

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
Third Session — Seventeenth Legislature
13th Day

Monday, February 12, 1973.

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

WELCOME TO STUDENTS

Hon. G.T. Snyder (Moose Jaw South): — Mr. Speaker, I want to take this opportunity to introduce to you and to the House 90 Grade Eight students from Empire School from the constituency of Moose Jaw South. They are seated in the west gallery and I had the opportunity to speak with them for a few brief moments before they entered the Chambers. I had the opportunity to meet a young chap who is representative of the Progressive Conservative Party at Empire School having been successful in one of their student elections and while we don't have the opportunity to offer a counterpart for him here I trust that he and all of his companions will have the opportunity to share a portion of the debate with us today.

I trust they will have a pleasant afternoon and an informative one and trust that they will also have a safe trip back home to Moose Jaw.

Some Hon. Members: — Hear, hear!

QUESTIONS

FIFTY GOVERNMENT EMPLOYEES GIVEN NOTICE

Mr. D.G. Steuart (Leader of the Opposition): — Before the Orders of the Day I should like to direct a question to the Premier. I wonder to begin with if he is aware that last Friday an official of the Department of Agriculture gave over 50 Provincial Government employees at Outlook verbal notice that they, all of them or most of them, will be out of work March 31. I am told these men have been in government service, some of them for 20 years, some of them for 10, some are permanent employees, some are temporary. Some of the temporary men have been employed for seven or ten years by the Government. I am told that they have had little or no consultation, that they have been told to seek employment elsewhere, that they will be given I suppose the normal consideration. But I think in a situation as serious as this, they should be given extra consideration. Forty families will be uprooted possibly, the towns are very upset, they say they haven't had any consultation. This will be an awful blow to Outlook, for example. I wonder would the Premier give the House assurance that he will put a stop on this, so they can look at the whole situation thoroughly on behalf of these people?

Mr. Speaker: — Order! I have asked the Members to make their questions clear but not to elaborate too much. We get too much in debate rather than questions.

Hon. A.E. Blakeney (Premier): — Mr. Speaker, I'll ask Mr. Messer to reply.

Hon. J.R. Messer (Minister of Agriculture): — Mr. Speaker, if I may. It is true that we did have a meeting with the employees who were involved with the South Saskatchewan River Irrigation Project at Outlook last Friday, as we did have a meeting here in Regina which would affect the employees who were involved in the project on the west side. It is not the intention of the Government to terminate those jobs at the end of this fiscal year. We have provided moneys to carry on so that we will be able to phase, hopefully, all of those jobs into other positions in the Government or other positions that may be open to them in other areas in the province. If the Legislature would wish me to, I could relate to the Legislature a statement in regard to the Government's decision and I think that it is of merit if we do do that, because the decision to discontinue the construction on the irrigation works and thereby defer the irrigation development on the west side was made after much deliberation and consultation. The decision was not an easy one for the Government to make. The Government is well aware that some may in fact criticize this decision. The decision was particularly difficult because of the need to project into the future from five to fifteen years or more. Several years of construction are required before water is available for irrigation. Even after initial irrigation starts, up to 20 years or more depending upon returns realized by the farmers is required before

Mr. Steuart: — It is reasonable we should keep our questions without too much debate so I'll restate the question, he hasn't answered yet whether he has given those men assurance they will have jobs. They don't think he has. Please answer the question.

Mr. Messer: — Mr. Speaker, he said . . .

Mr. Speaker: — I should like to comment. I think the questions are of such a nature that both the question and the answers become too lengthy for this period of time. I'll permit the Minister to finish this answer, but we can't continue with questions and answers of this length each day.

Mr. Messer: — Mr. Speaker, I'll attempt to answer the question and also make a statement to the House before the Orders of the Day as to why the Government made that decision. That's what I am in the process of doing now.

As I have already stated, Mr. Speaker, before the 1971 election some construction was under way on the west side of the river and further tenders had been let or advertised to bring the total commitment up to almost \$3 million. Because of disappointing results on the East side, the lack of prospects for major processing plants and the very high capital outlay required in relation to the amount of activity generated, this Government was forced to reconsider the whole question whether to proceed quickly, or slowly or in fact suspend the operation temporarily.

The program was seriously considered of constructing works

to service 17,000 acres over a five-year period. The system could be extended later without wasteful changes. The cost of the works was estimated at \$6.8 million, in addition to the \$3 million already spent. This amounts to approximately \$400 per irrigated acre. Assuming 400 acres per farm, the total cost of works averaged \$230,000 per farm, in addition, on farm irrigation development costs will average in the order of another \$40,000 per farm, over and above the value of the land, making the total development cost about \$270,000 per farm, of which the province would have to pay \$243,000 under present grant policies.

There are also other costs, annual operation and maintenance costs in the order of \$5 per acre which will have to be borne by the province for a number of years. The age of farmers in the area is such that most of the land will have to be purchased. Some subsidy, because of disruption or because of lack of willing buyers for the land is inevitable. Experience gained on the east side shows that irrigation farming is costly and difficult. Farmers are having difficulty finding crops that can be grown profitably. Payments in the form of grants have had to be paid to the irrigation farmers to offset losses incurred. All operation and maintenance grants have so far been absorbed by the province and it looks as if the cost may continue to be borne by the province for several years more. Investments have been made and additional investments will be required to bring specialized production with a margin of profitability to the area. The Government believes this has an immediate priority and a priority over expanding irrigation development on the west side. Although the east side has the disadvantage of pioneering in irrigation, it also has an advantage of being in first position to meet the limited markets for special crops, such as potatoes, carrots, onions and the like.

Funds for agriculture development purposes are limited and we feel that they should be made available to all farmers across the Province of Saskatchewan and we have enunciated programs in where we intend to do this.

As I have said, Mr. Speaker, the decision to discontinue west side construction was not an easy one. In the final analysis it was made on the basis that limited funds available could be used to greater advantage in other ways for the overall agricultural economy of this province.

Some Hon. Members: — Hear, hear!

Mr. Steuart: — Well, the Minister made a statement and I presume I shall be allowed to comment on his statement. I must complain that he did not answer the question. Again I will say that I hope that there is meaningful consultation with the employees, because I have talked to them and they don't think there has been. One official going to Outlook, verbally telling them that their time is limited and that they should start looking around is not consultation. In fact, the town of Outlook is having a meeting tonight, and they are very concerned about the loss or possible loss of 40 families.

In regard to the statement, I must express our keen disappointment in the negative attitude that the Government is taking toward that great project. I am surprised when the Minister says he finds that irrigation is costly. It was the old CCF

Government, and they boasted about this I think with some justification, that signed the original deal for the whole South Saskatchewan Project. They waved the possibilities of diversifying our agricultural industry and the great benefits that would flow from irrigation to this province and to the farmers in that area and to this province. They talked about setting up a sugar beet plant, they talked about setting up cannery operations, they talked about a whole variety of crops that could be developed in that area, really put a great new source of wealth at the disposal of Saskatchewan farmers, creating new employment. Where is all that great dream gone? What happened to the optimism? Well, it is now sour and it is bitter and it is negative. They are turning their backs on one of the greatest possibilities that this province has ever seen. The dream of the South Saskatchewan Dam should not be cut short. The great possibilities of the South Saskatchewan Dam should not be terminated because of a timid government willing to gamble some money in some very peculiar circumstances, willing to spend the taxpayers' money hiring hundred and hundreds of their friends on the payroll, but unwilling to risk a few million dollars to really do something to diversify agriculture and give us an industry based on agriculture like they have in the Province of Alberta and that was what we were talking about when this first came out.

Some Hon. Members: — Hear, hear!

Mr. Steuart: — Mr. Speaker, again I say, go over the head of the Minister of Agriculture, to the Premier, to please reconsider this, reconsider the treatment of these employees, reconsider the lack of consideration for the towns and take another and a positive optimistic look at the great possibilities of the South Saskatchewan Dam and don't turn your back on it.

Some Hon. Members: — Hear, hear!

Mr. Messer: — Mr. Speaker, he . . .

Mr. Speaker: — Order, order!

Mr. Messer: — Well, Mr. Speaker, he was asking where has the optimism gone. If I may just . . .

Mr. Speaker: — I don't think we can extend this. We've gone too long now for a question and answer period.

ADJOURNED DEBATES

BUDGET DEBATE

The Assembly resumed the adjourned debate on the proposed motion of the Hon. Mr. Cowley (Minister of Finance) that this Assembly do now resolve itself into a Committee of Finance.

Mr. K.R. MacLeod (Regina Albert Park): — Mr. Speaker, when I closed the debate and adjourned it on Friday, I was optimistic that I might have some nice things to find in the Budget. I do wish to congratulate the Minister for his fine presentation of the Budget and I thank him for

delivering copies of the Budget to me, just prior to coming into the House on Friday. I think that it is unfortunate that the custom of this House requires that the Budget should be kept a secret until delivery in the House, but that happens to be the history in this House and of course history in other Houses and Parliaments of the world. It makes it a little bit difficult though for the Opposition to get a good look at the Budget that operates with three quarters of a billion dollars this year, particularly because the Government facilities, including the Government Library are closed over the weekend.

The last Budget was referred to in the opening remarks of the Hon. Minister of Finance (Mr. Cowley) who said that the Budget which was presented in this House a year ago included a number of major steps to present their program. At that time I reminded the House that the Budget in fact had turned its back on development in Saskatchewan. In fact, they had cancelled the Pulp Mill, they had no program of any kind to harvest the huge resources of timber in the northern part of the country. I reminded them that they had stalled or stopped the Choiceland Iron Mine project and in fact had virtually no program of any kind to develop this province.

Some Hon. Members: — Hear, hear!

Mr. MacLeod: — They had in fact developed a huge spending kind of habit and a spending program without at any time having arranged for the moneys with which to pay it. I reminded the House last year that only by the fortuitous event, namely \$140 million from the Federal Treasury, was this Government able to carry on the program which it initiated last year.

Mr. Speaker, the Government in 1973 has produced for this current fiscal year a Las Vegas kind of Budget. The Government now proposes to spend three quarters of a billion dollars, \$723 million to be exact and they have fallen into a bucket of money from the Federal Treasury. They are going through that money in the most massive spending spree that has ever been witnessed in the history of Saskatchewan.

Some Hon. Members: — Hear, hear!

Mr. MacLeod: — The people who are enjoying that particular spree are the Government and the Members of the New Democratic Party.

Some Hon. Members: — Hear, hear!

Mr. MacLeod: — The New Democratic Party members are lined up all over Saskatchewan to get at the pork barrel of this Provincial Government.

Some Hon. Members: — Hear, hear!

Mr. MacLeod: — Party politicians are crowding around to get in on the spending spree, a Las Vegas trip doesn't come every day and they don't want to miss it because it could be over in 1975.

Some Hon. Members: — Hear, hear!

Mr. MacLeod: — Mr. Speaker, the Government has turned the assets of the Province of Saskatchewan to support the New Democratic political party, they have turned it to the support of a spending spree never before seen. I wish to demonstrate to this House how this occurred. There are simply five ways in which the Government has accomplished this purpose.

Firstly, there has been a tremendous increase in government employees, including people skilled and experienced in politics, whose prime duties on the public payroll are entirely political.

Secondly, there has been a tremendous transfer of government funds to the New Democratic Party through Service Printing.

Thirdly, this Government has created a network of political party workers involved in the work of government and paid for by the people of Saskatchewan on a part time and sometimes full time basis by the Government.

Fourthly, this Government has created committees of the Legislature, and has expended huge amounts of money to give publicity to Members of the Legislature and they have created as many full time politicians here as possible.

Fifthly, they have imposed or intend to impose limitations on the Opposition, particularly with respect to expenses over which they now presently have no control. Mr. Speaker, I propose to demonstrate precisely with a few examples how this has actually occurred.

The Premier's office, under W. Ross Thatcher involved seven people. Twenty-one new people were added last year. To eliminate the appearance of growth in the Premier's office, the Purchasing Agency with its 25 people was transferred to another department. I might add incidentally that this Purchasing Agency when it arrived in the new department had 31 members, T.C. Douglas' campaign manager and five additional people having been picked up along the way.

The Premier's office has continued to grow. The shuffling is almost beyond comprehension. To simplify the count, let me tell you that in the Premier's office for Administration, Information Services, Planning and Research there were a total of 18 people in 1971. By this time the present Budget is to bring this up to 52 people, a three-fold increase, an increase of 34 people, involved to a considerable extent in political activity for the party. Another seven people by the way have been transferred out to another department, the Department of Industry and Commerce to make way for some of the new people and to keep down the illusion that so many people are coming. This does not include a large number of people, Mr. Speaker, who are similarly engaged in every other department of government. Defeated and aspiring candidates have been hired. John Burton, NDP candidate for Regina East, defeated in the last Federal election was receiving \$18,000 in salary and \$8,000 as a Member of Parliament. He now receives \$20,000 a year plus expenses from the Provincial Government. Frank Buck, defeated candidate in Qu'Appelle-Moose Mountain — that's our famous map maker — was hired at a salary of \$13,764 per year. You will recall that Mr. Buck doesn't think there is enough rail line abandonment in Qu'Appelle-Moose Mountain, so on his own he draws in a few more rail lines to be abandoned so that he can have something to be properly upset about.

Mr. Ned Shillington, defeated candidate in Moosomin engaged at a salary of \$18,000 per year. Murray Koskie, defeated candidate in Regina 1967, a salary of \$19,000. Mr. Speaker, these are only a few examples. These experienced people employed full time at government expense give a big lift to the NDP political machine. They have continued their political activities without interruption. A large part of their time and effort is devoted to constituency organization and political work for the party. The hiring of political people is not new or unusual. Politicians are interested in the processes of government but when they go to work for government they should leave active politics behind.

Some Hon. Members: — Hear, hear!

Mr. MacLeod: — New Democratic candidates on the other hand normally enter the civil service for the purpose of continuing their political careers.

The Information Services Branch has been greatly expanded, and is used almost entirely now for the political purposes of the NDP. When the Agriculture Committee travelled around the province, it was accompanied by an information officer, whose sole purpose was to convey the Government's message to radio stations and newspapers throughout the province. The three lonely Liberal Members didn't even know who he was until near the end of the meetings. He was subject to and at the beck and call of the chairman, Mr. Kowalchuk from Melville. Every other Minister, every other department branch or committee has people performing a similar function. If the trend continues in the Department of Agriculture, in all probability the English majors and graduates of the School of Journalism will outnumber the farmer and the agriculture graduates.

