIO for Atchison. And in Regina West it was Mr. Cochrane, he is now retired, and Mrs. Sear is in Welfare or Alcohol Commission and the other two

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were elected.

Some Hon. Members: Hear, hear!

Mr. Blakeney: — I could go on and on to include: Franklin Foley, Department of Education, ex-Member for Turtleford; Mr. Trapp, SPC, ex-Member for Touchwood; Mr. Erb, the ex-Member for Milestone; there's Mr. Gardiner — he was not only appointed once, but twice.

Some Hon. Members: Hear, hear!

An Hon. Member: — But he ran more than once too!

Mr. Blakeney: — Mr. Speaker, time marches on. All I can say is that when it comes to political appointments we have a lot to learn, but we'll learn fast. All we need to do is look at the files and we see all the tricks laid before us.

Some Hon. Members: Hear, hear!

Mr. Blakeney: — Mr. Speaker, I think that judged from all of the facts, taken as a package, this Budget outlines the most extensive and the most progressive program in the history of Saskatchewan.

Some Hon. Members: Hear, hear!

Mr. Blakeney: — It is a forward looking program. It shows our determination to introduce our election program. It shows our confidence in the people of Saskatchewan and its resources. It has been said that a budget is a plan. This was said by the Member for Albert Park (Mr. MacLeod). Well, this is our plan. We think it is a good plan. We believe that the people of Saskatchewan agree with us and we invite Members on both sides of the House to support this Budget and the programs it contains.

Some Hon. Members: Hear, hear!

The amendment was negated on the following recorded division:

YEAS — 9
Messieurs

Coupland	Guy	MacDonald (Milestone)
Weatherald	MacLeod	McPherson
Lane	MacDonald (Moose Jaw)	Wiebe

NAYS — 37
Messieurs

Blakeney	Dyck	Meakes
Romanow	MacMurchy	Pepper
Byers	Thorson	Faris
Cody	Gross	Feduniak

Messer
Kramer
Kowalchuk
Carlson
Owens
Cowley
Comer
Hanson
Flasch

Snyder
Thibault
Baker
Engel
Robbins
Taylor
Rolfes
Feschuk

Bowerman
Larson
Brockelbank
Tchorzewski
Matsalla
Mostoway
Lange
Kaeding

Motion agreed to on Division.

Mr. Blakeney: — Mr. Speaker, I wonder, with the consent of all Members if we could record the vote as reversed.

The Assembly adjourned at 5:28 o'clock p.m.