The second method by which the Premier has turned the people's assets to the benefit of the party is the granting of Government printing contracts to Service Printers, owned entirely by the NDP. Profits generated by Service Printers from Government business will help reduce the expense of printing election material in the next election for the New Democratic Party. The answers we have received in this House tell us whether we like it or not, there is nothing we can do about it. The Government intends to fatten the printing branch of its party with Government business. The NDP wants the money and it intends to take the money. When the Las Vegas spending spree is on Service Printers and the NDP doesn't want to be left out.

The third method which I mentioned is the creation and appointment of dozens of committees, composed entirely of faithful party workers, in almost every branch of the Government. In the Land Bank alone, it is proposed that in addition to the Land Bank Commission the Department of Agriculture must appoint an advisory council of not less than seven members who are paid an honorarium from the people of Saskatchewan. The province is then divided into a number of areas, each area has a Land Bank Committee of five persons and they each receive an honorarium. There is an Appeal Board and they each receive an honorarium. It's no wonder that the Land Bank Commission expenses were budgeted last year at \$640,000 and this year at more than \$1 million. We have Las Vegas in the Land Bank. The thought of getting something done never occurs to the Government.

Mr. Byers, for example, instead of getting to work on the Qu'Appelle Basin study, promptly appointed a 12-man committee to advise him on the public reaction to the work of his Department.

Mr. McIsaac: — Another committee.

Mr. MacLeod: — Just another committee. You don't have to look past the first two appointments to discover that this committee is dominated by militant New Democrats.

An Hon. Member: — Who are they?

Mr. MacLeod: — Somebody said who are they? Well, the first name that comes to my mind is Mrs. Taylor who is famous for an article in the last Macleans Magazine, that she was admittedly a militant New Democrat.

I need hardly mention the changes which have been made in the various boards in SPC, SaskTel and the Crown corporations, nor the dozens of other committees appointed by Government. The prime purpose of these committees is to maintain a network of party people at Government expense.

Some Hon. Members: — Hear, hear!

Mr. MacLeod: — I predict that you will see these people come out of the starting gate like Native Dancer when the next election bell rings. These people don't want to lose out, the Las Vegas trip is over if the Government doesn't win.

Fourthly, Government efforts to publicize the Premier, Cabinet Ministers and New Democratic Party Members of the Legislature and the creation of a number of full-time politicians, consumes a tremendous effort by this Government.

Last year, the salaries and expenses of all MLAs were increased. In addition to allowable telephone expenses amounting to \$600 a year, and a daily sessional expense, the salaries and expenses of MLAs amounted, in addition to these other items, to \$12,500 per year. These, of course are paid to the Opposition as well, but remembering the proportion of 45 Government and 15 Opposition Members, the major benefit is clearly with the Government. In addition to the 15 Cabinet Ministers, there are five Cabinet Secretaries, all Government secretaries. Each of these NDP members get another \$3,000 per year, making for them \$15,500, not a bad amount by any means.

Added to this there are payments for committee meetings. To take an example, the Member for Arm River (Mr. Faris) would have received the Government indemnity, annual remuneration, committee fees, expenses, telephone credit card and other benefits totalling in the neighborhood of \$18,000 this past year from the Government of Saskatchewan and he isn't even in the Cabinet. Yet no more than half of the time of the Member for Arm River is involved in his work as a legislator. The rest of his time is given to the party — freed of any financial worries whatsoever. Thanks to the people of Saskatchewan.

Committees of the Legislature give added publicity to the

Government. Trips to Denver, California, Wyoming, Nebraska and so on are just pleasant diversions. These committees were never intended to supply answers. These are usually supplied or approved by the Premier's office. The Premier knows what he wants to do, he doesn't need the committees to tell him. Committees of the Legislature have been very successful in the purpose for which they were created, and that is because they were formed and they have performed for political purposes — to give publicity to the Government.

Let me take one example. I have before me the Welfare Committee Interim Report. It has received 11 information studies, 29 reports and 157 briefs. It has held seven meetings in northwestern Saskatchewan, seven meetings in northeastern Saskatchewan, 22 meetings in southern Saskatchewan and a meeting in Uranium City. It held a total of 37 hearings in Saskatchewan. It has presented a 16-page, nicely printed interim report which says exactly nothing.

On page ten, the committee commends the Government for the series of news releases directed to the public for information. It may be just coincidence that the committee arrived with its train of Government employees, NDP assistants and others in Uranium City, all at Government expense, just at the time of the Athabasca by-election. The Welfare Committee is on such a good political wicket that it desires to continue its travels around the province. The Government won't let that one quit before a couple of more dances at public expense. The Cabinet has met in a number of towns and villages in the constituency of Athabasca, again just before by-election time, excellent party publicity at high cost to the public.

Government advertising is extensive — usually with the name of the Cabinet Minister and frequently with his picture, particularly if that Cabinet Minister comes from North Battleford (Mr. Kramer). I can assure the House that the more you do of this, the more you can cut down on your campaign expenses during election time. A look at any newspaper in Saskatchewan, particularly at election time, demonstrates clearly what I have just said.

The Government has resolved to present a nice new package to us. It has evolved a new program of publicity for the MLAs. It proposes that each private Member have two one-minute T.V. clips, the Ministers, the Premier and the Leader of the Opposition (Mr. Steuart) five, five-minute clips, all at public expense. The result is that the Opposition has 33 of them and the Government has 133, a ratio of four to one. And while the New Democrats line up at the trough filled with the people's money you can be sure that they haven't overlooked every or any opportunity to spend the people's money. When the good people of Saskatchewan see an advertisement in the newspaper or on the radio, I am sure they will remember that it is their money that is being spent. The Government is trying to bamboozle our people with their own cash.

Fifthly . . .

Mr. Meakes: — Tell us about the Budget.

Mr. MacLeod: — This is the Budget, Hon. Member for Touchwood. This is the Budget transferred to the benefit of the New Democratic

Party.

Fifthly, having placed its party politicians on the Government payroll, having expanded its party apparatus at public expense, having commenced the committee system at public expense, having created a huge network of other committees such as the Land Bank Committee, having expanded the Information Services for the benefit of the Ministers and the Government, having paid for Government advertising with the pictures of Ministers going throughout the province, particularly during Federal and Provincial elections, having offered publicity to the MLAs at public expense, with only token allowances for the Opposition, there remains one step more to continue this wild spending spree. One step more to eliminate democracy in this province and that is to place limitations on the Opposition.

Two years ago the budget for the Opposition was \$21,600. This was raised to \$24,000, an increase of \$200 per month. The Budget this year provides for no increase at all to the Opposition. The Opposition will continue to receive the same as in the past, \$24,000. And so while the Premier's office increases by hundreds of thousands of dollars, the Opposition receives \$24,000 in a two-year period while the party faithful fatten at the public trough. The Opposition is given a token contribution or no increase at all. There is only one more thing we may expect and that is a Bill which will limit the election expense. That kind of a Bill would effectively stifle the Opposition and as I have pointed out it would have virtually no effect on the Government.

As a result, it is doubtful if any Government in Canada has so effectively converted the power of Government to the direct support of a political party. The threat to democracy alone demands that the people of Saskatchewan rise up against this Budget.

Some Hon. Members: — Hear, hear!

Mr. MacLeod: —Now this Las Vegas trip of this Government is made possible by huge Federal payments. I want to talk for a moment about some of these contributions. In this Budget these items from the Federal Government total \$295 million, 40 per cent of the Provincial Budget this year comes from Ottawa. It is no wonder that the Hon. Mr. Cowley is silent when he goes to Ottawa on these conferences. He just doesn't have the conscience to ask for more and that's saying something.

I shall not try to deal with too many statistics, but there are some figures which are extremely important and interesting, and I think the people should know about these statistics. This year, the Provincial Government will be spending on welfare a total of \$59 million; on medicare \$42 million; and \$105 on hospitalization. These significant figures total \$207 million. I can assure you, that the NDP speakers throughout the length and breadth of the land will take all the credit in the world for spending these monies. What is less known, is that while the Provincial Government spent \$59 million on welfare, the Federal Government contributed \$34 million of this. While the Provincial Government spends \$42 million on medicare the Federal Government will refund to it \$28 million. While the Provincial Government spends \$105 million on hospitalization, the Federal Government will give the province \$59 million for this purpose

Some Hon. Members: — Hear, hear!

Mr. MacLeod: — In every single case where the Provincial Government takes credit for its concern for people, more than 50 per cent of every dollar that is spent is paid for by the Federal Government, despite the fact that these are provincial responsibilities.

The Federal Government pays 57 per cent of welfare in Saskatchewan; the provincial Government pays 43 per cent. A difference of 14 per cent in favor of the Federal Government. In medicare, the Federal Government pays 67 per cent — that is two-thirds of the entire medicare budget in Saskatchewan is paid for by the Federal Government. The Provincial Government pays 33 per cent, exactly one-third. The Federal Government pays \$2 for every \$1 spent by the province, by the NDP Government, on medicare. Under hospitalization the Federal Government pays 56 per cent; the Provincial Government pays 44 per cent.

Federal medicare came into being on July 1, 1968. I was fearful that a Conservative victory in 1968 would result in the cancellation of the Federal Medicare Plan. Dalton Camp, then a leading Conservative candidate, said the Federal Medicare Plan was a dead duck. Other Federal Conservative candidates echoed these sentiments. But the Prime Minister stated that medicare would proceed. He considered it essential to the welfare of Canadians as a whole that the Federal Government help the provinces by making these medicare payments. Without the Federal aid our provincial medicare and our hospitalization plan would be seriously in jeopardy.

I want to say, Mr. Speaker, that taken as a whole for welfare, medicare and hospitalization, the three things which the NDP Members in this House take most credit for, in speech after speech, out of a total of \$207 million, the Federal Government pays \$122 million. The Federal Government pays 58 per cent of all these costs; and the Provincial Government pays 42 per cent. How many times in this House have we heard the NDP take full credit for medicare; how many times do we hear them take full credit for hospitalization; how many times do they take full credit for welfare; and how often have the Members in this House heard NDP Members give credit to the Federal Government for contributing 58 per cent.

Some Hon. Members: — Hear, hear!

Mr. MacLeod: — It is no wonder that politicians get a bad name, when the NDP have people running around the country taking 100 per cent credit for a 42 per cent effort. It is no wonder that the people believe less than half what the NDP politicians tell them.

Some Hon. Members: — Hear, hear!

Mr. MacLeod: — Only if the NDP is a movement and not a party, only if it is a form of religion to its adherents, can such a monstrous lie be accepted as gospel. Now I have looked through Hansard; I have listened to the debates of this House; I have listened to the speeches on the radio, and I have never heard anything but vilification and condemnation of the Federal Government by the

New Democratic Party, yet it is that very Federal Government, the Liberal Government at Ottawa, which has sustained medicare and hospitalization plans of this province. In not one of the three major categories does the Provincial Government pay even half. If the Provincial Government has a 42 per cent concern for people, then sure the Liberal Government should be given credit for a 58 per cent concern.

Some Hon. Members: — Hear, hear!

Mr. MacLeod: — When the Minister of Health (Mr. Smishek) says that the Government program demonstrates their party's concern for people, what he means is his party's 42 per cent concern for people. Any way you cut it, the Liberal Party's concern for the sick, the aged, the welfare recipients, those mentally and physically infirm, those worse off than ourselves, is 16 per cent greater than the New Democratic Party.

Now there are numerous other payments from the Federal Treasury. A post-secondary education payment amounting to \$12.5 million. A statutory subsidy of \$2 million. Under manpower agreements, more than \$5 million were paid by the Federal Government, and I might say that that is in addition to all other payments which are made into the province and not directly to the Government. Health Resources Fund is another \$1.65 million. ARDA payments to the Government of Saskatchewan \$2.8 million. Winter Capital projects come to \$3.6 million. Other projects \$7 million and so on. I was not even counting these payments when I was discussing the three large ones of welfare, medicare and hospital insurance amounts.

There is a fourth one and that is the equalization payments. I will discuss that in a few minutes but from a total payment out of this province this year \$723 million, the Federal Treasury puts in \$293 million — \$4 out of every \$10 spent by this province is given by the Federal Government.

I want to talk in a few minutes about the equalization payment but first, Mr. Speaker, I want to see what good, if any, the Government has done in this wild spending spree.

The Qu'Appelle Basin Study — now that study was created in August of 1970 by the Federal Government and the Governments of Saskatchewan and Manitoba. Both the Liberal Government in Saskatchewan and in Ottawa were extremely concerned with the growing pollution in the Qu'Appelle Basin system. This was part of an anti-pollution program which at that time was the best in North America. The Liberal Government passed The Litter Control Act, The Pollution by Livestock Control Act. They continued to improve the pollution control standards and anti-pollution requirements of the Prince Albert Pulp Mill. It had imposed even higher standards for the proposed Athabasca Pulp Mill and it had commenced studies on the extent of pollution in other areas of the province. The Liberal Government of that day was determined to find out the causes of pollution, the extent of pollution and obtain a no-nonsense report with recommended action. The Liberal Government was determined to take effective action.

The Qu'Appelle Basin Study group began its work immediately. It completed its efforts last fall. This Qu'Appelle Basin Study Report was transmitted to the Minister of Environment in

October of 1972. The Minister did not reveal this report until late January 1973. The report tells about the eutrophication or the death of the Qu'Appelle Basin system. This process involves the continued addition of nutrients and sediment to the Qu'Appelle system through sewage and run-off which nourishes vegetation and ultimately kills the lake. With the increase in nutrients and plant life the available oxygen in the water declines. The level of the lake decreases as the bottom fills with sediment. The lakes become shallow, reedy ponds, then marshes and ultimately meadows. This excellent report can be obtained for \$1 from the Queen's Printer in Regina or Winnipeg or from Information Canada. It identified the problem and identifies solutions.

There are two kinds of recommendations. There are the long term recommendations and there are those which require absolutely urgent attention. Seventy per cent of phosphorus entering the Qu'Appelle River enters from the cities of Regina and Moose Jaw. Every time the Minister of Finance flushes his toilet (I assume he can do that without the assistance of a committee) he adds nutrients to the Qu'Appelle Basin. Immediate action is required to control these effluents. Six million to \$8 million is urgently required for sewage treatment in Moose Jaw and in Regina. The total cost is in the neighborhood of \$15 million. Cities, villages and towns like Lumsden just cannot afford the cost. Immediate action is required by the Provincial Government.

Despite the fact this Government received the report in 1972, it took no action and the Budget provides little or no action on the urgent recommendations of the study. The total budget of the Department of the Environment is \$3 million. Grants to cities pursuant to The Water Pollution Control Act are a miserly \$200,000. The biggest increase for Environment is a million dollar study on the Churchill River. Practically nothing is offered to the cities of Moose Jaw, Regina or the town of Lumsden. Little hope is offered to those of us concerned with the future of the Qu'Appelle Basin.

The only action taken by the Minister of the Environment was the appointment of another committee. On January 23, 1973, the Leader-Post published an announcement by the Minister which begins as follows:

Neil Byers, Minister of the Environment announced on Tuesday the establishment of a 12-member environmental advisory council to review department policies and transmit public views back to the department.

Apparently the Minister is unable to review his own departmental policies. This is serious enough. What is worse is that he, a politician, needs a committee to transmit public views back to him. It is quite apparent that the Minister will take no action whatsoever until he hears what the public has to say. This is either a demonstration of the total incompetence of this Minister or is an excuse for delays in implementing the recommendations.

Some Hon. Members: — Hear, hear!

Mr. MacLeod: — Just an excuse for delay. The Government must realize that the threat to the Qu'Appelle Basin is serious and immediate. The Government must answer to the people of Regina and southern

Saskatchewan for its failure to take action. Failure to take action, however, does not mean, Mr. Speaker, that the Government doesn't wish to take full credit for everything. I refer to this as the "cowbird syndrome". The cowbird, as you know, uses nests prepared by other birds. It takes advantage of the other birds' efforts not only in the preparation of the nest but in the hatching of the eggs. The cowbird simply lays its egg in the nest of the other birds. It is, therefore, a freeloader on the efforts of the other birds. This is being refined to a high skill by the present Government.

The Hon. Minister of Labour, MLA for Moose Jaw South (Mr. Snyder).

An Hon. Member: — He's a cowbird all right.

Mr. MacLeod: — He is reported in the Times-Herald on February 5 as follows:

He told more than 70 persons attending the second in a series of six NDP sponsored Sunday forums, these recent developments reflect the continued determination on the part of the Government to place Saskatchewan in the vanguard of social and economic progress.

And he said as follows about environment:

In the area of environment, he said the establishment of the Qu'Appelle Basin Study Group was a step toward fulfillment of the Government's commitment to protect our natural environment.

I would remind the Minister that the Qu'Appelle Basin Study Report was created in August 1970 with a Liberal Government in Regina and a Liberal Government in Ottawa.

Some Hon. Members: — Hear, hear!

Mr. MacLeod: — Ninety five per cent of the cost is paid by the Saskatchewan and Federal Governments and five per cent by the Province of Manitoba. The report was well and promptly done. The recommendations are clear. The Government will stand judged by history for its failure to take action. The citizens of the southern part of Saskatchewan in particular will in the next election have ample opportunity to demonstrate to the Government their feelings about the conversion of this report into a political plaything.

Some Hon. Members: — Hear, hear!

Mr. MacLeod: — The money spent on party politics by this Government is more than enough to solve the Qu'Appelle Basin problems. But you can't spend it in Las Vegas and still have it in Qu'Appelle.

Some Hon. Members: — Hear, hear!

Mr. Cody: — Vote against the Budget.

Mr. MacLeod: — I certainly will vote against

the Budget, I can assure you, Mr. Member who removes liquor licences and permits and takes them somewhere else.

Now, Mr. Speaker, we are about to see the effects of last year's Budget very shortly. By April 30 we shall all be filing our 1972 Income Tax Returns. This year's Budget will result in a further three per cent tax increase and further deductions from people's pay envelopes. When a school teacher or a secretary looks at her pay cheque every month and sees the huge income tax deductions she must wonder whom she is working for. When a Regina housewife helps her husband fill out his tax return this year she will realize that her husband worked for the Government two or three months and sometimes four and five months every year.

Last year the Federal Government decided that something had to be done, particularly for people in the lower income tax bracket.

Some Hon. Members: — Hear, hear!

Mr. MacLeod: — The Federal Government increased the exemptions, allowed deductions for working people, allowed working mothers to deduct costs of baby-sitting, gave working people special expense allowances, allowed workmen to deduct the expense of their tools and their equipment. These are just some of the changes in the tax returns people will fill out in the spring. The Federal Government was determined to reduce taxes but the Provincial NDP Government refused to accept any reductions. They increased the provincial income tax rate a year ago from 34 per cent to 37 per cent. And now the NDP wants another three per cent which will raise the provincial taxes to 40 per cent in the current year.

An Hon. Member: — The highest in the country.

Mr. MacLeod: — The result is that the Government of Saskatchewan will make \$95 million out of the workers of Saskatchewan this year. Twenty-five million dollars more than last year. And the corporate increase — a moderate \$3 million increase to corporations.

Mr. Steuart: — Friends of the people.

Mr. MacLeod: — The Government opposite says that we are the friends of the people. Well they certainly should be because they've got all the people's money.

Some Hon. Members: — Hear, hear!

Mr. MacLeod: — Part of the increase in tax revenue, of course, comes from an upsurge in the economy resulting in higher wages. But at least \$7 million of the tax increase comes from that extra three per cent on the personal income tax. Working people of Saskatchewan will pay \$95 million out of their pockets to a Provincial Government which hires defeated NDP candidates at \$20,000 a year to carry on political activities.

The Federal Government began to tax capital gains a year

ago and it decided that since it was taxing the capital gains it did not need an estate or gift tax. But the Provincial NDP not only wanted and receives its fair share of the capital gains tax, it wants the succession duty and estate taxes too.

Last year the Government had a surplus of about \$10 million. I have no doubt that this will be gobbled up before the end of the current fiscal year. With a \$10 million surplus, with unprecedented payments from Ottawa, with an upsurge in the economy producing more revenues from almost every other source of taxation, we in this party cannot see the need for an increase in personal taxation at this time.

Some Hon. Members: — Hear, hear!

Mr. MacLeod: — The burden of this taxation is far heavier on working people than on corporations. David Lewis, the national NDP Leader is calling for reductions in personal income taxes. It is obvious that he didn't speak to the New Democratic Party in Saskatchewan. It is equally obvious that what the New Democratic Party says when it is out of office has no relation to what it does when it is in office.

Some Hon. Members: — Hear, hear!

Mr. MacLeod: — I would have less objection to the increased rates if it were being carefully saved up for a rainy day. I would have less objection if we were developing the province to help out in the future. I would have less objection if we were saving this extra money or using it for pensions or a drug plan or some other good purpose. But none of these things are occurring.

The three per cent extra income tax would be unnecessary if the pulp mill had been built. When you consider the extra education and health tax, the extra income tax from workers in the mill, the revenue from stumpage and permits, the extra corporate tax, the \$6 million wasted by this Government to kill the project, the reduction in welfare payments that would have resulted from employment in the mill, that extra three per cent tax that we pay from now on might well be called a pulp mill replacement tax.

Some Hon. Members: — Hear, hear!

Mr. MacLeod: — So when we pay that extra three per cent each year to the Provincial Government, when we fill out our tax return we should each remember that this is what it costs each of us personally each and every year from now on not to have a pulp mill.

Some Hon. Members: — Hear, hear!

Mr. MacLeod: — Mr. Speaker, on this spending spree the Government isn't really spending money, it is spilling it. When the Government says there has been a shift, they mean an increase. The load may have been shifted but it's heavier and it's on the backs of the same people.

Some Hon. Members: — Hear, hear!

Mr. MacLeod: — And that is the Budget that Mr. Cowley says he's proud of.

Let's deal with unemployment. The Minister of Finance reports that unemployment in 1972 was "A staggering 6.4 per cent." He said that Saskatchewan's rate of unemployment last year had reached a point where corrective measures were necessary and the Government took action. Well, Saskatchewan's unemployment has now risen to seven per cent.

An Hon. Member: — Oh, oh:

Mr. MacLeod: — Obviously whatever the Government was doing was the wrong thing. The Government action was inadequate or unsuccessful or it had the benefit of too many planners or too many committees.

Some Hon. Members: — Hear, hear!

Mr. MacLeod: — In any event, Mr. Speaker, while the rate of unemployment in the rest of Canada was stabilized or going down, Saskatchewan's rate of unemployment was going up. But despite this the Government has not promised to continue its winter works program. It has reduced the moneys available to STEP (now called PEP) from \$1.5 million to \$1 million, and even with the promised Government employment it falls short of the moneys expended last year. It is obvious that the Government's concern for the employment of our young people is not as great today as it was at election time.

Some Hon. Members: — Hear, hear!

Mr. MacLeod: — The Government's efforts on unemployment are a sorry solution to a serious situation.

Some Hon. Members: — Hear, hear!

Mr. MacLeod: — The Minister says that the long term solution to achieve economic stability is to get more business. Well, now, that's interesting. It's like someone turning a light on in the Government offices. The Minister says we must have diversification of the agricultural industry. Now isn't that what we've been saying for years? He says we must have the development and processing of our primary resources. Well, isn't that where a pulp mill might come in. Wouldn't it help to have a steel industry in Saskatchewan if we had an iron mine or two? And the Minister says we must have secondary industry. Wouldn't it be nice to have a few primary industries around on which to build secondary industry?

The Government Members are confused. They are under the impression that you solve unemployment by making a speech about it.

Some Hon. Members: — Hear, hear!

Mr. MacLeod: — This may be the way to win votes but it's not the way to get a person a job.

Now I am particularly concerned about older people. People who have many years of useful service to themselves and to contribute to others. Nothing destroys a man or woman more than the feeling the he or she is not wanted or is not needed and that's where business is so all-important.

Now the NDP would have us believe that business is solely for the businessmen. Nothing could be further from the truth. And if it were so, one wonders why the New Democratic Party so vigorously attempts to attract industry. Why would the Minister of Industry be so pleased to announce the extension of the Robin Hood plant in Saskatoon? The fact is that business is not just a plaything of the rich. It is part of the fabric of our lives. It is part of the process by which each one of us can be better off. Without industry there will be no unions. Without industry and without business there will be no satisfaction of earning a living. No satisfaction of the soul-satisfying feeling of performing a good job well done. And the fruits of business whether government or private, including co-operative business, are used by us all to help provide those things to those parts of society which need assistance.

In October last the British Columbia Government passed a Guaranteed Minimum Income Assistance Act. This provided for additional guaranteed monthly supplements for old age pensioners in British Columbia. The first cheques under that plan were paid to pensioners in British Columbia in December of 1972. The cost of the B.C. program is \$65 million. Somebody said it's because they've got a New Democratic Government. I say it is because they haven't had a New Democratic Government up to now.

Some Hon. Members: — Hear, hear!

Mr. MacLeod: — The cost of the B.C. program is \$65 million, but the Federal Government pays \$25 million of it. The Prime Minister has made it clear that the Federal Government is always willing to contribute to welfare, old age pensions and worthy projects within the provinces. B.C. was able to take advantage of the generosity of the Trudeau Government because it did not have the blessing of a CCF-NDP government for 22 of the past 29 years.

Some Hon. Members: — Hear, hear!

Mr. MacLeod: — It was able to take advantage of the Federal program because it has productive business. B.C. is proud of its pulp mills. It has encouraged the development of its mines. In Saskatchewan the Government paid nearly \$7 million to kill the pulp mill and it neglects the Choiceland iron mines.

Some Hon. Members: — Hear, hear!

Mr. MacLeod: — The cost to Saskatchewan of a guaranteed income supplement to the level of \$200 per month to our old age pensioners would be approximately \$22 million a year, with the Federal Liberal Government paying \$9 million. Now this Federal assistance is lost to Saskatchewan because this particular Government has failed to develop the province.

Some Hon. Members: — Hear, hear!

Mr. MacLeod: — But despite this, Saskatchewan could well have afforded the payment of this income supplement if the \$22 million required for the project had not been wasted on the political apparatus of the New Democratic Party.

Some Hon. Members: — Hear, hear!

Mr. MacLeod: — Saskatchewan has received generous equalization, welfare, medical and hospital payments from the Federal Government. There is absolutely no reason why this Government could not have taken advantage of the Federal Government plan for increased pensions. We could have a supplementary income payment to our old age pensioners to the level of \$200 per month.

The Premier says we can't afford it. Yet his Government spends \$30 million for farm land which he refuses to sell to young farmers.

Some Hon. Members: — Hear, hear!

Mr. MacLeod: — In this, Mr. Speaker, he fails not only our young people but our old people. The Liberal Government of Saskatchewan would be anxious to increase the old age pension supplement to a minimum of \$200. How long it would take to rectify the damage of four years of New Democratic Government is hard to imagine but repair of our province would be a top priority.

Some Hon. Members: — Hear, hear!

Mr. MacLeod: — The Provincial Government will receive in the first three years of government almost \$300 million in extra equalization payments, that is more than was given for the previous three years. Yet, they have increased taxes on the working man from 34 per cent to 40 per cent and yet have failed to provide for income supplements to our old age pensioners; superannuation benefits to our retired teachers and civil servants because they can't afford it. Mr. Speaker, only the grossest mismanagement of our resources and our finances could have put this province in this position where it spends \$300 million additional dollars with so little to show for it.

Some Hon. Members: — Hear, hear!

Mr. MacLeod: — One thing this Government doesn't want to do apparently is spill any money on our old age pensioners or our superannuates.

Some Hon. Members: — Hear, hear!

Mr. MacLeod: — Now I can assure you that this high living, this Las Vegas style of life is not my cup of tea and I suspect not the cup of tea of many of our young people who want jobs, or our old age pensioners who want security.

Some Hon. Members: — Hear, hear!

Mr. MacLeod: — Now we are pleased to see

the construction of the Heritage development in downtown Regina. That apartment building is a new, 12-storey apartment building for elderly people in Regina. It contains 127 suites and houses approximately 200 elderly people. This project was authorized in 1969 by a Liberal government in Ottawa. Who built it — the Hon. Cy MacDonald was the Minister when that was authorized by the Saskatchewan Government and a Liberal government was in power in Ottawa.

Some Hon. Members: — Hear, hear!

Mr. MacLeod: — The cost of the building is \$1.6 million, 75 per cent is paid for by the Federal Government, 20 per cent by the Provincial Government and five per cent by the City of Regina.

Some Hon. Members: — Hear, hear!

Mr. MacLeod: — This project was opened a week ago by Federal, Provincial and City officials. At that time, the Hon. Minister of Municipal Affairs (Mr. Wood) announced that, “We are going to build another one.” In fairness, the Minister of Municipal Affairs more properly should have said the Federal Government is going to build another one, assisted by the City and the province.

Unfortunately, we saw the cowbird principle at work again in senior Members of the Government. The Minister and the Premier were present at the opening of the Heritage Apartments. They were quite willing to tell everyone (quite wrongly) that the Provincial Government co-operates with Federal and City governments, but at no time did they point out that the project was authorized by the Hon. Cy MacDonald when he was Minister of Welfare . . .

Some Hon. Members: — Hear, hear!

Mr. MacLeod: — . . . they did not point out that the contribution of the two other governments was 80 per cent and that the amount supplied by the Provincial Government was \$1 in \$5. The construction itself was under the authority of the Regina Local Housing Authority and not the Provincial Government and most of the people involved are from Federal sources and the City.

We have no objection to the formula. We object to the manner in which the Premier and in part the Minister of Municipal Affairs is willing to claim a political benefit for someone else’s efforts. They are political freeloaders. We support the construction of accommodation downtown for our elderly people. I have on previous occasions expressed disappointment that our senior citizens have been forced to live on the edge of town. The serious problem of growing old is the isolation from society. This is accentuated by placing them in buildings at the edge of town. Our senior citizens are people. One of their most important needs is to be wanted and to be around younger and active people. They want to look in the stores, have tea in the restaurants, they want to walk in Victoria Park and generally enjoy being part of the movement and hustle of the community. This cannot be effectively done by putting them miles away from the centre of activity.

I, therefore, support the construction of additional units

near the centre of the city and I am pleased that the Federal Government will again pay 75 per cent of the costs of the next one.

Some Hon. Members: — Hear, hear!

Mr. MacLeod: — On the question of co-operation with the Federal Government, except for the minority situation in Ottawa at the present, I am afraid that the record of the NDP isn't a very good one, unless someone has actually completed a project or has completed a study. Then they co-operate around the clock.

The Government isn't co-operating with the Federal Land Transfer Program and I can assure you that the Federal Government could have used a little help on the Stabilization Bill, which would have put another \$160 million into the Western economy.

Some Hon. Members: — Hear, hear!

Mr. MacLeod: — By the time the NDP mathematicians got through, nobody could figure out what was happening and unfortunately, the NDP long-range accounting had more to do with defeating the Liberals than with helping the farmer.

Another area in which the Government has failed to carry out its moral obligations is with respect to our retired teachers. I spoke about this in 1971 and I gave particular emphasis to it in 1972. I pointed out that one teacher who had taught school for forty years had retired. He was then earning a pension of just slightly over \$200 a month. The Government increases to these retired teachers have been insignificant to the point of being an insult.

Some Hon. Members: — Hear, hear!

Mr. MacLeod: — In most industries today, unions have arranged with employers to establish superannuation funds on an equal basis. That is, 50 per cent of the moneys contributed are from the employee and 50 per cent from the employer. I am not suggesting that that is a necessary or the only formula. I am suggesting that since this Government assumed the employer's responsibility it has consistently failed to meet its true responsibilities with respect to our retired teachers, particularly those in the more elderly bracket. And this applies to the eleven years of Liberal government and the 22 years of CCF government since the plan was put into effect.

In the last annual report of the Teachers' Superannuation Committee, it is pointed out that the provincial funds paid to the Commission amount to \$1.3 million, during the same period, teachers themselves paid \$5 million.

The Budget makes no adequate provision to rectify this situation. In fact, the Government has belatedly announced to the House the other day, a Committee to study the superannuation plan. (Another committee). We regret that these committees have been used, either for political purposes or in other cases, as an excuse for delay. If it is the intention of the Government to improve pensions just before election time, we will have no hesitation to remind the retired teachers of the callous

use of these people as an election gimmick.

Some Hon. Members: — Hear, hear!

Mr. MacLeod: — Now, last year, Mr. Speaker, I expressed concern for people who still lived in small villages and hamlets in Saskatchewan. People had retired to a village only to find that all the other people began to move away. The storekeeper and garage owners discovered that new roads take their customers away to the larger towns; they close their businesses, often with their lifesavings tied up in unsaleable assets; often too old to make a new start in life. A new road has often been the economic 'kiss of death' to these small communities. I am very disappointed to see that no program to help these people is offered by the New Democrats. But I knew that in advance, Mr. Speaker. I knew that there would be no program planned for these people. When the NDP have no program or no plan, it places a resolution on the Order Paper condemning the Federal Government. The minute I saw the resolution on rail line abandonment, when that appeared, Mr. Speaker, I realized that the cupboard was going to be pretty bare in this province so far as these small towns and communities were concerned.

Mr. Speaker, an examination of the Budget shows that the New Deal for People is getting frayed around the edges. There are some good things. You can't spend \$700 million without helping somebody. But some governments do more by accident than this Government does by design.

Some Hon. Members: — Hear, hear!

Mr. MacLeod: — The Property Improvement Grant or Homeowner Grant program, which has been in effect, had the basic elements of fairness and equality, until now. The Property Improvement Grant presented by the NDP gives more to the rich than to the poor. The big farmer gets more than the small farmer; the big businessman gets more than the small businessman. Under the NDP Property Improvement Grants working men in towns and cities get proportionately less — they are worse off than before. The average citizen isn't doing nearly as well as the big farmer or big business. The Government tells us the Property Improvement Grants are to reduce our taxes. If that is the case why do cities now find it necessary, for the first time, to begin taxing community-owned property, such as the Red Cross properties, the Marian Centre here in Regina — and I suspect that perhaps some city people will be involved in this and very interested why that becomes necessary — the Cosmos Activity Centre for the Mentally Retarded here in Regina, the Saskatchewan Council for Crippled Children and Adults, Boy Scout buildings, Girl Guide buildings here and in Saskatoon and other non-profit organizations. The City of Regina, proposes to impose a tax on these properties for the first time. Saskatoon is doing the same, so are other municipalities in the province. For the past year, these cities have been discussing the possible requirement that they include church properties on the tax roll.

The New Democratic Party is doing nothing for the social and cultural welfare of our province if they shift the tax burden to these non-profit organizations. The biggest deficiency in the Property Improvement Grants is that it doesn't live up to the Government speeches in this House. The increase in

taxes in Saskatchewan will be more than the increase in the grants.

Some Hon. Members: — Hear, hear!

Mr. MacLeod: — Taxes on Saskatchewan property will increase more than the \$7 million increase in the Property Improvement Grant Program. The Government promises to reduce property taxes to 25 mills. That promise is not being kept.

An Hon. Member: — What about the school program.

Mr. MacLeod: — It didn't say school program in the programming. It's amazing how when you get to be the government you suddenly change the meanings.

I would have little to say about the Homeowner Grants except to support the plan if the Government wasn't trying to deceive the people into believing that taxes were being reduced, because that claim is absolutely false.

Some Hon. Members: — Hear, hear!

Mr. MacLeod: — The Property Improvement Grant system still has not been extended to renters. Each person in Saskatchewan, secretary, carpenter, clerk, pays increased taxes to the Provincial Government to provide these grants. These people rent property, yet they fail to get any direct advantage.

Our cities are finding it harder and harder to finance their programs. In Regina the City Police is offered a 10.6 per cent raise, which still does not bring them into parity with other police forces. Our police force in Regina has generally been one of the best and we must be vigilant to see that the high standard is maintained. The Provincial Government has an obligation to contribute sufficient funds to maintain that standard.

Some Hon. Members: — Hear, hear!

Mr. MacLeod: — This is particularly so in Regina and Saskatoon, which are the beneficiaries of other problems imported from other parts of the province. Taken as part of the overall municipal tax picture and taking these services provided by the municipalities, the increase in the Property Improvement Grant and the other grant programs, taken together, are totally inadequate, they have not even kept pace with normal increases.

Some Hon. Members: — Hear, hear!

Mr. MacLeod: — I suggest, Mr. Speaker, when the Government takes \$25 million more out of our pay envelopes, when it gives a measly extra \$7 million in Property Improvement Grants, not enough to pay the tax increases, Mr. Speaker, that's not a shift, that's a shaft.

Some Hon. Members: — Hear, hear!

Mr. MacLeod: — Mr. Speaker, this is the second year in a row that Agriculture, Highways and Industry and Commerce have been short-changed in the Budget.

Agriculture was to receive the main thrust of this Government's program. I'm sure that the thrust it got was not the thrust it wanted. The total Budget for Agriculture was increased. A little examination shows that the farmers got precious little of it — almost all the extra money is spent here in Regina in Agriculture Minister Messer's office, mostly for political work.

Some Hon. Members: — Hear, hear!

Mr. MacLeod: — More for the political pork barrel. The total Budget for Agriculture went up \$2 million but the actual amount spent for farmers (that is the Capital Budget) went down by about \$2 million. Last year \$10 million was allotted to the Land Bank. The expenses of the Commission were \$640,000. When you talk about a rental of five per cent you will discover that the \$500,000 produced in a year's rental from that would not meet even the ordinary expenses of \$640,000 without even considering the deficiency on the interest. The only beneficiaries of this program are the farmers who have sold their land for cash. Now we are very happy for them and we wish them well, but what we object to is the inefficiency and waste in the Department of Agriculture. The rental just does not cover the cost of the land in the year the land is purchased.

This year, the Land Bank promises to be no more efficient than the last — the operating budget is a full additional \$20 million. In two years the Government has budgeted a total of \$1.7 million in Land Bank expenses and has yet to receive a penny in rent. Moreover, the Government candidates promised a Land Bank with the right to buy the land on reasonable terms. I wonder if they have changed that promise, because the promise has not been kept. The long-term implications for farmers are serious. Land prices tend to rise. If they rise gradually, the rise is steady. When they rise sharply, such as occurred in the mid '60s the rise is usually followed by a leveling-off period, or even a slump. One thing is certain, land prices over the long haul will rise. There is not one farmer in Saskatchewan who bought land in the '40s and '50s (at prices he thought were pretty high then) who didn't see that land greatly increased in price ten years later. The same will occur in the future. Land is probably going to double again, perhaps in as few as ten years. The result is that rents, being tied to value, will continue to rise. The tenant will find that his rental cost is up but that he has gained none of the increased value of the land.

A farmer, wishing to help his son, will have discovered that his son's rent has doubled but the son is no better off financially. When the time comes for the son to retire, he will have nothing to sell; he will pack his bags; get what cash he can for the buildings he has put on the farm and he will leave. He will not be making a sale to the Government like his father did, and he'll be far worse off.

Some Hon. Members: — Hear, hear!

Mr. MacLeod: — When the son comes to

retirement he will find that he was little better than a government sharecropper.

The Highway budget is little more than a 'hold the line' budget. Last year there was no increase at all, this year the increase is about \$3 million. It is obvious that the Hon. Minister of Highways meant it when he announced that the Government was commencing a "Poor Roads Program." He declared that the Liberal Government had built highways to a standard higher than necessary and that the NDP intended to build only to see the standard required for the traffic. I defy the Minister to demonstrate effectively that Saskatchewan roads have in fact been overbuilt.

The fallacy of this (the fallacy of building at too low a standard) was seen in the road such as the Regina-Weyburn highway. This was built by the NDP Government, built to a lower standard than necessary, and in short order had to be rebuilt. This is totally false economy.

Despite the fact that the Minister of Finance (Mr. Cowley) regards industrial development as absolutely necessary, the Minister of Industry and Commerce (Mr. Thorson) appears not to have received the message.

The most significant things about the first year in office of this Government, and its first Budget, was the way it had turned its back on development. The Premier had become determined to live on Federal payments, including Federal-Provincial equalization payments.

Some Hon. Members: — Hear, hear!

Mr. MacLeod: — The Federal equalization formula determines what the tax potential is of all the provinces in Canada. If any province in Canada falls below the national average, the Federal Government pays the difference. This means that every province in Canada will get the national average in taxes, either from its own resources or the Federal Government. Unfortunately, this does not put any pressure on any government to carry on development. It is true, that without development, our population will continue to decline, our young people will go elsewhere, but the province itself will continue to maintain a standard for those who remain, equal to the national average. This accounts, in large measure, for the indifference of this Government when it comes to the development of business. And it's becoming a scandal. Some people aren't too pleased with NDP freeloaders and even this Government is becoming embarrassed.

The Minister of Finance says that one of the most frequent requests is for management advice and consultative services. What I suggest is that the businessman needs a little less talk and a little more action.

Some Hon. Members: — Hear, hear!

Mr. MacLeod: — What the businessman requires more than anything else is a loan to improve or move or renovate his premises.

In the last two years the city of Regina and the city of Saskatoon have spent almost as much money and have provided more

total effort to attract business to Saskatchewan than has the Provincial Government. The reports put out border on the ridiculous. I have before me the last annual report of the Department of Industry and Commerce. Under industrial development they proudly list some 29 projects. They range from large ones like Central Canadian Distilleries in Weyburn, opened in May 1971 down to items so small the Government has not listed the amount for fear of embarrassing the Government.

After examining the report I am led to comment on another invention of this Government and that is the art of fictional development. On page 14 of the report under Regina Paper Box and Printing Limited is the following comment:

This plan expanded its facilities this year. New equipment valued at \$130,000 was added and eight new employees were hired.

I want to inform the Minister that this plant never expanded. It purchased absolutely no equipment of any kind. Not \$30,000 not even \$30. I doubt that this plant employed eight people at one time in its history. In fact, the Minister might be interested to learn that the company was seized by its creditors in September of 1972 and all the equipment was sold for \$5,000.

Some Hon. Members: — Hear, hear!

Mr. MacLeod: — Now that's a new industry. And that is put forth with all solemnity and formality in the annual report signed by the Minister of Industry and Commerce. The Report also mentions Signal Industries Ltd. This plant owes its existence in Saskatchewan, not to the present Minister but to the Hon. Dave Boldt, the Minister of Highways who was anxious to have license plates used in Saskatchewan manufactured here. In fact, I was present when this plant opened just after the Government came to power in 1971. I was pleased to hear the Hon. Minister welcome them. I was not pleased to have him take credit for the encouragement which the Government gave that industry. Apparently the cowbird syndrome is contagious.

Under this Government Industry and Commerce continues to be a joke. I mentioned last year that the Department had one of the smallest budgets in government. The same is true this year. The amounts for industry and commerce under the Industry and Commerce Development Act are \$205,000. Mr. Speaker, that amounts virtually to an insult when you consider a Budget approaching three-quarters of a billion dollars.

Mr. Speaker, I want to talk briefly about some Budget changes before closing. There are two important changes. One is the alteration to a gross budget. I support that change, Mr. Speaker, because it more properly reflects the true spending of the province. For example in last year's welfare budget the amount shown was 7.6 per cent, the corrected figure was 10.25 per cent. Now what happens, Mr. Speaker, is that at last we have got a gross budgeting system which properly reflects the amount of money actually expended for services by the Government.

Another development pleases me far less. It was not approved by the Committee on Public Accounts, that is the proposal by the Minister that he adopt a system of financial statements over a long period. Here is his announcement. He said

that the finance department will begin to use a new concept of long term or cycle fiscal accounting which will allow us better to handle fluctuations in the economy and federal equalization payments. I underline federal equalization payments. There will be no attempt to set the length of the cycle in advance. They will be terminated and initiated according to economic conditions. These are very revealing. I want to suggest, Mr. Speaker, that cyclic budgeting is just nonsense. This Budget is a spendthrift Budget and the Government recognizes that it will be getting into trouble.

Briefly, Mr. Speaker, what has happened is this. In 1969, 1970 and 1971, that three-year period they received \$14 million, \$10 million and \$42 million from the Federal Treasury in equalization payments. Those three years received \$66 million in total in Federal equalization payments. But they were earning huge payments which were to be paid at a later date. In 1972, the first year of government of this New Democratic Government the amount is \$107 million. The last budget presented for the current year was \$119 million and the Budget we received last Friday shows for the 1974 year, \$136 million.

Mr. Speaker, the last three-year total under the Liberals was \$65 million. But they were earning huge credits for the subsequent period. So in 1972, 1973 and 1974 this Government can budget for \$362 million. Almost \$300 million more during this three-year period than the last three-year period. With this snow storm of money any prudent government would be running up surpluses of \$50 or \$100 million a year. But what will happen in 1975, 1976 and 1977? These buoyant years, Mr. Speaker, are not earning the huge equalization payments. With the result, Mr. Speaker, 1975, 1976 and 1977 may well show disastrous reductions in the equalization payment. This spendthrift Government, this Government which is on a spending spree, this Government has failed to put anything away for the rainy day. But it has made plans for the rainy day. What it has done it has gone to a long term open end fiscal budgeting. Listen again to what the Minister said. He said the Department will use a long term concept of cycle accounting.

An Hon. Member: — What . . .

Mr. MacLeod: — No, it says cycle, despite what the Member said. It says cycle in the paper and I will read exactly what it says:

The Finance Department will begin to use a new concept of long term cycle fiscal accounting which will allow it to better handle fluctuations in the provincial economy and Federal Equalization Grants.

Now, Mr. Speaker, what he really means is that he is worried that he will fall short in an election year. There will be no attempt, he says, to set the length of the cycle in advance. I will tell you when the cycle will terminate. It will terminate when it looks good for the Government. So the Minister is proposing that this House accept the principle of open end fiscal or long term accounting. He says that the fiscal period may be two years or four years or six years. He says he won't tell us in advance. His exact words as quoted in the paper, although the Government doesn't always rely on the paper, says there will be no attempt to set the length of the cycle in advance. They will be terminated and initiated according to

current economic conditions, which you can translate as whether or not economic conditions are good or bad for the Government.

I suggest, Mr. Speaker, the real purpose of the cyclical budgeting is to deceive the people. I intend to oppose and I desire to expose it as a fraud. When the Minister says that it will be terminated and initiated according to current economic conditions he is asking for an absolute open end period.

There are two major failures in the plan. Firstly, the plan is open ended to be closed at the whim of the Government and secondly because it does not provide adequate information or projections. As a result cyclical budgeting, Mr. Speaker, is nothing but a trick.

In closing, Mr. Speaker, I should like to say that this is the Budget of which, Mr. Cowley, is so proud. A Budget which increases taxes on people to the highest level in Canada; which gambles on resources, turns its back on development; transfers money to the New Democratic political party; fails to help our elderly; receives a handout of 40 per cent from the Federal Government; disguises the true financial condition of the province; fails to tackle pollution of the Qu'Appelle Basin; which relies heavily on profits such as the liquor industry; and still can show a profit, a margin of surplus of less than one in 700, a dangerous proportion, indeed.

Mr. Speaker, I have been honored to have the opportunity to study this. I have been honored by my colleagues and I wish to thank them for the assistance which they have given me. The support and the assistance of the Leader, Mr. Steuart, and all the Members of caucus. I have studied the Budget, Mr. Speaker, and I regret to say there is not anything in it except by accident which I can support. I have no doubt that when the vote comes I will not be supporting the motion.

Some Hon. Members: — Hear, hear!

Mr. D.F. MacDonald (Moose Jaw North): — Mr. Speaker, before getting into the debate, I wish to congratulate the Member from Albert Park who has just finished speaking. He has done an excellent job of analyzing the Budget, especially considering that this is the first year that the Government has used this method of gross budgeting. His remarks, both his critiques and his constructive suggestions should be well considered by every Member of this House.

I should also like to compliment the Minister of Finance for delivering his first Budget Address and I would extend the same compliments to his staff for the preparation of the Budget and to his wife for the preparation of his tie.

First of all, I should like to say a few words about the great hypocrisy of this Budget, and that is, of course, the huge tax increase in this Budget. The taxpayer in this province is being asked to pay over \$30 million in tax increases this year. The NDP Government is going to extract \$25 million more in the form of income tax alone. There is no justifiable excuse for this huge tax increase in a year when the economy is so buoyant and when the equalization payments are so huge from the Federal Government. We will likely be the only province in Canada with income taxes increased this year. It is incredible for the NDP to raise the income tax at this time. Last October

they scoured the province during the Federal election demanding that income taxes should be lowered. They claimed that this would be the answer to most of our problems, especially unemployment. And yet within a couple of months, Mr. Blakeney raises income tax. Even today the National Leader of the NDP, David Lewis, is demanding a reduction of income tax, and he threatens to bring down the Government of Canada unless he gets a tax reduction.

The credibility of the NDP both nationally and provincially has dropped to an all time low, as a result of this Budget.

Some Hon. Members: — Hear, hear!

Mr. MacDonald: — Mr. Blakeney claims that his Budget contains a tax shift. Well if this is a shift, it is a shift from high taxes to higher taxes. It is utter nonsense to claim that there is a tax shift. There is simply a tax increase. It is nonsense to claim that if you pay out \$7 million in Homeowner Grants and increase income tax \$25 million that this represents a tax shift. It is also nonsense to claim that the Homeowner Grant will have the effect of lowering the educational mill rate to 25 mills. It would take NDP arithmetic to add up figures to get that kind of results.

Some Hon. Members: — Hear, hear!

Mr. MacDonald: — I would defy the Premier to show even one person in Moose Jaw or Regina how their property tax has been lowered to 25 mills. The Premier can't show this because it simply is not true and it is hypocritical of him to say so. If the Premier wants to be honest, he should admit that this Budget does not represent anything but a huge increase in personal taxation and that it's an increase in a year when taxation should have been reduced. I would suggest that Premier Blakeney should consult with David Lewis because they are saying opposite things today.

Mr. Speaker, as the Member from Moose Jaw North, I represent a city constituency and some of my remarks today will reflect the view of what effect this Budget will have on our cities in Saskatchewan.

When a government presents its budget, it shows the priorities of that government. It is the duty of the treasurer to establish and then present these priorities for the various spending programs.

Well, quite frankly, I was extremely disappointed with the Budget priorities presented in this House last Friday. I sat for a half hour and listened to the Finance Minister read the Budget Speech which was little more than a political speech and I waited for the Estimates to be placed on my table — for it is in these Estimates that the true story is told. I immediately opened up the Estimate book to the section on Municipal Affairs and the true story was there. The story was 'a bad deal for our cities.'

Some Hon. Members: — Hear, hear!

Mr. MacDonald: — The priorities established in this Budget indicate that

municipal mill rates in Saskatchewan will soar again this year. You know, Mr. Speaker, that the mill rate went up nine mills in Moose Jaw last year from 118 to 127 and Moose Jaw was just a typical example of any municipality in Saskatchewan.

There is absolutely no doubt that as a result of the deficiency in this Budget, the mill rate will go up just as drastically or even higher, this year. The people of Moose Jaw are going to be forced to pay a crushing burden for property tax or else they are going to have to slash services. I might add that these services that will have to be cut are already inadequate for our modern society — and I think especially of our recreational programs for all our people but especially the senior citizens and the children. I think of our programs for environmental control and for establishing parks and recreational facilities. I think of urban roadways, police protection, fire protection and public transportation. These are the services that we will be forced to cut back or else our property taxes will become staggering.

I want to give full credit to the city council in Moose Jaw. They have had two meetings with the Cabinet. They have presented comprehensive briefs outlining urban problems.

Other municipal councils have done the same. Our city council in Moose Jaw came away from these meetings with assurances that some of their requests for assistance would be met. They were told that they could expect great things in the Budget. Well the Budget has arrived and it reads, “NDP Budget will Shaft the Cities.” The NDP talk a good game but when it comes time for action they prove it to be a dud. Mr. Blakeney’s credibility is a little suspect in this Budget. When he spoke on the Budget in 1966, I should like to quote:

Certainly some of the most expensive and most necessary road projects are in our cities. Bridges, railway underpasses, ring roads, all these are necessary if our cities are going to continue.

He went on commenting on the need of cities to get financial help from the province and I quote:

As a matter of fact I would commend to the Government their looking at the idea of grants for municipal public transit systems of the kind which have recently been announced in Winnipeg. The time has come for cities to get some of the tax revenues that comes from gasoline.

I ask Mr. Blakeney today where his concerns of 1966 have gone, or where his apparent concerns are that he showed when he talked to the City Council in Moose Jaw. I am afraid that the Premier is a two-faced politician and the public are not going to accept this double talk for very much longer.

Some Hon. Members: — Hear, hear!

Mr. MacDonald: — You know it is really too bad that Premier Barrett brought down his B.C. budget the same day that we had ours presented. It gives us a chance to compare them and unfortunately Saskatchewan compares very badly in at least four areas.

First, financial help to hard pressed municipal governments.

Two, plans for job creation to ease unemployment. Three, aid to senior citizens by way of guaranteeing \$200 per month for those over 65 and the handicapped. Four, expansion of existing health care programs.

Mr. Blakeney's Government has not taken any action on any of these four areas and they are all vital. I take no hesitation in calling on our Government to institute programs in these vital areas at once. We don't have to expect our province to have as large a budget as B.C. and I don't make any comparisons on that basis. It is the principles and priorities that can be compared.

The previous Liberal government in Saskatchewan recognized that grants of an unconditional nature must be made to municipalities and in 1970 the Liberal government made the first such grant. These were doubled in 1971. These were most welcome grants and enabled municipalities to lower mill rates by approximately two mills. This was certainly not enough but it was a step in the right direction.

Last year, Mr. Blakeney gave no increase, in fact, there was a decrease. This year the increase is so small that it is a joke. This is in an area where it is fair to compare Saskatchewan to British Columbia.

Saskatchewan municipalities will get grants amounting to a little over \$2 per capita, British Columbia has raised the grants to \$32 per capita. These grants are unconditional and they are a great help to hard-pressed municipal governments and to the property owner. By not giving these grants Mr. Blakeney is simply passing the buck in trying to make municipal governments take all the responsibility for increasing taxes.

Some Hon. Members: — Hear, hear!

Mr. MacDonald: — I urge Mr. Blakeney to assume the responsibility that is rightfully his and to immediately institute a program of unconditional grants so that municipalities can provide adequate services and so that property taxpayers can afford to own their homes, without overbearing taxation.

A second point that deserves comparison between British Columbia and Saskatchewan is the priority given to the unemployed people. British Columbia has announced an extra \$43 million for job creation programs. This is a priority that meets with my approval.

What does Mr. Blakeney have for us? He has nothing. He refuses to acknowledge his responsibility and the only reference to unemployment in the Budget Speech is a short line and I quote:

The major responsibility for the chronic problems of unemployment and inflation rests with the Federal Government since it has the fiscal and monetary capacity to alter this situation in a significant way.

This indication shows that Mr. Blakeney is not going to make any attempt to combat unemployment, he is content to simply blame Ottawa. This refusal to take measures to combat unemployment is a most callous and serious failure of this Government.

How can the Premier expect to keep our young people in this province if he will not take some measures to see that jobs are available?

The day before the Budget, we on this side of the House, wanted an emergency debate to discuss the unemployment rate which has reached an unacceptable seven per cent. We wanted to discuss measures that could be adopted that might be effective in Saskatchewan. Mr. Blakeney refused to allow that debate and I expected that the reason was that in 24 hours we should see the Budget and that it might give some solutions to the problem. However, the programs for job creation is even less than was budgeted for last year and those measures didn't even make a dent in the problem.

Just a couple of months ago the Premier suggested that the unemployment picture looked like it might get very bad and even reach the high of six per cent. Now we have seven per cent unemployment and the Premier does nothing. If six per cent was bad, then seven per cent is a catastrophe. We have 24,000 people unemployed today in Saskatchewan and I am sure they don't appreciate Mr. Blakeney trying to pass the buck.

Some Hon. Members: — Hear, hear!

Mr. MacDonald: — They look to his Government for a little leadership and a little sincerity in dealing with this problem.

I think that this seven per cent of our work force — this is 24,000 people — might wonder what is wrong with our Government when they read that the British Columbia Government is willing to spend an extra \$43 million on top of the normal programs in order to produce jobs and the Blakeney Government is not willing to spend a cent.

I wonder what our 24,000 unemployed will think when they see this Budget with no unemployment measures but yet there is \$20 million for the state to buy up land. It should also be obvious that if our Government would produce a few jobs the welfare budget wouldn't have to go up by \$22 million, to a record of \$88 million.

Some Hon. Members: — Hear, hear!

Mr. MacDonald: — This priority of no jobs, but lots of welfare does not sit well with me, nor I am convinced will it sit well with those people receiving welfare who would rather be working. Mr. Speaker, I am very tired of listening to Mr. Blakeney whine at Ottawa and blame them for everything and at the same time do nothing constructive.

Some Hon. Members: — Hear, hear!

Mr. MacDonald: — I get very short of patience with a person who is not willing to help himself. The Federal Government provides 40 per cent of all our money in this Budget and yet Mr. Blakeney will not accept any responsibility to act. He will not pass this federal money on to the people who really need it.

Mr. Speaker, it is not just the province of British Columbia

that has recognized these problems and is dealing with them. The reason I use British Columbia for comparison is that they just happened to bring in their Budget on the same day. Most of the provinces in our Dominion have recognized these two vital concerns of the hard-pressed municipalities and the unemployment. The other provinces are doing their share and are bringing forth remedial action.

I am not asking an unreasonable request nor am I asking Saskatchewan to lead the way in Canada. I am asking that the Government of Saskatchewan do its duty to the 24,000 unemployed and to the municipalities which are creatures of the province.

It would be appropriate to say a few words about the Qu'Appelle Basin study. The citizens of Moose Jaw and Regina and surrounding district have studied the report and, to a large degree, would support most of the recommendations. By and large the recommendations have my support. We recognize the obligations to take action on these recommendations and to clean up this great natural endowment in our province. The people in Moose Jaw also are aware of the need to restore the Moose Jaw River which flows into the Qu'Appelle River.

The Budget Speech is a little alarming in this respect. First of all, there are no adequate provisions in these estimates for proceeding with a clean up. It is recognized that expenditures will be well over \$15 million. The alarming thing in this Budget is that it says that the Government is going to evaluate recommendations of the study. This alarms me because the record of the Blakeney Government makes me think that this means another study will be conducted. Studies seem to be the only answer to the NDP. They form a committee for any trifling matter that seems to come along. More studies are not what we need. We need some leadership and we need some action. Nothing of value will be done until the Government gives this leadership. First, priorities of action must be set down by the Government and then the financial problems of restoring the valley and the rivers of the basin must be met.

Financial aid will be available from Ottawa. It is up to the Provincial Government to initiate plans that will encompass the financial obligation of all three levels of government. Only then will we seriously attack the pollution and the restoration of the Qu'Appelle Basin.

The mention in the Budget Speech about further study and the comments of the Minister of Labour (Mr. Snyder) last week leads me to think that the NDP are inclined to talk about the problem but take no decisive steps to eradicate the source of pollution.

Some Hon. Members: — Hear, hear!

Mr. MacDonald: — I should like to refer to the meeting that the Minister of Labour had one week ago. At that meeting he said that the establishment of the Qu'Appelle Basin Study Group was a step toward fulfilling the Government's commitment to protect our natural resources. Well I should like to tell this House that his implication that the NDP established this study is absolutely false and every Member of this House knows it.

Some Hon. Members: — Hear, hear!

Mr. MacDonald: — The Liberal Government established that study a year before the NDP were in power. The Minister was simply taking political advantage in front of the public who didn't know the facts. This is the same Minister of Labour (Mr. Snyder) who met with us at Moose Jaw in a tri-level government meeting about one and a half years ago.

When we asked him for any commitment as to action on the Moose Jaw River he got quite gruff and told us that we couldn't expect his Government to Cross the 't's and dot the 'i's at that meeting. Since that time we have watched for a year and a half and nothing has been done and no plans initiated. So today I urge the Blakeney Government to quit pretending and promising and to start providing the leadership that this great and urgent reclamation project requires.

Some Hon. Members: — Hear, hear!

Mr. MacDonald: — I can assure Mr. Blakeney that if he does his part you will find the co-operation from all of the people in this province.

Mr. Speaker, before taking my seat I have several things to say in the field of public health in relationship to this Budget and in relationship to statements already made.

I am very concerned with the apparent direction that this Government is leading the field of health into. Health care is a very costly essential service and every possible means must be taken to make sure that we get as much for our dollar as is possible. We must also attempt to deliver health care in a more efficient manner. There should be no argument with these statements. However, I am prepared to argue with the methods of the Minister of Public Health (Mr. Smishek). His answer to escalating costs is to put an arbitrary freeze on health spending.

He recognizes that the cost of delivering health care is rising at the rate of 11 or 12 per cent and yet he has put an arbitrary ceiling of seven per cent on increases for hospitals. Hospitals all over this province are encountering the largest deficits ever experienced. Now they are told that they will only be allowed seven per cent increases next year. Hospital boards will be caught in an impossible cost freeze.

Wages make up 70 per cent of operating costs in hospitals, so how do hospitals cut back on costs? Mr. Smishek says that staff will have to be reduced. This is a very simplistic approach by the Minister of Health. If the service costs too much then cut back on the amount and the quality of that service. Every hospital board member that I have talked to says that it might be all right somewhere else but that they need all the staff they have.

No, the answer to rising health cost is not simply to cut back on the quality of care. This may satisfy the Minister of Health (Mr. Smishek) but it won't satisfy this side of the House or the public.

Some Hon. Members: — Hear, hear!

Mr. MacDonald: — There are methods of cutting health costs and other methods will be found. But we cannot simply cut back in staff within our established method of health care delivery. The system of delivery will have to be modified otherwise quality of care will suffer. There is no doubt Mr. Minister that the quality of health care is going to diminish under your direction.

I am also convinced that the NDP Government doesn't care and likely never has cared about the quality of health care delivery. This fact has become very evident with two of your new plans, chiropractic care and denticare, and I will say something about these in a minute.

The concern of the NDP for health care is that such a service be available, no matter how good or how bad, just simply that it be available. It doesn't concern the Government that highly qualified specialists are leaving our province and have left our province. They just point to the figures and say that it is hogwash that doctors have left. We have 1,040 doctors in Saskatchewan and that's all that is important to them. They don't seem to be at all concerned about the qualifications of the doctors that have left. Quantity of doctors and not quality of doctors is the concern of the NDP.

I can tell this House that the medical profession is concerned about the escalating health care costs. They are prepared and they feel that they should have input into planning for health care. The profession feels it should be consulted on such matters as global budgeting and programs like the community health and social service centres. The NDP will not ask for input from the Saskatchewan Medical Association nor will they accept input from the Saskatchewan Medical Association.

This is a very serious and accurate charge that I make against the Blakeney Government. It is not in the public interest for the Government to experiment in the field of health care without full consultation with those knowledgeable and expert in the field. I repeat that I am concerned by the arbitrary ceiling on health care spending. When we examined the Budget we find an increase of only six per cent in spending in Public Health, in existing programs.

This six per cent figure takes into account the moving of expenditures to the Department of Social Services and Northern Health Services. A six per cent increase for existing programs will not allow for accustomed quality of care to Saskatchewan. It will force hospitals to give poorer health services.

The first look at the proposed denticare program gives me cause for concern. The proposed denticare plan gives too much leeway to dental auxiliaries to diagnose and to make judgments. The plan would allow for auxiliaries to make the first diagnosis and appears to allow for auxiliaries to be in a position to decide what is to be done and then, of course, to do it. This, again, is an example of quantity and not quality and it's an approach I cannot condone.

Speaking personally, I am in favor of a plan for dental care for children, but I absolutely insist that it be a program that is carried out by auxiliaries under the direct supervision of qualified dentists. This does not mean that dental auxiliaries would be under the supervision of a dentist within a

region where the dentist would drop in once a week or so as the NDP plan proposes. An adequate plan would involve access to a dentist by the auxiliaries for judgments and for treatments.

I do not want any plan at all unless the quality of dental care is of a high level and has the approval of the dental profession.

Some Hon. Members: — Hear, hear!

Mr. MacDonald: — The program in which chiropractors are included under Medicare is another concern. This plan is not acceptable to the profession. It was forced on them. The chiropractic profession wanted into the Medicare Plan. They felt that without their inclusion, their patients were suffering financially. The Minister of Health (Mr. Smishek) coerced them into agreement. He said you guys take it or you guys leave it . . .

Some Hon. Members: — Hear, hear!

Mr. MacDonald: — . . . and that he was in no hurry if they didn't like it and that he still had two years before another election and that he would be back.

So for various reasons, official recognition as a profession is one of those reasons, they accepted Mr. Smishek's ultimatum. The fact that one third of the profession will opt out of the plan is a recognition of how bad a plan it is. I can assure you that if I were a member of their profession, I would not be intimidated by the Minister of Health either, I would opt out. It is to their credit that they have the courage to opt out and stand up to the intimidation.

To operate under this plan, a chiropractor must work at least 25 per cent longer to have the same take home pay. In most cases this will not be possible and chiropractors will be forced to take a pay cut of 20 per cent or so. There is no logical reason why this plan should be so dictatorial.

The manner of payment to chiropractors is a familiar trait of the NDP. They love to see everyone as being equal. So under the plan the good chiropractor will be paid less than he deserves and the poor chiropractor more than he deserves. It is a plan where the less you do, the more payment for unit of service you get. The more you do, the less payment per service you get. This is a system that appeals to socialists but it is a system that ensures less quality. At the present time, chiropractors see their patients an average of 8.5 visits per year. Mr. Smishek claims that they are wrong and that the average patient visit per year will be about four.

Under the method of payment, Mr. Smishek may be right. You get \$6 for the first visit and then \$4 and finally after four visits you get \$3. There might be the temptation under this arrangement to do a lot more \$6 visits and less of the \$3 visits. It is just a bad system that forces the profession to cut back take home pay and that rewards the poorest and penalizes the best.

Mr. Speaker, there is much more to be said about the Budget but I will leave that to other Members of my caucus. In closing, I just want to say that this Government will get very little

support for this Budget from the majority of Saskatchewan people.

Some Hon. Members: — Hear, hear!

Mr. MacDonald: — Certainly not from the unemployed, from the senior citizens, from the city residents, from the sick, from the students or from the people filling out their income tax forms. I would recommend to Mr. Cowley to make a few changes to meet some of the problems that have been pointed out.

Some Hon. Members: — Hear, hear!

Mr. P.P. Mostoway (Hanley): — Mr. Speaker, for the past few days I have been wondering why all the garbage cans are on that side of the House. Well now I know and it is because there is an awful lot of garbage over there. I should like to inform the Hon. Member from Albert Park (Mr. MacLeod) if he was in such a dither to get into the library here, he could have done so. All that he has to do is ask for a key and he can use the library facilities at any time. I am quite sure that after consideration they will trust him with keys.

Mr. Speaker, I know that it is difficult to criticize something that has many excellent points. It is doubly difficult and frustrating if you live in an ivory tower, detached from people like the gentlemen opposite.

Mr. Speaker, with this in mind, Members on this side of the House realize that it is with this kind of difficulty and frustration that Opposition Members are trying to pick holes in this year's Budget. Now I say to them that it is a useless effort for them to try to do so. I invite them to go down in history as the first Opposition to admit an obvious truth, the truth of the soundness of this Budget, of its appeal and of its humanitarianism. I ask them to side with the many, who over the weekend, have publicly praised it.

Mr. Speaker, at this time I should like publicly to congratulate the Hon. Minister of Finance (Mr. Cowley) on a job well done. Off to a flying start I know that he is rapidly winning the respect of people of all political faiths.

Mr. Speaker, because of the rules of this House, because of the rules of decency, I am not able properly to comment on the false charges levelled at the Special Committee on Welfare. At no time did this committee ever make a decision of importance without it being unanimous. You didn't ask your people that one! Well, just hold it! At no time did we ever suggest that it was improper when the Liberal Member for Milestone (Mr. MacDonald) suggested that this committee visit northern points. We never argued about that. And at no time did Members ever think it was improper when the Hon. Liberal Member for Morse (Mr. Wiebe) seconded the Welfare Report. Gentlemen, I told you that I would be brief on this topic and I will at this time, but I think something can be learned from all of this and that is, never trust a Liberal MLA . . .

Some Hon. Members: — Hear, hear!

Mr. Mostoway: — . . . especially one under the influence of a Leader

willing to sacrifice the few principles left on decency for the sake of cheap political gain. Mr. Speaker, I should like to inform you, and maybe as chairman I will mention this to the Leader of the Opposition (Mr. Steuart), that the committee decided recently to ask the Hon. Minister of Social Services (Mr. Taylor) if they could accompany him to a conference to be held in Ottawa in the spring. Now quite some time ago, or roughly a few weeks ago, the Hon. Minister said that he would be able to take one, and one only. Now when one of the Liberal Members on that Welfare Committee suggested that two could go, I promptly asked the Minister. I certainly hope that the Minister will take two, a Liberal and a New Democrat, but being cost conscious, I know that he will want to save the province some money and for all I know he will probably end up taking one. I don't know though.

Mr. Engel: — Why take them if you can't trust them.

Mr. Mostoway: — Well, you know that was mentioned. I found out — you know I went into this game thinking that you could trust certain politicians, but fellows that has gone by the board. You fellows have just proven that what I am thinking is absolutely right. As I mentioned before, you can't trust a Liberal MLA because he will undermine you, he will undermine the people of the province, just for his own political gain.

An Hon. Member: — What about the one from Athabasca?

Mr. Mostoway: — Well, the one from Athabasca (Mr. Guy), that calls for a whole session as far as I am concerned.

Mr. Speaker, I am pleased to note that this Government will spend close to \$55 million this coming year in the field of Agriculture. The FarmStart program allocation of \$15 million indicates that this Government, sensitive to that terrible catastrophe of the LIFT program, the one that those opposite say was good, is willing to invest in diversification to ensure more uniform and higher returns for the farmers. The \$20 million for the Land Bank program really means \$20 million for the good of a large number of our older farmers, and I know, of course, that they would be against that too.

Now I should like to bring something to your attention in regard to the Land Bank, Mr. Speaker. It looks as if those master distortionists opposite are using scare tactics again this year to discredit this plan.

Now it seems that they are using the same Hitler-like tactics that they used to promote hate and division when Medicare was introduced. I see one of the KOD boys leaving just now. The same division as when an NDP Government announced a plan for rural electrification years ago. Mr. Speaker, I don't think that the Liberals are ever again going to fool the people of this province with their usual scare tactics. I know of many who tell me that they are fed up with these tactics, the very tactics that they themselves condemn.

Mr. Speaker, I ask the Hon. Members opposite to stop promoting fear and division in this province. As an alternative

to their past ways I ask them to ally themselves with our party to promote more harmony amongst our people. Now, gentlemen, to admit that you have been wrong, won't be taken as a sign of weakness, rather in this new role for you, you too, can have a hand in determining new and bold policies for the good of Saskatchewan people.

Mr. Speaker, Hon. Members opposite seem to be obsessed by payments made to Saskatchewan by the Federal Government under the equalization grants formula. Listening to them ranting and raving — one fellow ranted and raved for one hour — one would think that we should not accept these payments, that we should be ashamed to receive what we rightfully have coming. Now I ask them, would they refuse these payments? There is absolutely no doubt that we are more than justified in receiving these payments.

Now it has always been unanimously said that we in Saskatchewan pay too much for a host of things which are either Ottawa or Eastern Canada controlled. Now look at the discrimination in freight rates, the differential in livestock prices, or look at the rich industrial tax base enjoyed by Eastern Canadian provinces, aided by rich giveaways to rich corporations. No, Mr. Speaker, payments from Ottawa are not handouts as the Liberals suggest. They represent a small portion of what we should really be getting. If Opposition Members really have the best interests of this province at heart they should be demanding more along with this side of the House.

Some Hon. Members: — Hear, hear!

Mr. Mostoway: — They should not belittle this Government on this point unless they think that Ottawa should give less to Western Canada and more to those who don't need it in Eastern Canada — and there is a good possibility that this is the way that they think. Maybe they think more should be given to millionaires to promote horse racing, such as was the case a little while ago. Or maybe we need another aircraft carrier refitting.

An Hon. Member: — Another senator.

Mr. Mostoway: — I'll have more to say later on the senators. It is my opinion that the Government of Canada could really do a lot for old people, and that is simply to appoint all old people senators. And no muss, no fuss, and I am quite sure that some of them could really contribute to Canada.

Another point to be made here is that the large Federal payments, with a time lag involved, really gives us a reading on the economy as it was about two years ago. Now, Mr. Speaker, I believe there was a Liberal regime in at that time. Now surely we should get a hefty payment because of that fact alone. I like to think of it as a payment for the seven years of suffering that we endured, the seven years that saw the economy plummet, people leave by the thousands, a sell-out of our resources, area bargaining rammed down the trustees' throats, a hog incentive program for our forested areas and a regime which insulted people by failing to admit that they had a right to be consulted on major issues.

Mr. Speaker, I am particularly pleased to note the increase

of roughly \$10 million to school boards for operating grants. The mill rate for Saskatchewan taxpayers should not increase. In fact, with the drastic increase in our new and greatly expanded Property Improvement Grant it will mean a decrease in absolute terms to the vast majority of our citizens.

I should now like to get on another topic, but still related to education, and that is the absence for many years of some sort of financial incentive for school boards to keep on hiring highly qualified teachers. I will admit that most boards do, but it seems to me that some boards will be giving this serious study in the future. Why not put in an incentive program now or very soon, why not pay school boards more for hiring more qualified teachers? Why not help our school boards before a backlash starts to take effect?

Mr. Speaker, the other day I heard the Hon. Leader of the Opposition (Mr. Steuart) predict terrible things about teacher bargaining — up to his usual tactics. I suppose when you have a hand in something you are probably in a pretty good position to predict. However, I wish to make one thing clear and that is the position of most people in Hanley constituency, and that position is that people in general are sick and tired of all the bickering and haggling which has been going on in the past. People are fed up with charges and counter-charges which we had in the past. Now the Leader of the Opposition forewarns that great storms are brewing in this area, and when he does that, he seems to be smiling as far as I can make out.

I ask him to use all of his powers of persuasion to help see that this does not happen. Now let him use the same persuasion that he and his party used when it forced the trustees to accept area bargaining.

Mr. Speaker, Hon. Members opposite have really knocked this Government's proposal to establish a Crown corporation to explore for our petroleum and natural gas in this province. Naturally, they want no one to compete with their friends, the oil barons. Now, I don't blame them for that because oil barons are good for people, at least for some people, well, would you believe, at least for a few people. So this Government allots \$500,000 for this purpose and what do Opposition Members do? They belittle the amount as being peanuts.

Now I would have thought that these so-called peanuts were just what they wanted. After all \$500,000 isn't going to cause a corporate ripple. So there you have it, Mr. Speaker, gross inconsistency. On the one hand fear of competition and on the other hand ridicule because of a lack of it.

Mr. Speaker, we have heard much from Opposition Members about public assistance and how they think too much is being spent on it. Are they saying that an increase of \$8 million for our elderly in that department this year is too much? Are they saying that the extra \$7 million for the mentally and physically disabled is too much? Are they saying the extra \$2 million to be spent on social and family problems is too much? Well, Mr. Speaker, I think that is exactly what they are saying in the hope that they can get some cheap political gain, and why shouldn't they. After all it is much more expedient to use these people as the scapegoat than it is the true culprits — their Bay Street friends, the manipulators who worship at the profit altar and think they have some God-given

right to expound the principle of 'dog eat dog' free enterprise for the rich.

Some Hon. Members: — Hear, hear!

Mr. Mostoway: — No, Mr. Speaker, too many of us have friends who are physically and mentally disabled. We are not going to use them as pawns as Opposition Members are doing. It is their collective conscience that they will have to live with. I am sure that it is one that is going to produce nightmares for them over there. So it is with this in mind that I ask Opposition Members to re-evaluate their thinking on this subject. Leave your whips at home, boys! Don't hurt these innocent people as you have been doing. Accept a manly challenge to cease and desist from such a despicable practice.

Some Hon. Members: — Hear, hear!

Mr. Mostoway: — And while I am on the topic of social services may I say should make a concerted effort be responsible for all assistance that all Members of this House to have the Federal Government given employable people.

Why should a man who has worked steadily for 40 years have to apply for social assistance shortly after he has been laid off. Should this be his reward after 40 years of service to this country, after some big outfit has decided that more and higher profits can be made by massive layoffs in one area of the country? I never hear of them crying about that.

Mr. Speaker, the Hon. Member for Albert Park (Mr. MacLeod) made reference to the city councils of Saskatoon and Regina. Now I believe that he stated that these councils could not trust the MLAs from these two cities, that they now have a policy of not letting MLAs in on anything of importance. Now if this is true, I ask the Hon. Member, the one from Albert Park, how, where and when he got that information. Does he know something that the other MLAs don't know? Is he one of the chosen ones that Regina City Council has picked as being worthy of consultation?

Mr. Speaker, everyone knows that such talk is pure gibberish and he knows it. Or rather, he would like it that way. The truth of the matter — and here I speak as one representing a portion of Saskatoon — is that the Saskatoon MLAs and Saskatoon City Council are to be commended for their part in this situation.

Some Hon. Members: — Hear, hear!

Mr. Mostoway: — As for Regina City Council, if the Hon. Member from Albert Park thinks that Regina council is not functioning in the best interests of Regina citizens, he should tell council just that and in front of council members, not here. No, Mr. Speaker, this slap in the face that he is giving these two councils will not wash down well with council members and it shouldn't. Now I ask the Hon. Member to work for the good of his city and not against it.

Mr. Speaker, I am particularly pleased to see that under

Occupational Health and Safety Services in the Department of Labour a substantial increase in expenditure is anticipated. It is in this area that I believe much more could be spent in the future to ensure that the highest safety standards are maintained for our working people, and I am not about to praise all employers for what they have done in the past. Most of them, praise, yes, but there are a number of concerns which have had poor records and continue to do so in spite of records on paper to prove otherwise.

Now to be more specific I say to these concerns that the number of man-days not lost due to accidents doesn't mean a thing when men are unduly pressured into coming back to work in different job capacities.

While I am on the topic of industrial safety, I am under the impression the new safety committees are going over well with labor and management. However, it has been brought to my attention that at least one large concern is still living in the past. It refuses to acknowledge the right of workers to participate in a safety program in a meaningful sort of way. Such a situation must be reversed. I ask the Minister of Labour to use every means at his disposal to see that the wishes of this House are not thwarted.

I notice that there is to be a hefty increase for Culture and Youth. I think this is good. It shows this Government's confidence in our heritage and in our youth. However, there are two things that I should very much like the Minister of Culture and Youth (Mr. Tchorzewski) to consider. The first is a complete overhaul of the structure through which our parks and recreation boards now operate. Now I know that many, and I stress the word, many, are doing a fine job, but it seems to me that their grant structure could or should be overhauled so as to induce more use of the tremendous amount of human resources in our smaller centres, not now being utilized.

The second consideration I ask, is in regard to more government promotion of the various talents of our youth. Why can't consideration be given to an annual talent hunt with government participation financially and otherwise. When the best talent from our youth is found in this province, why couldn't it be put on television, on our prime time so that all of our citizens could enjoy this talent?

Mr. Speaker, in closing I should like to commend this Government for presenting to this House a balanced Budget when most other provinces are not able to do so. I believe British Columbia is, but that is understandable seeing they had a change in government recently. The logical conclusion from such a balancing when one considers that we are not a rich province is that capable people have scanned every detail to ensure that Saskatchewan people are getting their money's worth. With this in mind I am more than happy to say that I will support the motion.

Some Hon. Members: — Hear, hear!

Mr. L. Larson (Pelly): — Mr. Speaker, again this afternoon we have been blessed with the usual kind of speeches from the other side. I have been trying this Session to find some suitable label for the kind of performance that we have seen. I couldn't think of

anything much more appropriate than to call it the Liberals' lament. They lament the fact on the one hand that we are spending too much, on the other hand they lament that we are spending too little. They lament on the one hand one group is getting too much and another not enough. It seems to me that this truly describes the actions of the Liberal Party.

If I were to comment on the real content of the Budget, I would have to say that it is a challenging Budget, challenging for the people of Saskatchewan.

Some Hon. Members: — Hear, hear!

Mr. Larson: — And very challenging for this Government. It certainly fulfils the direction that this Government set itself on when we were elected. That we had a young new Minister of Finance presenting his first budget of this type certainly is very commendable. He did the kind of job that would make any Minister of Finance proud. I couldn't help but feel, Mr. Speaker, as he was outlining the contents of the Budget to the House that he knew where he was going and where Saskatchewan was going. He spoke with confidence, he spoke with conviction and above all he spoke with facts behind him.

I was amused this afternoon before the Orders of the Day — I am sorry the Leader of the Opposition (Mr. Steuart) is not in his seat — when he referred to the South Saskatchewan River Dam Development, Mr. Speaker. Somehow or other I recall in years gone by when the Liberal Government won several elections on the South Saskatchewan River Development issue. I recall very distinctly in the late 1950s being in Ottawa, being in the late Hon. Mr. Gardiner's office, then Minister of Agriculture, talking about farming, talking about livestock and inevitably, of course, we talked about the Dam. I was quite anxious to get his comments on when we would proceed with it. We talked about it for a while and he said, "You know one of the real problems, one of the real drawbacks and one of the real hindrances is the CCF Government in Saskatchewan." He said, "I've got files of information showing that they will not co-operate with us." He said that if you really want the dam you are going to have to change that government. Well, Mr. Speaker, if my memory is correct, we changed the government, but it was not in Saskatchewan, it was in Ottawa and it seems to me that somewhere along the line we got the dam. We got it in spite of the Liberal Party, we got it in spite of a lot of bickering and dickering and election campaigning and promising and so on. Now the Leader of the Opposition all at once is crying crocodile tears over the fact that development isn't going as fast as he would like to see it. You know, I am wondering when he is going to stop playing hop scotch, he hops from one square to the next, back again, forward and back again. The Liberal Party and their policies and the new image that he is obviously trying to project reminds me of a mad man on a pogo stick, you really don't know where he is going. His little show this afternoon was really rather hypocritical I thought.

I was also amazed at the financial critic of the Liberal Party when he had the nerve to stand up and talk about the Stabilization Bill. I happened to see the Hon. Eugene Whelan on Country Calendar yesterday afternoon talking about agriculture, talking about some of the programs that he thought we needed, Mr. Speaker, talking about some of the directions we

ought to go with the problems and what have you. He was finally asked to comment on the Stabilization Bill. His comments were very interesting. He said the Stabilization Bill was a very bad piece of legislation at the outset. He said unless we can improve the Stabilization Bill and put into it some of the things that will really be of some benefit to agriculture, we had better leave it alone. That was Eugene Whelan, the new Minister of Agriculture, Federal Government, Liberal at that! I think he must be one of the small 'I' Liberals. It becomes rather amusing when the financial critic has the nerve to stand up in this House and talk about a Bill that would have done nothing more than stabilize poverty in Saskatchewan and blame the NDP for not bringing it in.

I said in my opening remarks that I wanted to say something about the general direction of the Budget. I am not going to go into a mass of figures, a mass of quotes, I am rather going to talk about the direction. The figures will be quoted very adequately by the Ministers as they outline the effects of the Budget on and in their departments. I think the direction of the Budget as I have suggested is very challenging to Saskatchewan. I think that it is challenging because it definitely spells a positive direction, a direction in agriculture, a direction in health, a direction in education. That Saskatchewan at this stage in our history should move in this direction in this positive fashion is in my opinion very noteworthy and worthwhile. I think no one can deny and no one can question some of the real challenges and problems that face, not only Saskatchewan, but Canada and people of the world as a whole. I think that when you look at the role that Saskatchewan has to play, a primary purpose and a primary aim must be to chart the direction that we must go to fit into the global society that is evolving and developing around us.

I said something in the Throne Speech with regard to the challenge of agriculture in the global field. I think it is more important than ever that we put down some very important guide posts so that we know where we are going. This Budget to a very large extent proceeds to do this. That a young Minister of Agriculture, rather aggressive, has chosen very ambitiously to embark in this direction is very noteworthy and very worthwhile. The direction of agriculture in Saskatchewan and in the West is going to fail or succeed on the basis of some of the things that we do or don't do at this particular stage of history. I don't think that anyone can deny that the role of food and the role of agricultural production not only as food, but as utilization of land and resources is going to be the backbone of every nation in the world in time to come.

The field of health. In spite of the cries from some of the Members across the way, I want to say and to remind them that if it wasn't for the pioneering of a CCF Government without support from Ottawa and without the money that was turned over and that the Members across the way are so envious of, we would not have had any health programs. Let us keep things in proper perspective. Because of the direction that we chose at that time, health care has now become a national asset and the Federal Government and the country as a whole sees fit to contribute to it. This ought never to be forgotten.

Some Hon. Members: — Hear, hear!

Mr. Larson: — Let no one, of whatever political stripe ever

stand up and belittle the principle of health care in Canada emanating from Saskatchewan. To do this, Mr. Speaker, is to belittle the direction of the people, belittle the courage of people and to belittle the very principle that underlies the whole program.

When I look at education, it rather worries me, the amount of money that we are spending. Yet we can't afford not to spend this kind of money. It is very regrettable, it is very sad that we are educating, Mr. Speaker, a lot of young people to a very high degree, young people with talent, with skills, with a lot of brains who are going out into the rest of world and Saskatchewan is losing their contribution. Nevertheless, we cannot afford to do less, we cannot afford not to give them the opportunity. The challenge of Saskatchewan and of this Government and of this Legislature is to provide in our own province opportunities for them. To this end, the Budget is making a start and pointing a very positive direction.

When I look at the feeble and probably meagre little start that is being made with regard to resource development and resource conservation, I feel rather proud. What we are doing in the resource field in a very small and insignificant way may in some respects be parallel to the thought that some of us had many years back with regard to land utilization. Let us never forget that resources are an expendable commodity. They were given to us, they were here, they have always been here. Once they are exploited and destroyed, they are lost forever. I can't, Mr. Speaker, subscribe to the theory that they must be exploited and raped for profits only. I can't subscribe to the theory that we must develop them and get rid of them regardless of consequences in the future. I am of the firm belief that man was put on this earth as a guardian of resources, as a guardian of food, a guardian of the things that were put here by the Creator, and not act as a destroyer. This start we are making in this resource field even though it is a small one heralds a new direction, heralds a new concept that takes into account the basic principle that the earth must conserve its resources because they are non-renewable and therefore must be preserved for not only our generation, but for generations to come.

There are many other aspects of the Budget that could be gone into in detail, many of them are housekeeping, many of them are necessary to improve the operation of Government. I get dismayed, Mr. Speaker, when I listen to the criticism, the nitpicking, the picayune statements that are being made across the way with regard to employment in government. Whether we like it or not, the role of government in the whole world is becoming more and more important. There was a time when you could justifiably say that the role of government was not as significant as it is today. That time is long gone by and anyone who criticizes the Government for trying to staff itself with competent people to do a job that must be done, is not abreast of what is going on in the world, and not abreast of what will be the pattern of development in the future. Let no one ever kid themselves that this is not essential and not necessary. To try to belittle efforts of anyone that moves in this direction is just admitting and confessing to utter ignorance and utter lack of recognition of where the world is going today.

We heard a great outcry over taxes. I am not one of those

Mr. Speaker, that get particularly up-tight or excited about income tax and paying taxes when I have the money. I have always found that when I get into the tax bracket I have money to live a little better and for my family to live a little better. I am quite prepared, in fact I'm quite in agreement, with taxing where the money is available. If I have any criticism of the Budget I would say that probably we ought to have hit a little harder where the real money is, Mr. Minister, rather than use other sources. Corporations with their tax rip-off and with their absolute freedom from responsibility in development have no sympathy from me insofar as tax impositions are concerned and I would have been happy with seeing corporation taxes probably increased to their proper share.

I can't go along with the concept of property taxes being the base of providing and raising money for services in public works or in government. Taxes on property bear no real relationship to the ability to pay. It is a convenient way to tax that has been established over years, it's archaic in its approach, it doesn't meet the needs of the day and when the Minister of Finance (Mr. Cowley) moves in the direction of the Property Improvement Grant I say more power to him and that he is on the right track.

Some Hon. Members: — Hear, hear!

Mr. Larson: — We have heard considerable, Mr. Speaker, in this Session about socialism, its sins, its ills and its vandalism (if you like). When we hear the Liberal Party talk about socialism it is supposed to create a rather blinding emotional urge within each human being, as it seems to do in them. I want to say, Mr. Speaker, that this doesn't frighten me. You know, capitalism has been on the earth for quite some time.

An Hon. Member: — Too long.

Mr. Larson: — It thought that it was rather generous when it adopted the slogan that 'you live and let live.' This was supposed to be an all-embracing cliché that really described the humanitarian aspect of capitalism. However, it hasn't worked that way. It hasn't worked that way at all. Socialism on the other hand, certainly is not perfect. Certainly it is not the Utopia that many people dream about. I am firmly committed and dedicated to the principle of democratic socialism and its approach.

Some Hon. Members: — Hear, hear!

Mr. Larson: — I say this, Mr. Speaker, not because I personally feel that I am going to gain anything out of it. I am a socialist, not because of what I can get out of the system but because of what I can give to it.

The principle that must be adopted by the world today must be 'live and help live.' Socialism dedicates itself to this principle. Nowhere along the line can we continue to rape resources, to exploit human beings and continually to use the individual as the end all and be all. If we fail to adopt the principle of living and helping live our society is going to be

in a great amount of difficulty. That we are moving in this direction, in the Budget, is quite obvious.

When I look at my own country, when I look at the Federal scene, I become rather excited and rather frightened. When you see, after a Federal election, the country divided into segments as we have today, I become rather perturbed, when men of good faith (and I'm speaking now of all politicians) strive to form a government and to do things that are necessary for the country, and you have those who would play petty politics with this kind of an approach. That our country is in danger can be easily seen by anyone who wants to look at the facts. As a nation we embrace an area from sea to sea, a very real and worthwhile concept, based on a great variegated geographical area. If we fail, if this present Government fails to recognize the principles involved in this concept, and if our politicians try to set up small issues instead of overlooking these and don't become cognizant of the broad facts of life in our country, then we may not enjoy or continue to enjoy our country as we have it and see it today.

Separatism is a real issue and it's a dangerous one. I, for one, have every compassion for the people on either side. I think that if we adopt the principle of living and helping live that we will go a long way towards solving the real problems. Rather than make a political issue out of it, let's make it a human issue and see that we can, and I know that we can solve it.

When you look across the line at the great United States, the most highly developed, the most technically developed nation on earth, and you see some of the things that happen, powerful beyond all calculations. Yet, Mr. Speaker, their armies have gone out into the world, they have fought wars that have been bitter wars, they have been (in the opinion of those in power) to protect an image or to protect something. They have not been beaten on the field of battle. They have not been overwhelmed by a super power, yet, their armies are coming home, largely defeated. Not by war, not by might, but defeated by a moral decay that is taking place right within their own country. It can be paralleled with the days of Rome, with the days of the Roman Empire, when their armies went out and conquered and yet came home to a demoralized and to a very, very broken up country that couldn't survive.

It is my hope, it is my hope that we will have the sense, have the judgment, and I appeal to the American people to let this kind of judgment prevail so that we don't have a total destruction of this magnificent power and magnificent country.

When you look at the amount of money that is spent in American elections, it is estimated by Time Magazine that a total of some \$50 million was spent to re-elect Nixon. When you look at the money that was spent and the scandal, scandal of the Water Gate Trials as they are now becoming to be known, where one political party distrusts the other to where you have to 'bug' their committee rooms, then, Mr. Speaker, our country and our society is in real danger. When you see and when you find that we have some of very grave realities of drugs, permissive society, disregard to law and order, alcoholism, pornography, emphasis and exploitation of sex, the effects of the news media on every mind in the country, exploiting this kind of thing, then it makes one very frightened if you have

Christian principles and Christian morals.

I want to say, Mr. Speaker, that a lot more could be said on this theme. That our country is escaping these evils and these problems is, of course, not the case. When you look at what is going on inside of our own Saskatchewan and Canada, we find that we are not very much better. A recent survey conducted by the Federal Government, indicates that we have approximately 100,000 people that are either drug addicts or experimenting with drugs. This is the prelude and the forerunner of the breakdown of the society that many of us have fought wars for and nations have gone to war to preserve. So I say, we are in difficulty and that we want to be very, very careful.

In concluding, Mr. Speaker, I think that the real challenge in this Budget is to get behind it, to support it and to rise above the partisanship and the partisan bickering of petty politics. This is our country, our province, so let's all of us get behind what is trying to be done to make it successful and make it work.

Some Hon. Members: — Hear, hear!

Mr. Larson: — Again, Mr. Speaker, I want to congratulate the Minister. I shall be looking forward to the day when he will introduce the first one billion dollar budget that Saskatchewan has . . .

Some Hon. Members: — Hear, hear!

Mr. Larson: — . . . with his enthusiasm and with the prospects of the future, I hope that we shall see this, then I shall congratulate him again. obviously, Mr. Speaker,, I shall be supporting the Budget.

Some Hon. Members: — Hear, hear!

Mr. B.M. Dyck (Saskatoon City Park): — I want to say how pleased I am to join my colleagues in supporting this Budget, Mr. Speaker. It is a Budget that has something in it for everyone in this province. It is a progressive Budget, it is a Budget that reaffirms the faith of this Government in the people of Saskatchewan. This document is a document that has frightened the party opposite. They are afraid, and this fear is exemplified by the comments of the Member from Albert Park (Mr. MacLeod).

He talked at length, earlier today, but he rarely mentioned the Budget. He didn't talk, for example, about the FarmStart program; he didn't talk about the Property Improvement Grant program; he didn't talk about the 10.2 million additional dollars for school boards across this province; he didn't talk about the programs for senior citizens; he didn't talk about Operation Open Roads and Operation Main Street; he didn't talk about the programs for industrial development of this province.

You know, Mr. Speaker, this Budget speaks for itself and no one understands it better than the people of Saskatchewan.

I should like, for a moment, to turn to some other area.

During the last seven years, since 1964, this Province has sustained some rather difficult times. You know the political party represented by the Hon. Members opposite would have had us believe in 1964 that the land of milk and honey was just around the corner. Their story is a real Alice in Wonderland thriller with even greater exaggeration. You know, Mr. Speaker, in 1964 one would have thought that the heavens were about to open and huge quantities of investment and industrial development would suddenly pour forth; that jobs would be created; that the population would suddenly sky-rocket and that the provincial economy would be eternally buoyant. In point of fact, however, what was their record in terms of investment and industrial development?

From 1968 to 1970 the investment actually declined from \$1,242 per capita to \$1,038 per capita. This per capita investment takes on particular significance when one considers that our population was declining during this period of time. With the exception of the 1930s people were leaving this province at an unprecedented rate. Retail sales were falling off. They thought that the panacea to all of our problems as they saw them was simply to attract large, usually foreign-owned, corporations into the province. Over those years we had banner headline after banner headline reporting all the new businesses coming into our province. Somehow most of these measures never materialized, along with those 80,000 new jobs. Although the 80,000 figure had no significance as it applied to jobs it did roughly equate or equal the loss of population during those austere years from 1964 to 1971.

There was the Heavy Water Plant at Estevan — was it built? No. After the Heavy Water Plant there was to be a \$20 million Ammonia Plant at Estevan. Did it materialize? No. There was the \$2.5 million Asbestos Cement Pipe Manufacturing Plant to be built in Regina. What happened to it? There was the Iron Processing Plant to be built by Hudson Bay Mining and Smelting Company, it never materialized. There was the chemical plant in Prince Albert — \$5 million, there was a Volkswagen Distribution Centre and the list goes on and on. The end result in the main, was the investment by a handful of giant corporations who were attracted to this province by social welfare in the form of loans, grants, royalty holidays and numerous types of subsidies. In the end we are left with a series of oversupply situations in these industries — an oversupply of pulp; an oversupply of potash; an oversupply of uranium; an oversupply of sodium sulphate.

The Hon. Members across the Chamber and the rest of their colleagues who could not escape their just reward at the polls have failed, Mr. Speaker. The champions of big business have failed in their own corporate backyards. Their promises so full of fire and fury in the final analysis signified nothing. A more classic case of government mismanagement and failure in the development of industry could not be found anywhere in the annals of modern political history.

Well, the fairy tales are over. People of this province got a little tired with this level of fiction and said we will have no more.

Some Hon. Members: — Hear, hear!

Mr. Dyck: — Although the present

Government has been in only a few short months, what does the record show? The Department of Industry and Commerce reported that in 1971 we had new investments of over \$10 million with creations of many new jobs.

Some Hon. Members: — Hear, hear!

Mr. Dyck: — In 1972 we had reported new investments of over \$21 millions. Let us examine a partial list of the new industries and expansions that developed or were completed in Saskatchewan in 1972.

Hillcrest Farms, Bruno — \$350,000 investment, 12 new jobs; Saskatchewan Wheat Pool, Yorkton — \$296,000 investment, 8 new jobs; Topline Feed, Swift Current — \$300,000, 4 new jobs; Saskatchewan Wheat Pool, Saskatoon — \$3 million, 20 jobs; Tisdale Dehydrators, Tisdale — \$207,000; Beaver Lumber Company, Yorkton — \$500,000; Oxbow Industry, Oxbow — \$76,000 — 11 new jobs; Pegasus Industries, Shellbrook — \$65,000 — 8 new jobs; Canaday's Limited, Moose Jaw — \$100,000, 23 jobs; M and M Fabricators, North Battleford — \$34,000, 7 new jobs; Walbaum and Paul, Saskatoon — \$415,000, 62 jobs; Leon's, Yorkton — \$33,000, 20 new jobs; Morris Rod Weeder, Yorkton — \$388,000, 25 new jobs; Smith-Roles, Saskatoon — (the company that was supposed to leave our province) \$129,000 investment, 6 new jobs; Brickset Manufacturing Limited, Frontier — \$100,000 investment, 8 new jobs; Glaslyn Forest Products, Glaslyn — \$240,000, 17 new jobs; Meadow Lake Sawmill Company, Meadow Lake — \$6,500,000, 90 new jobs.

I submit, Mr. Speaker, that this partial list is an impressive list. I submit that this list will continue to grow in the years immediately ahead.

Some Hon. Members: — Hear, hear!

Mr. Dyck: — During the last year I served on the Legislative Committee on Business Firms, which is investigating the problems and prospects of business across this province. I met with a number of business people and they expressed some of their concerns to me. Some of their concerns involve the growth of the large corporations and the effects that this growth is having on their own business operations. I understand their concern in this regard. In the city of Calgary, I understand that the Safeway Stores in that city are now moving into the corner grocery store business. The corner grocery store business, Mr. Speaker, as this House will appreciate, has always been the domain of the small and individual operator. But no longer, the larger retail stores want this business as well. They don't want 99 per cent of retail sales, they want 100 per cent of retail sales.

Furthermore, what are the giants doing in the oil industry? In Saskatoon alone I know of three service station outlets that will no longer be run by the individual but will be taken over directly by the corporation — Imperial Oil in this particular case. The line between the wholesaler and the retailer is getting less distinct almost daily. The small retail operator is concerned about the chain wholesaler making inroads into his business.

I want to suggest to the small and independent business sector of this province that this steady and continuous erosion, this steady and continuous encroachment will result in the demise of the individual operator. Yes, the business community is concerned about these developments and I believe so should the people of Saskatchewan. Multi-national corporations are growing at every turn with their tentacles reaching out around the globe. This process has produced a growing list of companies where foreign investment in sales are equal to or greater than the revenue derived from their domestic operations. Take the Americans, for example Standard Oil of New Jersey, Esso, International Telephones and Telegraphs, Singer, Colgate-Palmolive, Mobile Oil, National Cash Register, Corn Products, Goodyear, are all giant corporations which are approaching a figure where half of their fixed assets are outside of the United States. There are scores of smaller corporations in the same position, like International Packers, Burroughs, H.H. Heinz, Warner-Lambert Pharmaceuticals, Gillette and so on. Foreign operations contribute anything between 30 and 50 per cent of the total profit earned by such giant American corporations as Eastman Kodak, Caterpillar Tractor, International Harvester, Minnesota Mining and Manufacturing. IBM now does more than one-third of its total business outside of the United States. No country in the Western world has been more influenced by foreign investment than Canada. As early as 1926 some 35 per cent of Canadian manufacturing industry was under foreign control. By 1963 this figure was already up to 60 per cent. Thus by the mid 1960s substantially more than half of all Canadian manufacturing industry was overwhelmingly under American foreign control. They control over 50 per cent of the Canadian Mining and Smelting industry and 75 per cent of Petroleum and Natural Gas industry. This type of investment by the multi-national corporations is beginning to dominate the international scene and the most internationalized country in the world is Canada where the domestic economy has been taken over by foreign companies. This should raise some serious questions in the minds of the people of Saskatchewan and in the minds of the people of Canada. Questions about the right of Canadian people to chart their own destiny. Questions about the powers of the large corporations to allocate resources and decide which resources will be developed and which will not. Questions about the power of these organizations to control the market place, to develop new wants, to advertise and use other promotional techniques. Questions about the powers of these organizations to employ or not to employ. Questions about the powers of these organizations to allocate income.

Mr. Speaker, I want to come back to some of these points at a later date but in the meantime I beg leave to adjourn the debate.

Debate adjourned.

The Assembly adjourned at 5:27 o'clock p.m.